

新特能源股份有限公司

Xinte Energy Co., Ltd.

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

Stock code : 1799



2026
INTERIM REPORT



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Corporate Profile

DIRECTORS

Executive Directors

Mr. Huang Hanjie (*Chairman*)
Mr. Wang Bin (*Appointed on 16 September 2026*)
Ms. Huang Fen
Mr. Hu Weijun (*Resigned on 5 January 2026*)
Mr. Nan Xinjian (*Appointed on 30 January 2026, and resigned on 21 August 2026*)

Non-executive Directors

Mr. Zhang Xin
Mr. Hu Youcheng
Mr. Yang Xiaodong (*Re-designated from Executive Director to Non-executive Director on 5 January 2026*)

Independent Non-executive Directors

Mr. Sin, Kin On Johnny (*Appointed on 16 June 2026*)
Mr. Cui Xiang
Mr. Tam, Kwok Ming Banny
Mr. Chen Weiping (*Resigned on 16 June 2026*)

AUDIT COMMITTEE

Mr. Tam, Kwok Ming Banny (*Chairman*)
Mr. Cui Xiang
Mr. Zhang Xin
Mr. Hu Youcheng
Mr. Sin, Kin On Johnny (*Appointed on 16 June 2026*)
Mr. Chen Weiping (*Resigned on 16 June 2026*)

NOMINATION COMMITTEE

Mr. Cui Xiang (*Chairman*)
Mr. Tam, Kwok Ming Banny
Mr. Huang Hanjie
Ms. Huang Fen
Mr. Sin, Kin On Johnny (*Appointed on 16 June 2026*)
Mr. Chen Weiping (*Resigned on 16 June 2026*)

REMUNERATION AND ASSESSMENT COMMITTEE

Mr. Cui Xiang (*Chairman*)
Mr. Tam, Kwok Ming Banny
Mr. Hu Youcheng
Mr. Sin, Kin On Johnny (*Appointed on 16 June 2026*)
Mr. Wang Bin (*Appointed on 16 September 2026*)
Mr. Hu Weijun (*Resigned on 5 January 2026*)
Mr. Chen Weiping (*Resigned on 16 June 2026*)
Mr. Nan Xinjian (*Appointed on 30 January 2026, and resigned on 21 August 2026*)

STRATEGY COMMITTEE

Mr. Huang Hanjie (*Re-designated from a member to Chairman on 5 January 2026*)
Mr. Cui Xiang
Mr. Zhang Xin
Mr. Yang Xiaodong (*Re-designated from Chairman to a member on 5 January 2026*)
Mr. Sin, Kin On Johnny (*Appointed on 16 June 2026*)
Mr. Chen Weiping (*Resigned on 16 June 2026*)

JOINT COMPANY SECRETARIES

Ms. Zhang Juan
Ms. Au Wing Han (*Appointed on 24 April 2026*)
Ms. Chan Yin Wah (*Resigned on 24 April 2026*)

AUTHORIZED REPRESENTATIVES

Mr. Tam, Kwok Ming Banny
Ms. Au Wing Han (*Appointed on 24 April 2026*)
Ms. Chan Yin Wah (*Resigned on 24 April 2026*)

AUDITOR

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Certified Public Accountants
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STOCK CODE

1799

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Definitions

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

“30%-controlled company”	has the meaning as ascribed to it under the Listing Rules
“Articles of Association”	the articles of association adopted by the Company, as amended from time to time
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Audit Committee”	Audit Committee of the Board of the Company
“Board”	the board of Directors of the Company
“CASBE”	China Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “Xinte Energy”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a company with limited liability incorporated in the PRC on 20 February 2008, which was transformed into a joint stock limited company on 16 October 2012, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1799)
“Controlling Shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“DC”	direct current (the unidirectional flow of electric charge)
“Director(s)”	a director (or all directors) of the Company
“Domestic Share(s)”	ordinary share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“General Meetings”	the annual general meetings, extraordinary general meetings of the Company
“Group”	the Company and its subsidiaries
“GW”	gigawatt, a unit of power. 1GW = 1,000MW
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each which are listed on the Main Board of the Stock Exchange and are subscribed for and traded in Hong Kong dollars

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 September 2026, being the latest practicable date prior to the printing of this report for including certain information
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to that term in Chapter 14 of the Listing Rules
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“MOF”	Ministry of Finance of the PRC
“MW”	megawatt, a unit of power. 1MW = 1,000kW
“NDRC”	National Development and Reform Commission of the PRC
“NEA”	the National Energy Administration of the PRC
“Nomination Committee”	Nomination Committee of the Board of the Company
“on-grid tariff”	the selling price of electricity for which a power generating project can sell the electricity it generated to the power grid companies, usually denominated in RMB/kW-h
“State Council”	the State Council of the PRC
“Province”	a province or, as the context requires, a provincial level autonomous region or municipality under the direct supervision of the central government of the PRC
“PV”	photovoltaic
“R&D”	research and development
“Remuneration and Assessment Committee”	Remuneration and Assessment Committee of the Board of the Company
“Reporting Period”	the six months ended 30 June 2026

Definitions

“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“SSE”	Shanghai Stock Exchange
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy Committee”	Strategy Committee of the Board of the Company
“subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Sunoasis”	TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司), a joint stock company incorporated in the PRC on 30 August 2000 and a 91.26% owned subsidiary of the Company (previously translated as TBEA Xinjiang New Energy Co., Ltd.) as at the Latest Practicable Date
“SVG”	Static VAR generator
“TBEA”	TBEA Co., Ltd. (特變電工股份有限公司), a joint stock company incorporated in the PRC with limited liability on 26 February 1993 and listed on the Shanghai Stock Exchange (Stock code: 600089). As of the Latest Practicable Date, TBEA directly and indirectly held 66.61% equity interest of the Company, and is the Controlling Shareholder of the Company
“TW”	terawatt, a unit of power. 1TW=1,000GW
“Xinjiang”	Xinjiang Uygur Autonomous Region
“Xinjiang Tebian”	Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司), a company with limited liability incorporated in the PRC on 27 January 2003, holding 4.30% equity interest in the Company directly and indirectly as of the Latest Practicable Date. Xinjiang Tebian is a Connected Person of the Company as it is a 30%-controlled company of Mr. Zhang Xin, a Director of the Company
“%”	per cent

* For identification purpose only

Management Discussion and Analysis

I. REVIEW OF INDUSTRY DEVELOPMENT STATUS

The first half of 2026 marked a critical juncture for the kick-off of China's "15th Five-Year Plan" energy strategy. Building on the solid foundation of green energy transition laid during the "14th Five-Year Plan" period, the construction of a new power system steadily accelerated. By the end of June 2026, the cumulative installed capacity of wind and solar power accounted for 48.31% of China's total installed capacity, reflecting the continued advancement of the green and low-carbon transformation of the power industry. While the long-term positive development trend of the new energy industry remained fundamentally unchanged, sector-specific cyclical challenges became increasingly pronounced. On the supply side, overcapacity remained largely unabated; on the demand side, the combined impact of multiple factors, including the phased rebound in China's domestic new PV installed capacity market, adjustments to export tax-rebate policies and mounting overseas trade barriers, kept product prices across all segments of the industrial chain under persistent pressure. With the roll-out and enforcement of a suite of initiatives such as mandatory energy consumption standards, the phasing-out of backward production capacity will be expedited, and the new energy industry is poised to move into a sound and virtuous development cycle.

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

- In January 2026, the NDRC, the Ministry of Ecology and Environment of the People's Republic of China, the State-owned Assets Supervision and Administration Commission of the State Council, the NEA, and other relevant departments jointly issued the Guiding Opinions on the Construction of Zero-Carbon Factories (《關於開展零碳工廠建設工作的指導意見》). The document stipulates that, starting from 2026, China will select a number of zero-carbon factories to serve as benchmarking models. By 2027, a batch of zero-carbon factories are expected to be cultivated in sectors such as automotive, lithium batteries, photovoltaics, electronics and electrical appliances, light industry, machinery, and computing infrastructure. The document also calls for accelerating the green and low-carbon transformation of energy consumption structures to achieve carbon reduction at source. This includes developing and utilising distributed PV, distributed wind power, and biomass power generation in light of local conditions, exploring direct green power supply, and increasing the utilisation proportion of renewable energy. In addition, eligible factories are encouraged to build industrial green microgrids that integrate PV, wind power, waste heat recovery, new-type energy storage, and high-efficiency heat pumps, thereby enabling highly efficient complementary and synergistic utilisation of multiple energy sources.
- In April 2026, the General Office of the State Council and other departments issued the Opinions on Advancing Energy Conservation and Carbon Reduction at a Higher Level and with Higher Quality (《關於更高水平更高質量做好節能降碳工作的意見》). The document sets forth that China will pursue a coordinated approach between carbon reduction efforts and the green transformation of the energy sector. This entails reasonably controlling the installed capacity and power generation of coal-fired power, vigorously developing non-fossil energy and new energy storage, accelerating the construction of a new power system, and fostering innovative business models such as direct green power supply and smart microgrids. The document also aims to promote the consumption of green electricity and ensure that incremental clean energy power generation progressively covers incremental electricity demand across society.

Management Discussion and Analysis

- In April 2026, the NDRC, the NEA, the National Data Administration of the People's Republic of China, and other relevant departments jointly issued the Action Plan on Promoting Bidirectional Empowerment between Artificial Intelligence and Energy (《關於促進人工智能與能源雙向賦能的行動方案》). The document sets forth the objectives of strengthening the foundational role of energy in supporting AI development, leveraging the multiplying effect of AI on energy transition, and promoting bidirectional empowerment between AI and energy development. By 2027, a secure, green and cost-effective energy guarantee system supporting AI innovation and development is expected to be initially established, with significant improvements in the interactive capabilities between clean energy and computing infrastructure. By 2030, China's capacity to supply clean energy for AI computing infrastructure, together with its research and development and application of AI-specific technologies in the energy sector, is expected to reach world-leading levels, with notable progress achieved in the bidirectional empowerment between AI and energy.
- In May 2026, the NDRC and the NEA jointly issued the Notice on Matters Concerning the Orderly Promotion of Multi-User Direct Green Power Supply Development (《關於有序推動多用戶綠電直連發展有關事項的通知》). The document specifies that new loads may be supported by newly constructed new energy power sources to form multi-user direct green power supply projects. For existing loads, single-user direct green power supply projects may incorporate additional new loads, with corresponding expansion of new energy power sources to form multi-user direct green power supply projects. Users with green electricity consumption needs may explore multi-user direct green power supply by leveraging surrounding new energy resources. All or part of the loads within industrial parks, zero-carbon parks, and incremental distribution networks may be connected to nearby new energy sources to form multi-user direct green power supply projects. Support is provided for new energy power generation projects that have not yet commenced grid connection engineering construction, as well as those unable to connect to the grid due to constraints such as limited new energy accommodation, to carry out multi-user direct green power supply after completing the relevant change procedures. Distributed PV may participate in multi-user direct green power supply through centralized aggregation.
- In June 2026, the NDRC and the NEA jointly issued the "15th Five-Year Plan" for the Construction of a New Energy System (《新型能源體系建設「十五五」規劃》). The document sets forth the primary objective of building a new energy system in China, namely to preliminarily establish a clean, low-carbon, safe and efficient new energy system by 2030. Under this framework, the share of non-fossil energy in total primary energy consumption is targeted to reach 25%, the installed power generation capacity of wind power and solar power accounted for more than 50%, thereby becoming the dominant component of power installation, and the proportion of non-fossil energy power generation capacity is to reach 50%, thereby becoming the dominant source of electricity. A resilient, green, low-carbon, integrated, smart and efficient new energy infrastructure system will be expedited, and a new power system will be preliminarily established.

- In June 2026, the NDRC, the State Administration for Market Regulation, and other relevant departments jointly issued three mandatory national standards on energy consumption and energy efficiency in the PV sector, namely the Energy Consumption Limits for Polysilicon and Germanium Unit Products (《硅多晶和鍺單位產品能源消耗限額》), and the Energy Consumption Limits for Monocrystalline Silicon Unit Products (《硅單晶單位產品能源消耗限額》), and the Limits of Energy Efficiency and Energy Efficiency Grades for Crystalline Silicon Photovoltaic Modules and Inverters (《晶體硅光伏組件和逆變器能效限定值及能效等級》). These standards cover key links across the entire PV industry chain, including polysilicon, silicon wafers, modules, and inverters, establishing mandatory constraints on energy consumption and energy efficiency throughout the value chain, with graded indicators set for corresponding products. They aim to strictly regulate high-energy-consuming and low-efficiency production capacity across all segments, and to enhance the green governance system of the PV industry chain through standardisation, thereby providing institutional support for the high-quality development of the new energy industry. These three standards are cohesive and mutually reinforcing. On the one hand, they will raise the green market access threshold for PV products and drive the transformation and upgrading of the PV industry; on the other hand, they unify the accounting rules for energy consumption and energy efficiency across the entire chain, facilitating the further low-carbon development of photovoltaics as a green energy source. Through these binding standards, the global competitiveness of China's PV industry will be reinforced, supporting the green and low-carbon transformation of the energy sector and the achievement of the "dual carbon" goals.

2. Review of Development Status of the Polysilicon Industry

According to statistics from the China Photovoltaic Industry Association and the Silicon Industry Branch of China Nonferrous Metals Industry Association, polysilicon production in the PRC reached approximately 538,000 tons in the first half of 2026, representing a year-on-year decrease of 9.8%. The price of polysilicon in the PRC experienced a downward trend under pressure with the average price of N-type refeeding materials decreasing from RMB59,200/ton (tax included) at the beginning of January 2026 to RMB32,800/ton (tax included) at the end of June 2026, representing a decrease of 44.59%. Polysilicon manufacturers maintained relatively low average operating rates, and the polysilicon industry was in a state of sustained loss.

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

According to statistics from the NEA, the newly installed power generation capacity in China was approximately 158.70GW in the first half of 2026, representing a significant decline as compared to approximately 293GW for the corresponding period of last year. As of the end of June 2026, China's cumulative installed power generation capacity was approximately 4,042.52GW, representing a year-on-year increase of 10.80%, of which the cumulative installed power generation capacity of wind power and solar power reached 1,952.86GW, accounting for 48.31%.

In the first half of 2026, newly installed PV capacity in China reached approximately 72.07GW, representing a year-on-year decrease of approximately 66%. As of the end of June 2026, the cumulative installed PV capacity in China reached approximately 1,274.11GW. During the same period, newly installed wind power capacity in China amounted to approximately 38.62GW, representing a year-on-year decrease of approximately 26.52%. As of the end of June 2026, China's cumulative installed wind power capacity was approximately 678.75GW. During the Reporting Period, the significant decline in new wind and PV installations compared to the corresponding period of last year was primarily attributable to a combination of factors, including increased uncertainty in project returns following the marketisation of new energy electricity pricing, insufficient regional power consumption, and the high base effect resulting from policy-driven installation ramp-ups during the corresponding period of last year.

II. PRINCIPAL BUSINESS OPERATIONS OF THE GROUP

During the Reporting Period, in order to proactively address the challenges facing the industry, the Group continued to deepen its efforts in improving the quality and reducing the cost of polysilicon. It advanced, in an orderly manner, the development, construction and operation of wind power and PV resources while optimising the scale and structure of such businesses, strengthening the R&D innovation and market development capabilities of its electrical equipment manufacturing sector, and enhancing its overall operating quality. During the Reporting Period, the Group recorded operating revenue of RMB10,153.29 million, net loss of RMB224.19 million, and net loss attributable to shareholders of the listed company of RMB211.89 million, representing a reduction in loss compared to the net loss attributable to shareholders of the listed company of RMB256.29 million in the corresponding period of last year.

1. Polysilicon Production

During the Reporting Period, faced with an external environment including persistent imbalances between supply and demand in the industry, intensifying market competition, and accelerating iteration in customer demand, the Group deeply implemented its business philosophy of “market-oriented, customer-centered, and quality-driven”, the Group empowered the realization of customer value by focusing on objectives such as enhancing product reliability, reducing production energy consumption and costs, and standardizing on-site operations as well as implementing flexible manpower line controls. It coordinated the advancement of multiple process optimization initiatives, the implementation of energy-saving technical retrofit projects, and the practical application of smart systems, thereby achieving continuous improvements in product quality stability and energy consumption levels. These efforts further strengthened the market competitiveness and operational resilience of the Group's polysilicon business during the industry's clearing phase.

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

In the first half of 2026, the Group coordinated resource development and business model innovation, continued to carry out its traditional business of developing and constructing the centralized and distributed power plants, and simultaneously advanced the implementation of new business model projects such as new energy storage, direct connection of green power, and zero-carbon industrial parks. By leveraging technology to enhance the effectiveness of resource assessment, the Group promoted the efficient conversion of high-quality wind and solar resources. The Group is committed to refining the quality system standards for new energy power plants, strengthening full-lifecycle quality control of equipment, establishing robust defenses against major accident risks, and ensuring the safe and stable operation of projects. The Group comprehensively advanced refined cost control across all business scenarios, leveraging a multi-dimensional approach, including improving the engineering cost control system, optimizing design solutions, implementing a centralized procurement model, establishing an information-based cost management system, and strengthening comprehensive on-site construction management, to fully tap into the potential for cost reduction in engineering projects.

Management Discussion and Analysis

During the Reporting Period, with regard to the operation of new energy power plant projects, the Group implemented a number of measures to advance the refined management of operation and maintenance costs and improve operational efficiency. By leveraging initiatives such as digital efficiency improvements, cost reductions through centralized procurement, preventive maintenance, and lean management of equipment, the Group established a full-chain cost control system to continuously reduce operation and maintenance costs. The Group conducted in-depth analyses of the rules and price trends governing medium-and long-term power transactions, green power transactions, and spot market transactions in various provinces. Based on these analyses, it developed diversified power trading strategies for each operating power plant and dynamically adjusted contracted power volumes to ensure the sound operational economics of its renewable energy power plants. As of the end of June 2026, the Group had achieved grid-connected power generation for operational power plant projects exceeding 4GW.

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

By leveraging the application of artificial intelligence technology, optimising process design and tackling the localisation of core components, the Group has driven the complete upgrading of the performance, quality and cost-effectiveness of its electrical equipment. The adaptability and operational stability of products under extreme environments such as high-temperature conditions have been significantly enhanced, whilst the failure rate of complete units, the risk of potential failures and comprehensive costs have been simultaneously reduced. The Group's inverter products have successfully been shortlisted for the annual framework procurement lists of several central and state-owned enterprises in China, with the shortlisting rate for centralised procurement rising by 9 percentage points year-on-year; according to the 2025 global market share rankings for PV inverter manufacturers released by S&P Global Energy, a leading international authority, the Company ranked fourth globally. Meanwhile, the Company was also included in Bloomberg New Energy Finance (BNEF)'s list of Tier 1 both power inverter and energy storage manufacturers, reflecting the dual recognition of the Company's comprehensive strength in the PV and energy storage business by leading international authorities. In overseas markets, the Group has steadily advanced the implementation of several major projects, realizing breakthroughs in new country-specific orders for energy storage and inverter products in regions; contracts were signed for flexible DC converter valves for the China Southern Power Grid's Hunan-Guizhou Back-to-Back Project (南網湘黔背靠背項目) and the State Grid's Shandong-Jiangsu Back-to-Back Project (國網魯蘇背靠背項目), with a cumulative contract value exceeding RMB1.4 billion.

4. Technology and R&D

In terms of polysilicon production, the Group concentrated on industry-wide challenges such as improving product quality and reducing overall system energy consumption. It advanced energy-saving technology retrofits, targeted innovation projects, and process optimisation in an orderly manner, focusing on areas such as impurity removal for polysilicon, large-model application for reduction furnaces, slurry-process simulation, and comprehensive energy-consumption management. At the same time, by leveraging intelligent construction, the Group launched unified interlock management and process-stability management platforms to continuously improve product quality stability and energy-consumption levels.

In terms of the development, construction, operation of wind power and PV resources and the manufacturing of key equipment, the Group successfully launched its first network-forming integrated energy-storage converter-and-boost unit in the first half of 2026, filling a gap in network-forming products. It also released multiple new products including energy-storage and distributed inverters and SVGs, which demonstrate improved environmental adaptability for scenarios such as high altitude, high temperatures, and weak grids, with reliability indicators ranking among the industry's best. The Group steadily advanced R&D programmes for new products, continually pushing the limits of volume and weight for energy-storage converters at comparable power levels, overcoming inverter adaptation challenges for sustained full-load operation under extreme high temperatures; it also undertook R&D projects on key technologies such as overload capacity for flexible DC converter valves and fully digital fault-recording devices, thereby continuously strengthening the Group's overall R&D capabilities and innovation momentum.

In the first half of 2026, a total of 47 patents submitted by the Group were granted. As of the end of June 2026, the Group had a total of 921 domestic patents, 2 international patents, and participated in the preparation of 245 issued standards, including 6 international standards, 68 national standards and 61 industry standards.

5. Safety Protection Construction

The Group consistently upholds the core management philosophy that “safety is the bottom line of development” (安全是發展底線), prioritizing the enhancement of intrinsic safety in both processes and equipment, positioning the construction of the HSSE (health, safety, security and environmental protection) system as a core guarantee for stable production and operations, and coordinating and advancing all aspects of safety production management. During the Reporting Period, the Group routinely conducted organization-wide training on safety production laws and regulations, as well as industry-wide typical accident case studies. Through in-depth interpretation of policies and thorough reviews of lessons learned, it developed standardized operating manuals and refined its internal safety management systems. Furthermore, the Group conducted comprehensive safety hazard inspections with closed-loop rectification measures implemented, thereby laying a solid compliance and safety foundation for its business operations. The Group also continuously upgraded AI-powered recognition systems and online monitoring and early warning systems for critical equipment. By leveraging digital and intelligent control measures for real-time online monitoring of major hazard sources and various safety risks, it aims to facilitate a fundamental shift in safety production management from “reactive response” to “proactive prevention”, thereby reinforcing the long-term management mechanisms for safety production within the Group.

6. Human Resources Team Building

The Group closely aligned its efforts with core priorities, including cost reduction, efficiency enhancement, technological breakthroughs, and market expansion. By focusing on organizational efficiency, talent cultivation, and performance empowerment, the Group continuously optimized its organizational structure, refined its talent development system, and stimulated operational effectiveness across the workforce. These initiatives aim to build a high-quality talent pool that adapts to industry cycle characteristics and supports the implementation of corporate strategy. During the Reporting Period, the Group conducted targeted talent cultivation and precision recruitment across key areas such as production management, R&D, and market expansion. The Group concentrated its efforts on overcoming challenges in production, processes, equipment, quality and R&D, promoting the rapid alignment of its talent pipeline with business needs. Adhering to the philosophy of “training serving production operations”, the Group established a competency-based training system for talents, refined the job skills matrix model, and advanced the development of various skilled master workshops. These efforts facilitated the inheritance of outstanding technical expertise and continuously enhanced the effectiveness of talent cultivation. Following the management principles of “structural optimization, efficiency enhancement, and precision control”, the Group continued to refine its compensation and incentive system, leveraging performance-driven mechanisms to fully mobilize the enthusiasm and creativity of its personnel.

III. OPERATING RESULTS AND ANALYSIS

Financial Review

Revenue

The Group generates revenue mainly from the R&D, production and sales of high-purity polysilicon, the development, construction and operation of wind power and PV power plants, and the R&D, manufacturing and sales of electrical equipment such as inverters, SVG, energy storage and flexible direct current transmission converter valves ("**FDC Converter Valve**"). For the six months ended 30 June 2026, the revenue of the Group was RMB10,153.29 million, representing an increase of RMB2,842.46 million or 38.88% from RMB7,310.83 million in the corresponding period of last year, which was mainly attributable to an increase in the sales volume of polysilicon of the Group during the Reporting Period. The revenue of each business segment is as follows:

For the six months ended 30 June 2026, the revenue of the polysilicon segment was RMB3,888.21 million, representing an increase of RMB2,909.48 million or 297.27% from RMB978.72 million in the corresponding period of last year, which was mainly attributable to an increase in the sales volume of polysilicon of the Group during the Reporting Period.

For the six months ended 30 June 2026, the revenue of the construction of wind power and PV power plants segment was RMB3,396.91 million, representing an increase of RMB56.35 million or 1.69% from RMB3,340.56 million in the corresponding period of last year.

For the six months ended 30 June 2026, the revenue of the operation of wind power and PV power plants segment was RMB1,087.37 million, representing a decrease of RMB218.50 million or 16.73% from RMB1,305.87 million in the corresponding period of last year, which was mainly attributable to the impact of the marketisation of the new energy power generation sector, resulting in a decline in the on-grid electricity volume and settlement tariff of the Group's operational power stations during the Reporting Period.

For the six months ended 30 June 2026, the revenue of the electrical equipment segment was RMB1,593.64 million, representing an increase of RMB129.86 million or 8.87% from RMB1,463.78 million in the corresponding period of last year, which was mainly attributable to the increase in the sales volume of the Group's electrical equipment such as energy storage during the Reporting Period.

Management Discussion and Analysis

Cost

For the six months ended 30 June 2026, the costs incurred by the Group was RMB8,819.68 million, representing an increase of RMB2,177.37 million or 32.78% from RMB6,642.31 million in the corresponding period of last year, which was mainly due to the increase in sales volume of polysilicon of the Group during the Reporting Period. The cost incurred by each business segment is as follows:

For the six months ended 30 June 2026, the cost incurred by the polysilicon segment was RMB3,834.02 million, representing an increase of RMB1,822.17 million or 90.57% from RMB2,011.85 million in the corresponding period of last year, which was mainly due to the increase in sales volume of polysilicon of the Group during the Reporting Period.

For the six months ended 30 June 2026, the cost incurred by the construction of wind power and PV power plants segment was RMB2,821.96 million, representing an increase of RMB159.71 million or 6.00% from RMB2,662.24 million in the corresponding period of last year.

For the six months ended 30 June 2026, the cost incurred by the operation of wind power and PV power plants segment was RMB602.72 million, representing an increase of RMB42.07 million or 7.50% from RMB560.65 million in the corresponding period of last year, which was mainly due to the increase in the scale of wind power and PV operation projects of the Group which have generated electricity, resulting in a corresponding increase in cost during the Reporting Period.

For the six months ended 30 June 2026, the cost incurred by the electrical equipment segment was RMB1,430.29 million, representing an increase of RMB202.22 million or 16.47% from RMB1,228.07 million in the corresponding period of last year, which was mainly due to the increase in the sales volume of the Group's electrical equipment such as energy storage during the Reporting Period.

Gross profit and gross profit margin

For the six months ended 30 June 2026, the gross profit of the Group was RMB1,333.61 million, representing an increase of RMB665.09 million or 99.49% from RMB668.52 million in the corresponding period of last year. For the six months ended 30 June 2026, the comprehensive gross profit margin was 13.13%, representing an increase of 3.99 percentage points from 9.14% in the corresponding period of last year, which was mainly attributable to the gradual resumption of production at some of the Group's polysilicon production lines following the completion of technical upgrades and maintenance in 2025, coupled with a slight increase in polysilicon selling prices as compared to the corresponding period of last year, resulting in an increase in both gross profit and gross profit margin for the polysilicon business as compared to the corresponding period of last year.

Selling expenses

For the six months ended 30 June 2026, the selling expenses of the Group were RMB250.01 million, representing a decrease of RMB15.81 million or 5.95% from RMB265.82 million in the corresponding period of last year.

Administrative expenses

For the six months ended 30 June 2026, the administrative expenses of the Group were RMB362.14 million, representing an increase of RMB5.97 million or 1.68% from RMB356.17 million in the corresponding period of last year.

R&D expenses

For the six months ended 30 June 2026, the R&D expenses incurred by the Group were RMB175.27 million, representing an increase of RMB18.13 million or 11.54% from RMB157.14 million in the corresponding period of last year, which was mainly due to the Group's intensified efforts in scientific research and innovation, and the R&D expenses incurred during the Reporting Period were relatively higher.

Financial expenses

For the six months ended 30 June 2026, the financial expenses of the Group were RMB315.91 million, representing an increase of RMB35.22 million or 12.55% from RMB280.70 million in the corresponding period of last year, which was mainly due to the increase in the Group's borrowings during the Reporting Period.

Investment income

For the six months ended 30 June 2026, the investment income of the Group was RMB502.95 million, representing an increase of RMB80.75 million or 19.13% from RMB422.20 million in the corresponding period of last year, which was mainly due to income generated from the Group's hedging options business during the Reporting Period.

Income tax expenses

For the six months ended 30 June 2026, the income tax expenses of the Group were RMB237.63 million, representing an increase of RMB165.50 million or 229.43% from RMB72.14 million in the corresponding period of last year, which was mainly due to the increased profitability of certain subsidiaries of the Group compared to the corresponding period of last year, and supplementary payment of relevant taxes by the Group during the Reporting Period.

Management Discussion and Analysis

Net loss attributable to shareholders of the listed company

For the six months ended 30 June 2026, the net loss attributable to shareholders of the listed company was RMB211.89 million, representing a decrease in loss of RMB44.40 million as compared to that of RMB256.29 million in the corresponding period of last year.

Profit or loss attributable to non-controlling interests

For the six months ended 30 June 2026, the net loss attributable to non-controlling interests incurred by the Group was RMB12.29 million, as compared to RMB51.07 million in the corresponding period of last year, which was mainly because Sunoasis, a subsidiary of the Company, carried out a capital increase by introducing third-party investors in June 2025, Sunoasis achieved profitability during the Reporting Period, and a decrease in the Company's shareholding in Sunoasis.

Cash flows

Net cash flow generated from operating activities

For the six months ended 30 June 2026, the net cash inflow generated from operating activities of the Group was RMB84.27 million, as compared to the net outflow of RMB856.53 million in the corresponding period of last year, which was mainly due to the increase in sales volume of polysilicon and the increase in net inflow from operating activities of polysilicon business of the Group during the Reporting Period.

Net cash flow generated from investing activities

For the six months ended 30 June 2026, the net cash outflow generated from investing activities of the Group was RMB1,669.21 million, representing a decrease of RMB642.65 million or 27.80% from RMB2,311.86 million in the corresponding period of last year, which was mainly due to the maturity of the Group's deposit-based financial assets and the receipt of investment returns during the Reporting Period.

Net cash flow generated from financing activities

For the six months ended 30 June 2026, the net cash inflow generated from financing activities of the Group was RMB5,708.09 million, representing a decrease of RMB437.42 million or 7.12% from RMB6,145.51 million in the corresponding period of last year.

Operation fund

	As at 30 June 2026	As at 31 December 2025
Balance of cash and cash equivalents (<i>RMB</i>)	10,121,739,717.56	6,005,238,095.67
Gearing ratio*	37.87%	40.96%
Inventory turnover rate (<i>times</i>)	1.90	2.77
Inventory turnover days (<i>days</i>)	94.98	129.80

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

As at 30 June 2026, the balance of cash and cash equivalents at the end of the period of the Group was RMB10,121.74 million (31 December 2025: RMB6,005.24 million).

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

As at 30 June 2026, the gearing ratio of the Group was 37.87% while that as at 31 December 2025 was 40.96%.

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

The inventory turnover rate and turnover days of the Group were 1.90 times and 94.98 days respectively as at 30 June 2026, and the inventory turnover rate and turnover days of the Group were 2.77 times and 129.80 days respectively as at 31 December 2025.

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

Capital expenditure

For the six months ended 30 June 2026, the major capital expenditure of the Group included: a total of RMB2,813.66 million of expenditure for the purchases of fixed assets and intangible assets as well as other long-term assets.

Management Discussion and Analysis

Pledge of assets

As at 30 June 2026, the Group's long-term borrowings with an amount of RMB12,105.96 million were secured or pledged by the Group's assets including fixed assets, construction in progress and receivables, and there were no secured borrowings for the current period.

Capital liquidity

As at 30 June 2026, current assets of the Group amounted to RMB31,578.65 million, among which, RMB13,125.86 million was monetary capital; RMB5,980.03 million was inventories and contract assets; RMB8,107.74 million was accounts receivable, notes receivable and receivables financing, primarily consisting of the receivables of construction and operation of wind power and PV power plants and receivables of sales of inverters and other electrical equipment; and RMB4,108.47 million was other receivables, prepayments and other current assets, primarily consisting of margin and deposit, prepayments and value-added tax credits. As at 30 June 2026, current liabilities of the Group amounted to RMB22,579.27 million, including RMB15,634.89 million of accounts payable and notes payable, primarily consisting of payables for purchase of equipment, laboring, materials, coal fuels necessary for daily operations; RMB2,238.84 million of contract liabilities, primarily consisting of the prepayments for sales of polysilicon; RMB443.26 million of other payables, primarily consisting of temporary receipts payable, deposits payable and deposits and advances payable, etc.; RMB175.04 million of taxes payable, primarily consisting of various taxes to be paid; and RMB962.56 million of short-term borrowings. As at 30 June 2026, apart from RMB1,488.00 million of the Group's borrowings which bore fixed interest rates, the remaining borrowings bore interest at floating rates.

As at 30 June 2026, net current assets of the Group amounted to RMB8,999.39 million, representing an increase of RMB5,576.74 million as compared to RMB3,422.65 million as at 31 December 2025. The current ratio was 139.86% as at 30 June 2026, representing an increase of 24.90 percentage point as compared to 114.96% as at 31 December 2025. Restricted cash amounted to RMB3,004.12 million, mainly including bill deposits for guarantee.

Credit risk

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

Foreign exchange risk

The Group's foreign exchange exposure is mainly related to US dollars, Euro, Indian Rupee and Pakistan Rupee, etc. Except that individual subsidiaries of the Group are using US dollars and other foreign currencies for settlement, other main business operations of the Group are denominated and settled in RMB. As at 30 June 2026, some of the Group's assets and liabilities have balances in US dollars, Euro, Indian Rupee and Pakistan Rupee, etc. The foreign exchange exposure of balances in such foreign currencies is minimal, and will not have a material adverse impact on the financial position of the Group. The Group adopts reasonable hedging instruments and products to reduce the risk of exchange rate fluctuations, adheres to the principle of exchange rate hedging, clarifies the management of target exchange rates, and appropriately conducts businesses such as spot and forward settlements to avoid the risk of exchange rate fluctuations.

Interest rate risk

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

Contingent liabilities

As at 30 June 2026, the Group did not have any material contingent liabilities.

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

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

Future plans for material investment or capital asset

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

Significant investments

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

Events after the balance sheet date

Up to the date of this report, there were no events that may have a material impact on the Group after 30 June 2026.

IV. PROSPECTS

Market Prospects

According to the main energy development indicators set out in the “15th Five-Year Plan for the Construction of a New Energy System” (《新型能源體系建設「十五五」規劃》), China’s total installed power capacity is expected to increase by 38.82% to 5.4 billion kW by 2030 from 3.89 billion kW at the end of 2025, of which wind and solar power installations will account for more than 50%, reaching over 2.7 billion kW, an increase of 46.58% from 1.842 billion kW at the end of 2025.

According to the Electricity 2026 released by the International Energy Agency (IEA), average annual additional generation from renewable sources is expected to reach approximately 1,050 TWh by 2030. Among all generation types, PV power shows the strongest growth momentum, with average annual additional generation exceeding 600 TWh; while its share of total generation will rise from about 8% in 2025 to 15% in 2030, nearly doubling in scale. By 2030, renewable energy generation is projected to grow at an average annual rate of 8.4%, with variable renewable energy (primarily wind and solar) generation sustaining rapid expansion. The global share of generation from these two sources will increase from the current 17% to 27% by 2030. PV power generation is expected to surpass wind and nuclear generation in 2026 and to exceed hydro generation by 2029, becoming the single largest source of clean renewable energy worldwide.

Business Plan in the Second Half of 2026

At present, the new energy industry has fully moved from a phase of rapid expansion into a deep adjustment cycle characterised by structural quality improvement and competition over existing capacity. Industry homogenisation and intensified cost competition are creating numerous challenges for corporate operations and development. In the second half of 2026, the Group will adhere to the core business philosophy of building its foundation on quality, focus on improving energy efficiency and optimizing costs, concentrate on addressing weaknesses and empowering innovation, continuously accumulate core competitive momentum for medium-to long-term development, and proactively respond to the various challenges brought by industry cycle fluctuations.

1. Safety Production Plan

The Group will closely follow the safety work priorities of “strengthening foundations, addressing weaknesses, enhancing capabilities, and ensuring outcomes”, with a focus on systematic governance, precise prevention and control, as well as digital and intelligent empowerment, continually improving the safety production management system to ensure stability across production and operations. Firstly, the Group will improve its tiered and categorised safety control system, refine specialised safety management standards according to the risk characteristics of different business types, optimise safety role and responsibility frameworks, and build a strong safety management team, promoting the routinised, regulated and standardised implementation of safety management rules and procedures. Secondly, the Group will deepen full-process risk control, focusing on major hazards and key business links, conducting routine dynamic risk identification, hidden-hazard inspection and remediation, and establishing closed-loop hidden-hazard ledgers to mitigate and resolve safety risks at the source. Thirdly, the Group will advance upgrades in digital and intelligent safety governance, leveraging IoT and big-data monitoring to implement around-the-clock dynamic surveillance of core production equipment and high-risk operation areas, improving the precision of risk early warning and anomaly handling while strengthening “zero-manual” operational procedures, with a view to continuously enhancing inherent safety standards through technological means. Fourthly, the Group will strengthen workforce capabilities for safety duty performance by conducting targeted training and assessments in post-specific safety operations, emergency response, risk identification, and compliant operations, with particular emphasis on strengthening the hands-on skills of frontline personnel involved in production, construction, and commissioning, to consolidate grassroots safety production foundations.

2. Polysilicon Production Plan

Rooted in the current industry cycle situation, the Group’s polysilicon business will undertake the main tasks of building quality excellence, refining operation and reducing consumption and costs, while thoroughly exploring its production and operational potential. Firstly, the Group will remain committed to its market-and-customer-oriented approach, further refining quality control standards for back-contact cell dedicated materials, strengthening quality management capabilities across the entire production chain, and continuously optimizing product quality and portfolio. Secondly, the Group will continue to implement full-process lean cost-reduction management, focusing on production processes such as raw material consumption, production energy use, equipment operation and maintenance, auxiliary material utilisation, and finished-product losses; it will refine cost and energy-control indicators to continuously compress unit production costs and comprehensive energy consumption, with a view to building competitive advantages in the industry. Thirdly, the Group will accelerate iterative upgrades of production intelligence, orderly implementing digitalisation and automation transformations of production equipment, and use intelligent means to enable the achievement of production objectives of stable production, optimised yields, and lower energy consumption.

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

The Group will closely centre business activities on its core strategy of “dual-drive development as a power electronics manufacturer and a green intelligent energy service provider” and “dual-circulation across domestic and international markets”. Firstly, the Group will consolidate the strategic positioning of the energy services segment as ballast, adhere to value creation, investment returns and asset preservation as guiding principles, strictly control project investment risks and return floors, continuously optimise business layout and asset structure, and improve overall operational efficiency and profitability; it will focus on emerging business forms such as direct green power connection and zero-carbon parks, improve full-chain service capabilities in solution design, project construction, intelligent operations and maintenance, thereby building core competitiveness for its integrated energy solutions. Secondly, the Group will accelerate the manufacturing competitiveness upgrade, focusing on enhancing product performance, reducing manufacturing costs, and improving operational reliability; it will increase R&D innovation and new product development for inverters, energy storage and other products, and continue to ensure delivery of flexible DC converter valves for the Tibet-Guangdong HVDC Project, the Hunan-Guizhou Flexible DC Back-to-Back Interconnection Project, and the Shandong-Jiangsu Flexible DC Back-to-Back Interconnection Project. Thirdly, the Group will broaden domestic and international market growth space by seizing opportunities from domestic ultra-high-voltage construction, new energy storage expansion, distributed energy capacity growth, overseas grid upgrades, and rapid development in emerging new-energy markets; it will continuously improve its sales channel layout and localised service systems to drive coordinated development across domestic and international markets.

4. Technology Innovation Plan

The Group will closely align with business pain points and market demand, focusing on quality improvement and cost reduction, product iteration, and business model innovation to deepen integration of technology R&D and industrial application and enable the enhancement of core competitiveness through innovation. Firstly, the Group will intensify core polysilicon process technology research, optimizing technologies in key areas such as low-energy-consumption production, high-purity product preparation, and auxiliary material recycling to further reduce comprehensive energy consumption and increase the proportion of high-value-added products, achieving cost reduction and quality upgrades through technology. Secondly, the Group will promote digital and intelligent innovation upgrades in new-energy services, improving integrated wind-solar-storage intelligent monitoring, smart dispatch, operation and maintenance control, and green-power trading digital systems, striving to implement a series of zero-carbon parks and green-power supply exemplary projects for high-energy-consumption enterprises, and building replicable and scalable digital-intelligent-energy service models. Thirdly, the Group will accelerate iterative upgrades of electrical equipment product technologies, speed up R&D of the next-generation products by focusing on key elements such as energy density, power performance, lightweight design, full-scenario adaptability and stability; it will partner with research institutes to overcome key and core technical challenges, break through bottlenecks in power control, thermal management and nighttime utilisation, and continuously improve product efficiency, reliability and cost-effectiveness. Fourthly, the Group will improve mechanisms for converting innovation achievements, unblocking the full-chain conversion channel from R&D and pilot production to mass production and application, drive the accelerated deployment of technology innovations, process optimisations and product upgrades to empower production and operations, thereby effectively transforming technological advantages into cost, market and profitability advantages.

5. Human Resources Plan

Aligning with its strategic objectives and business planning, the Group will focus on optimizing organisational efficiency, building talent pipelines, and cultivating professional skills to continuously enhance talent bench strength and organisational efficiency, thereby supporting overall business operations. Firstly, to continuously optimise organisational operational efficiency, the Group will steadily streamline and optimise its organisational structures, break down collaboration barriers across business units and operating entities, and coordinate the efficient allocation of core resources such as human capital, technology, and market efforts, thereby consistently enhancing its organisational response speed and overall operational efficacy. Secondly, the Group will conduct precision talent recruitment and development targeting core areas such as technological R&D, digital empowerment, production management, and market expansion. It aims to optimise the talent hierarchy structures, address talent shortages in business growth, and establish a robust talent pipeline. Thirdly, focusing on precision capability development, the Group will closely align training initiatives with the core competency requirements of various positions. It will launch specialised training programs covering lean production management, hands-on digital skills, project engineering control, and overseas business operations. Furthermore, the Group will establish a full-cycle development system encompassing training, evaluation, and post-training reviews, ensuring that employees' professional competencies seamlessly match role requirements and business development needs.

V. RISK FACTORS AND RISK MANAGEMENT

1. Risks associated with Changes in Policies

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

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

2. Risks associated with Technology and New Product Substitution

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

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

3. Risks associated with Intensified Market Competition

Under the historic opportunity of "dual carbon" goals and energy transformation, renewable energy has transitioned from an "alternative energy" to a "dominant energy". Despite the vast potential and favorable opportunities in the global new energy industry, the current slowdown in global new energy growth, coupled with the structural imbalance between supply and demand in the PV industry, has led to increasingly fierce market competition with the profit margins of products and services being further compressed. Major PV manufacturers have experienced prolonged periods of losses, and outdated production capacity and uncompetitive enterprises will be phased out at an accelerated pace. If competition in the new energy market continues to intensify, and if the supply-demand imbalance remains unresolved, and the intense "rat race" competition persists, it may adversely affect the Group's market share and profitability.

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

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

In 2025, China implemented a comprehensive market-oriented reform on the on-grid tariff of new energy, and new energy power generation will gradually shift from “quantity and price guaranteed” to “market bidding”. In this context, future supply and demand fluctuations in the new energy power market will affect new energy projects generation consumption capacity and transaction prices of power, and thus the uncertainty in revenue of power generation projects of new energy will increase. At the same time, it is more difficult to make investment decisions on incremental new energy projects, which may have a certain impact on the operating results of the Group.

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

5. Internationalization Risk

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

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

Corporate Governance

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

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

DIRECTORS’ RESPONSIBILITY FOR THE INTERIM FINANCIAL INFORMATION

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

DIVERSITY POLICY OF BOARD MEMBERS

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

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

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

AUDIT COMMITTEE

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

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

The Audit Committee reviewed the interim results announcement of the Group for the six months ended 30 June 2026, the 2026 interim report and the unaudited interim financial report for the six months ended 30 June 2026 which was prepared in accordance with the CASBE.

Other Information

SHARE CAPITAL

As at 30 June 2026, the structure of the issued share capital of the Company is as follows:

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

PUBLIC FLOAT

Based on the public information available to the Company and to the knowledge of the Directors of the Company, the Directors of the Company confirmed that, for the six months ended 30 June 2026 and as of the Latest Practicable Date, the Company has maintained a sufficient public float, which has remained at no less than 25% of its total number of issued Shares. As at 30 June 2026, approximately 26.22% of the issued Shares were held by the public, which complied with the requirements of Rule 19A.28B of the Listing Rules.

INTERIM DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2026, the Group has not purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As at 30 June 2026, the Company did not hold any treasury shares.

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, so far as known to the Company, the interest and/or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) (a) which will have to be notified to the Company and the Stock Exchange (including those taken or deemed to be owned by them under such provisions of the SFO); or (b) which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Name	Nature of interest	The Company/ associated corporation	Number/type of shares of the Company/ associated corporation held	Approximate percentage of shareholdings in the total share capital of the Company/ associated corporation ⁽¹⁾	Approximate percentage of shareholdings in the relevant class of Shares of the Company ⁽²⁾	Long position/ short position
Directors/chief executive						
Mr. Zhang Xin	Interest in a controlled corporation ⁽³⁾	The Company	61,443,108 Domestic Shares	4.30%	5.83%	Long position
	Beneficial owner	TBEA ⁽⁴⁾	528,324 shares	0.01%	N/A	Long position
	Interest in a controlled corporation ⁽⁵⁾	TBEA ⁽⁴⁾	581,077,428 shares	11.50%	N/A	Long position
Mr. Huang Hanjie	Beneficial owner	TBEA ⁽⁴⁾	1,219,400 shares	0.02%	N/A	Long position
Mr. Hu Youcheng	Beneficial owner	TBEA ⁽⁴⁾	940,734 shares	0.02%	N/A	Long position
Ms. Huang Fen	Beneficial owner	TBEA ⁽⁴⁾	412,000 shares	0.01%	N/A	Long position

Notes:

- (1) The calculation is based on the total number of 5,052,792,571 shares of TBEA in issue and the total number of 1,430,000,000 Shares of the Company in issue as at 30 June 2026.
- (2) The calculation is based on the total number of 1,053,829,244 Domestic Shares of the Company in issue as at 30 June 2026.
- (3) Mr. Zhang Xin (i) directly holds 40.08% equity interest in Xinjiang Tebian; (ii) holds 24.04% equity interest in Xinjiang Tebian through his wholly-owned Tianjin Hongyuan Innovation Enterprise Management Co., Ltd.* (天津宏遠創新企業管理有限公司); and (iii) pursuant to the SFO, as Xinjiang Hongyuan Innovation Enterprise Management Co., Ltd.* (新疆宏遠創新企業管理有限公司) ("**Xinjiang Hongyuan**"), in which he holds 70% equity interest, acts as the general partner of Xinjiang Xingze Enterprise Management Limited Partnership* (新疆興則企業管理有限合夥企業) ("**Xinjiang Xingze**"), Mr. Zhang Xin is also deemed to be interested in the 32.95% equity interest in Xinjiang Tebian held by Xinjiang Xingze. Xinjiang Tebian held 58,246,308 Domestic Shares of the Company as at 30 June 2026; Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.* (新疆遠卓企業管理諮詢有限公司), a wholly-owned subsidiary of Xinjiang Tebian, holds 3,196,800 Domestic Shares of the Company. Therefore, Mr. Zhang Xin holds approximately 4.30% of the total issued Shares of the Company through his interests in the controlled corporations.
- (4) TBEA is the Company's Controlling Shareholder and therefore an associated corporation of the Company. As at 30 June 2026, TBEA held 951,226,161 Domestic Shares (approximately 90.26% of the relevant class of Shares) of the Company, and TBEA (HONGKONG) CO., LIMITED, a wholly-owned subsidiary of TBEA, held 1,223,200 H Shares (approximately 0.33% of the relevant class of Shares) of the Company, which in total accounted for approximately 66.61% of the total number of issued Shares of the Company.
- (5) Mr. Zhang Xin directly holds 40.08% equity interest in Xinjiang Tebian and holds 24.04% equity interest in Xinjiang Tebian through his wholly-owned Tianjin Hongyuan Innovation Enterprise Management Co., Ltd.*; pursuant to the SFO, as Xinjiang Hongyuan, in which he holds 70% equity interest, acts as the general partner of Xinjiang Xingze, Mr. Zhang Xin is also deemed to be interested in the 32.95% equity interest in Xinjiang Tebian held by Xinjiang Xingze. Xinjiang Tebian directly holds 581,077,428 shares of TBEA.

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had any interest and/or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporation, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those being taken or deemed to be owned by them under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2026, so far as known to the Directors of the Company after reasonable enquiry, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and had been entered in the register required to be kept by the Company according to Section 336 of the SFO:

Name of Shareholder	Nature of interest	Class of Shares held	Number of Shares held	Approximate percentage of shareholdings in the relevant class of Shares of the Company ⁽¹⁾	Approximate percentage of shareholdings in the total share capital of the Company ⁽¹⁾	Long position/ short position
TBEA	Beneficial owner	Domestic Shares	951,226,161	90.26%	66.52%	Long position
	Interest in a controlled corporation ⁽²⁾	H Shares	1,223,200	0.33%	0.09%	Long position
					66.61%	
Xinjiang Tebian	Beneficial owner	Domestic Shares	58,246,308	5.53%	4.07%	Long position
	Interest in a controlled corporation ⁽³⁾	Domestic Shares	3,196,800	0.30%	0.22%	Long position
					4.30%	
Shanghai Ningquan Asset Management Co., Ltd. (上海寧泉資產管理有限公司)	Investment manager	H Shares	53,154,400	14.13%	3.72%	Long position

Notes:

- (1) The calculation is based on the total number of 1,430,000,000 Shares of the Company in issue as at 30 June 2026, in which 376,170,756 are H Shares and 1,053,829,244 are Domestic Shares.
- (2) TBEA indirectly holds 1,223,200 H Shares through its wholly-owned subsidiary TBEA (HONGKONG) CO., LIMITED.
- (3) Xinjiang Tebian indirectly holds 3,196,800 Domestic Shares through its wholly-owned subsidiary Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.* (新疆遠卓企業管理諮詢有限公司).

Save as disclosed above, as at 30 June 2026, the Directors of the Company are not aware that any other person (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or had been entered in the register required to be kept by the Company according to Section 336 of the SFO.

EMPLOYEES

As at 30 June 2026, the Group had a total of 7,133 employees. Remuneration paid to the Group's employees is comprised of basic salary of the respective position and performance-based salary, with the performance-based salary determined based on the performance of the Group and performance assessment results of the employees.

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

During the Reporting Period, the Group paid employees remuneration of RMB1,090.43 million in aggregate.

MAJOR LEGAL PROCEEDING

During the Reporting Period, the Company was not involved in any material litigation or arbitration, and so far as the Directors are aware, no major litigation or claims are pending or threatened against the Group.

CHANGE IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

1. Mr. Yang Xiaodong resigned from his position as general manager of the Company due to a work adjustment, with effect from 5 January 2026. Mr. Yang Xiaodong was re-designated as a non-executive Director on 5 January 2026 following a change in his position and responsibilities.
2. The Board appointed Mr. Nan Xinjian as general manager of the Company on 5 January 2026, with a term of office from the date of appointment until the expiry of the current term of office of the senior management. With the approval of the general meeting, Mr. Nan Xinjian was appointed as an executive Director of the Company, with effect from 30 January 2026 until the expiry of the term of office of the current Board. At the same time, Mr. Nan Xinjian was also approved by the Board to serve as a member of the Remuneration and Assessment Committee of the Board, with the same term as his term as an executive Director.
3. Mr. Hu Weijun resigned from his positions as executive Director and member of the Remuneration and Assessment Committee of the Board in line with adjustments to the Company's governance structure, with effect from 5 January 2026.
4. With the review and approval by the Board, Mr. Huang Hanjie was appointed as chairman of the Strategy Committee of the Board and Mr. Yang Xiaodong was appointed as a member of the Strategy Committee of the Board, with effect from 5 January 2026.

Other Information

5. The Board appointed Mr. Zhang Kaifan as the deputy general manager of the Company on 27 March 2026, with a term of office from the date of appointment until the expiry date of the current term of office of senior management.
6. The Board appointed Mr. Liu Xiubing as the safety director of the Company on 27 March 2026, with a term of office from the date of appointment until the expiry date of the current term of office of senior management.
7. Ms. Chan Yin Wah resigned from her positions as joint company secretary of the Company, the authorized representative and the process agent of the Hong Kong Stock Exchange, with effect from 24 April 2026. The Board appointed Ms. Au Wing Han as the Joint Company Secretary of the Company, the authorized representative and the process agent of the Hong Kong Stock Exchange on 24 April 2026 to succeed the relevant duties previously held by Ms. Chan Yin Wah.
8. Mr. Chen Weiping resigned from his positions as independent non-executive Director, members of the Strategy Committee of the Board, the Nomination Committee of the Board, the Remuneration and Assessment Committee of the Board and the Audit Committee of the Board for personal health reasons, with effect from 16 June 2026.
9. With the approval of the general meeting, Mr. Sin, Kin On Johnny was appointed as an independent nonexecutive Director of the Company, with effect from 16 June 2026 until the expiry of the term of office of the current Board. At the same time, Mr. Sin, Kin On Johnny was also approved by the Board to serve as members of the Strategy Committee of the Board, the Nomination Committee of the Board, the Remuneration and Assessment Committee of the Board and the Audit Committee of the Board, with the same term as his term as an independent non-executive Director.
10. Mr. Nan Xinjian has resigned from his offices as general manager, executive Director and a member of the Remuneration and Assessment Committee of the Board due to the need to devote more time to his personal and family matters, with effect from 21 August 2026.
11. The Board appointed Mr. Wang Bin as general manager of the Company on 21 August 2026, with a term of office from the date of appointment until the expiry date of the current term of office of senior management. With the approval of the general meeting, Mr. Wang Bin was appointed as an executive Director of the Company, with effect from 16 September 2026 until the expiry of the term of office of the current Board. At the same time, Mr. Wang Bin was also approved by the Board to serve as a member of the Remuneration and Assessment Committee of the Board, with the same term as his term as an executive Director.

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

Wang Bin, male, aged 38, holds a bachelor's degree and is an intermediate engineer specialising in photovoltaic silicon-based/polysilicon and a Project Management Professional (PMP), currently serves as an executive Director and general manager of the Company. He has held positions such as overseas marketing manager, manager of market management division of the international marketing department, assistant to the director, deputy director and director of the president's office of TBEA.

Mr. Sin, Kin On Johnny, male, aged 68, holds a PhD degree and the title of professor. He currently serves as an independent non-executive Director of the Company and the chairman and general manager of Ningbo JSAB Semiconductors Company Limited. Mr. Sin previously served as a senior researcher in the Research Department at Philips Laboratories in New York, USA and held positions such as the professor and the director of the Semiconductor Product Analysis and Design Enhancement Center and the director of the Nanoelectronics Fabrication Facility Center at the Department of Electronic and Computer Engineering of the Hong Kong University of Science and Technology. Mr. Sin has long been engaged in power semiconductor research and was elected a fellow of the Institute of Electrical and Electronics Engineers (IEEE) in 2012. He served as the chairman of the International Symposium on Power Semiconductor Devices and ICs (ISPSD) in 2015 and was inducted into the “Global Hall of Fame” of the ISPSD in 2020.

Mr. Nan Xinjian, male, aged 45, holds a bachelor's degree, and possesses the legal professional qualification in China and is a mid level engineer in chemical engineering. During the Reporting Period, he served as an executive Director and general manager of the Company. Mr. Nan previously served as a clerk of legal department and the deputy director of legal department of Xinjiang transformer factory of TBEA, the director of the legal department of TBEA, the director of the legal department, general counsel, assistant to the general manager, secretary of the commission for discipline inspection, deputy general manager and chief compliance officer of a subsidiary of TBEA.

Mr. Zhang Kaifan, male, aged 40, holds a master's degree and is an intermediate political engineer and an intermediate human resources management professional. He currently serves as the deputy general manager of the Company. Mr. Zhang has held positions such as assistant to the chairman of Mercury in North America, secretary to the chairman of TBEA, assistant to the director of the president's office, deputy director, assistant to the general manager and vice chairman of the trade union of a subsidiary of TBEA, and assistant to the general manager of the Company.

Mr. Liu Xiubing, male, aged 48, holds a bachelor's degree and is a registered safety engineer and a senior engineer. He currently serves as the safety director of the Company. Mr. Liu has held positions such as the manager of the safety and environmental management department of Zhejiang Huahai Pharmaceutical Co., Ltd.* (浙江華海藥業股份有限公司), the director of the safety and environment management department, assistant to the general manager and the deputy general manager of the Company.

Ms. Au Wing Han, female, holds a bachelor's degree and is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. She currently serves as the joint company secretary of the Company, the authorized representative and the process agent of the Hong Kong Stock Exchange, and the manager of SWCS Corporate Services Group (Hong Kong) Limited. She has over 10 years of professional experience in corporate secretarial services.

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

Consolidated Balance Sheet (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Current assets:		
Monetary capital	13,125,857,086.69	9,246,573,935.07
Clearing settlement funds		
Loans to other banks		
Financial assets held for trading	256,557,053.02	84,947,050.09
Derivative financial assets		
Notes receivable	421,064,222.41	139,748,306.09
Accounts receivable	6,978,754,929.11	6,149,484,539.22
Receivables financing	707,921,231.97	1,103,918,158.70
Prepayments	1,498,546,620.38	854,058,795.14
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	469,073,306.78	360,666,906.32
Including: Interests receivable		
Dividends receivable	85,621,785.32	91,079,838.60
Financial assets held under resale agreements		
Inventories	4,057,196,078.80	5,250,516,753.26
Contract assets	1,922,831,874.97	1,311,035,284.25
Assets held for sale		
Non-current assets due within one year	—	218,596,250.02
Other current assets	2,140,848,680.79	1,586,966,090.81
Total current assets	31,578,651,084.92	26,306,512,068.97
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	3,059,832,533.73	2,886,299,369.84
Other equity instrument investments	131,796,295.80	131,796,295.80
Other non-current financial assets		
Investment properties		
Fixed assets	39,691,454,714.14	41,160,077,627.25
Construction in progress	6,935,424,755.71	5,601,866,040.33
Productive biological assets		
Oil and gas assets		
Right-of-use assets	339,373,313.40	321,908,751.89
Intangible assets	1,365,091,614.72	1,487,430,818.45
Development expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	1,309,418,538.42	1,325,967,094.22
Other non-current assets	2,223,803,615.61	2,899,242,302.47
Total non-current assets	55,056,195,381.53	55,814,588,300.25
Total assets	86,634,846,466.45	82,121,100,369.22

Consolidated Balance Sheet (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Current liabilities:		
Short-term borrowings	962,563,016.57	1,131,337,437.66
Borrowing from central bank		
Loans from other banks		
Financial liabilities held for trading	5,226,292.44	7,488,887.79
Derivative financial liabilities		
Notes payable	5,809,540,900.55	4,898,259,810.05
Accounts payable	9,825,352,908.45	10,132,958,077.56
Advances received		
Contract liabilities	2,238,844,652.23	2,216,997,538.73
Proceeds from sale of repurchase financial assets		
Deposits from clients and placements from other banks		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Staff remuneration payables	634,891,322.36	677,499,606.04
Taxes payable	175,043,707.30	195,465,393.90
Other payables	443,255,901.37	774,570,080.30
Including: Interests payable		
Dividends payable	29,833,857.36	—
Handling fees and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,346,033,266.23	2,502,800,906.55
Other current liabilities	138,513,319.67	346,486,810.95
Total current liabilities	22,579,265,287.17	22,883,864,549.53
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	24,121,145,605.89	20,393,841,627.95
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	217,442,333.78	380,256,522.31
Long-term payables		
Long-term staff remuneration payables		
Accrued liabilities	501,472,430.55	513,058,247.37
Deferred income	530,974,553.08	558,611,348.00
Deferred income tax liabilities	299,829,398.69	301,746,578.43
Other non-current liabilities	42,136,744.52	43,533,218.47
Total non-current liabilities	25,713,001,066.51	22,191,047,542.53
Total liabilities	48,292,266,353.68	45,074,912,092.06

Consolidated Balance Sheet (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Shareholders' equity:		
Share capital	1,430,000,000.00	1,430,000,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	9,655,318,392.53	9,655,318,392.52
Less: Treasury shares		
Other comprehensive income	272,402,463.54	-104,590,544.24
Special reserve	67,925,540.10	58,703,365.02
Surplus reserve	981,955,892.67	981,955,892.67
General risk reserve		
Undistributed profit	19,224,222,344.32	19,436,115,451.59
Total equity attributable to shareholders of the parent company	31,631,824,633.16	31,457,502,557.56
Non-controlling interest	6,710,755,479.61	5,588,685,719.60
Total shareholders' equity	38,342,580,112.77	37,046,188,277.16
Total liabilities and shareholders' equity	86,634,846,466.45	82,121,100,369.22

Balance Sheet of the Parent Company (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Current assets:		
Monetary capital	719,264,606.11	965,891,136.72
Clearing settlement funds		
Loans to other banks		
Financial assets held for trading	14,366,112.55	5,208,456.70
Derivative financial assets		
Notes receivable	—	61,329,452.35
Accounts receivable	611,227,198.84	181,955,507.64
Receivables financing	—	102,656,675.16
Prepayments	16,479,958.04	61,692,626.43
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	3,812,933,115.56	1,840,494,885.78
Including: Interests receivable		
Dividends receivable	1,553,175,128.92	1,069,479,393.78
Financial assets held under resale agreements		
Inventories	38,271,009.26	318,351,874.45
Contract assets	—	611,257.34
Assets held for sale		
Non-current assets due within one year	—	218,596,250.02
Other current assets	58,457,588.30	472,861,390.27
Total current assets	5,270,999,588.66	4,229,649,512.86
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	20,105,563,387.72	19,848,575,001.00
Other equity instrument investments	129,796,295.80	129,796,295.80
Other non-current financial assets		
Investment properties		
Fixed assets	3,556,973,046.93	3,723,145,956.95
Construction in progress	222,199,493.65	128,695,709.39
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	186,977,656.12	186,700,592.27
Development expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets	155,434,850.74	114,059,087.48
Total non-current assets	24,356,944,730.96	24,130,972,642.89
Total assets	29,627,944,319.62	28,360,622,155.75

Balance Sheet of the Parent Company (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Current liabilities:		
Short-term borrowings		
Borrowing from central bank		
Loans from other banks		
Financial liabilities held for trading	4,349,032.44	4,579,644.57
Derivative financial liabilities		
Notes payable	404,025,479.01	427,164,988.83
Accounts payable	2,265,170,009.35	711,228,461.39
Advances received		
Contract liabilities	609,454,310.68	902,929,240.00
Proceeds from sale of repurchase financial assets		
Deposits from clients and placements from other banks		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Staff remuneration payables	140,034,697.57	152,656,210.57
Taxes payable	2,768,700.49	22,158,076.95
Other payables	1,102,038,677.31	4,345,507,875.97
Including: Interests payable		
Dividends payable		
Handling fees and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	265,801,652.24	87,804,914.19
Other current liabilities	79,229,060.39	121,919,526.73
Total current liabilities	4,872,871,619.48	6,775,948,939.20
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	3,832,379,179.89	1,365,500,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term staff remuneration payables		
Accrued liabilities		
Deferred income	267,965,459.38	284,183,245.34
Deferred income tax liabilities	67,631,103.91	68,596,745.59
Other non-current liabilities		
Total non-current liabilities	4,167,975,743.18	1,718,279,990.93
Total liabilities	9,040,847,362.66	8,494,228,930.13

Balance Sheet of the Parent Company (Unaudited)

Unit: RMB

Items	30 June 2026	31 December 2025
Shareholders' equity:		
Share capital	1,430,000,000.00	1,430,000,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	9,282,562,502.30	9,282,562,502.30
Less: Treasury shares		
Other comprehensive income	-50,412,955.37	-115,960,866.70
Special reserve	17,936,061.33	13,874,589.21
Surplus reserve	980,338,798.74	980,338,798.74
General risk reserve		
Undistributed profit	8,926,672,549.96	8,275,578,202.07
Total equity attributable to shareholders of the parent company	20,587,096,956.96	19,866,393,225.62
Non-controlling interest		
Total shareholders' equity	20,587,096,956.96	19,866,393,225.62
Total liabilities and shareholders' equity	29,627,944,319.62	28,360,622,155.75

Consolidated Income Statement (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
I. Total operating revenue	10,153,293,753.46	7,310,831,374.67
Including: Operating revenue	10,153,293,753.46	7,310,831,374.67
Interest income		
Premium earned		
Handling fees and commission income		
II. Total operating cost	10,010,439,453.60	7,820,898,513.81
Including: Operating cost	8,819,684,792.65	6,642,314,531.79
Interest expenses		
Handling fees and commission expenses		
Surrender value		
Net payment of insurance claims		
Net provision of insurance liability reserve		
Premium bonus expenses		
Reinsurance expenses		
Taxes and surcharges	87,419,557.31	118,768,062.96
Selling expenses	250,010,214.16	265,815,736.26
Administrative expenses	362,141,310.47	356,168,892.94
R&D expenses	175,268,941.31	157,135,807.73
Financial expenses	315,914,637.70	280,695,482.13
Including: Interest expenses	325,478,734.61	351,174,534.29
Interest income	50,857,887.30	69,184,158.34
Add: Other revenue	106,936,779.34	58,773,572.61
Investment income		
(loss is represented by "-")	502,952,033.69	422,199,617.24
Including: Investment income from		
associates and joint ventures	172,335,210.49	271,246,455.86
Gains from derecognition of financial		
assets measured at amortized cost		
Gains from foreign exchange		
(loss is represented by "-")		
Gains from net exposure to hedging		
(loss is represented by "-")		
Gain on changes in fair value		
(loss is represented by "-")	—	6,039,935.00
Impairment loss of credit		
(loss is represented by "-")	-155,110,863.26	8,027,739.65
Impairment loss of assets		
(loss is represented by "-")	-557,764,934.81	-252,345,334.91
Gains from disposal of assets		
(loss is represented by "-")	8,847,398.85	13,959,000.24
III. Operating profit (loss is represented by "-")	48,714,713.67	-253,412,609.31
Add: Non-operating revenue	4,203,807.10	19,174,457.57
Less: Non-operating expenses	39,471,315.86	984,089.63

Consolidated Income Statement (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
IV. Total profit (total loss is represented by “-”)	13,447,204.91	-235,222,241.37
Less: Income tax expenses	237,634,214.52	72,135,424.61
V. Net profit (net loss is represented by “-”)	-224,187,009.61	-307,357,665.98
(I) Classified by continuity of operations	-224,187,009.61	-307,357,665.98
1. Net profit from continuing operations (net loss is represented by “-”)	-224,187,009.61	-307,357,665.98
2. Net profit from discontinued operation (net loss is represented by “-”)		
(II) Classified by ownership	-224,187,009.61	-307,357,665.98
1. Net profit attributable to owners of the parent company (net loss is represented by “-”)	-211,893,107.27	-256,290,928.26
2. Profit or loss attributable to non-controlling interests (net loss is represented by “-”)	-12,293,902.34	-51,066,737.72
VI. Net other comprehensive income after tax	395,814,794.69	31,292,976.69
Net other comprehensive income after tax attributable to owners of the parent company	376,993,007.78	31,282,924.50
(I) Other comprehensive income not reclassified to profit or loss	375,374,526.51	29,304,175.97
1. Changes arising on remeasurement of defined benefit plans		
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss		
3. Changes in fair value of investments in other equity instruments	375,374,526.51	29,304,175.97
4. Changes in fair value of own credit risk of the Company		
5. Others		
(II) Other comprehensive income to be reclassified to profit or loss	1,618,481.27	1,978,748.53
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other debt investments		
5. Reserve for cash flow hedging (effective portion of profit or loss on cash flow hedging)	16,088,085.93	3,651,606.31
6. Exchange differences on translation of financial statements in foreign currency	-14,469,604.66	-1,672,857.78
7. Others		
Net other comprehensive income after tax attributable to non-controlling interest	18,821,786.91	10,052.19

Consolidated Income Statement (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
VII. Total comprehensive income	171,627,785.08	-276,064,689.29
Total comprehensive income attributable to shareholders of the parent company	165,099,900.51	-225,008,003.76
Total comprehensive income attributable to non-controlling interests	6,527,884.57	-51,056,685.53
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	-0.1482	-0.1792
(II) Diluted earnings per share (RMB/share)	-0.1482	-0.1792

Income Statement of the Parent Company (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
I. Total operating revenue	2,875,408,454.87	1,226,304,883.62
Including: Operating revenue	2,875,408,454.87	1,226,304,883.62
Interest income		
Premium earned		
Handling fees and commission income		
II. Total operating cost	3,057,262,261.55	1,179,997,365.11
Including: Operating cost	2,613,796,782.66	1,054,749,794.65
Interest expenses		
Handling fees and commission expenses		
Surrender value		
Net payment of insurance claims		
Net provision of insurance liability reserve		
Premium bonus expenses		
Reinsurance expenses		
Taxes and surcharges	10,032,266.29	13,907,588.44
Selling expenses	2,148,474.47	1,607,304.14
Administrative expenses	117,390,598.70	102,463,755.30
R&D expenses	3,608,950.94	10,186,733.83
Financial expenses	310,285,188.49	-2,917,811.25
Including: Interest expenses	323,452,085.68	6,424,350.00
Interest income	19,557,148.74	11,492,583.76
Add: Other revenue	21,891,938.11	32,529,072.61
Investment income		
(loss is represented by "-")	920,071,683.72	83,774,597.61
Including: Investment income from		
associates and joint ventures	57,167,173.11	134,511,318.35
Gains from derecognition of financial		
assets measured at amortized cost		
Gains from foreign exchange		
(loss is represented by "-")		
Gains from net exposure to hedging		
(loss is represented by "-")		
Gain on changes in fair value		
(loss is represented by "-")	—	6,039,935.00
Impairment loss of credit		
(loss is represented by "-")	-52,143,450.21	-38,469,700.46
Impairment loss of assets		
(loss is represented by "-")	-24,456,206.69	-961,343.02
Gains from disposal of assets		
(loss is represented by "-")	3,132,192.92	13,297,895.99
III. Operating profit (loss is represented by "-")	686,642,351.17	142,517,976.24
Add: Non-operating revenue	781,732.35	3,761,190.37
Less: Non-operating expenses	9,599,773.38	-3,000.06
IV. Total profit (total loss is represented by "-")	677,824,310.14	146,282,166.67
Less: Income tax expenses	26,729,962.25	-5,060,294.11

Income Statement of the Parent Company (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
V. Net profit (net loss is represented by “-”)	651,094,347.89	151,342,460.78
(I) Classified by continuity of operations	651,094,347.89	151,342,460.78
1. Net profit from continuing operations (net loss is represented by “-”)	651,094,347.89	151,342,460.78
2. Net profit from discontinued operation (net loss is represented by “-”)		
(II) Classified by ownership		
1. Net profit attributable to owners of the parent company (net loss is represented by “-”)	651,094,347.89	151,342,460.78
2. Profit or loss attributable to non-controlling interests (net loss is represented by “-”)		
VI. Net other comprehensive income after tax	65,547,911.33	23,664,321.06
Net other comprehensive income after tax attributable to owners of the parent company	65,547,911.33	23,664,321.06
(I) Other comprehensive income not reclassified to profit or loss	62,317,548.80	—
1. Changes arising on remeasurement of defined benefit plans		
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss		
3. Changes in fair value of investments in other equity instruments	62,317,548.80	—
4. Changes in fair value of own credit risk of the Company		
5. Others		
(II) Other comprehensive income to be reclassified to profit or loss	3,230,362.53	23,664,321.06
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other debt investments		
5. Reserve for cash flow hedging (effective portion of profit or loss on cash flow hedging)	3,230,362.53	23,664,321.06
6. Exchange differences on translation of financial statements in foreign currency		
7. Others		
Net other comprehensive income after tax attributable to non-controlling interest		

Income Statement of the Parent Company (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
VII. Total comprehensive income	716,642,259.22	175,006,781.84
Total comprehensive income attributable to shareholders of the parent company	716,642,259.22	175,006,781.84
Total comprehensive income attributable to non-controlling interests		
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		

Consolidated Statement of Cash Flows (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	8,920,796,102.00	9,267,853,706.07
Net increase in deposits from clients and placements from other banks		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling fees and commissions		
Net increase in loans from other banks		
Net increase in repurchases business fund		
Net cash received from agency security transaction		
Receipt of tax rebates	56,678,142.23	140,560,993.97
Other cash received from activities relating to operation	196,055,945.79	238,304,683.68
Sub-total of cash inflow from operating activities	9,173,530,190.02	9,646,719,383.72
Cash paid for goods purchased and services rendered	7,257,733,313.94	8,267,820,060.75
Net increase in loans and advances to customers		
Net increase in placements with central bank and other banks		
Cash paid for claims on original insurance contracts		
Net increase in financial assets held for trading purposes		
Net increase in loans to other banks		
Cash payment for interest, handling fees and commissions		
Cash payment for premium bonus		
Cash paid to and on behalf of staff	1,090,425,290.01	1,091,565,021.33
Taxes paid	531,273,301.63	862,393,360.77
Other cash paid for activities relating to operating activities	209,830,522.31	281,466,058.06
Sub-total of cash outflow from operating activities	9,089,262,427.89	10,503,244,500.91
Net cash flows generated from operating activities	84,267,762.13	-856,525,117.19

Consolidated Statement of Cash Flows (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
II. Cash flow generated from investment activities:		
Cash received from disposal of investments	—	2,614,080,818.99
Cash received from gains in investments	6,627,322.58	790,536.72
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	153,329,715.54	313,908,780.29
Net cash received from disposal of subsidiaries and other operating entities	546,552,046.46	230,458,969.65
Other cash received relating to investment activities	1,238,793,717.04	5,925,196,912.64
Sub-total of cash inflow from investment activities	1,945,302,801.62	9,084,436,018.29
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	2,813,660,771.78	3,277,475,344.35
Cash paid for investment	—	1,509,381,555.80
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities	800,855,657.14	6,609,443,157.81
Sub-total of cash outflow from investment activities	3,614,516,428.92	11,396,300,057.96
Net cash flow generated from investment activities	-1,669,213,627.30	-2,311,864,039.67
III. Cash flow from financing activities:		
Proceeds received from investments	1,264,737,330.00	1,843,333,200.00
Including: Proceeds received by subsidiaries from minority interests' investment	264,765,800.00	1,843,333,200.00
Cash received from borrowings	8,339,042,645.87	4,629,373,819.03
Cash received from issue of debt securities		
Other cash received relating to financing activities	384,715,894.91	1,989,891,342.14
Sub-total of cash inflow from financing activities	9,988,495,870.78	8,462,598,361.17
Cash paid for repayment of debts	3,667,527,007.99	1,926,614,561.50
Cash payments for dividend and profit distribution or interest repayment	447,213,851.38	297,160,906.04
Including: Dividend and profit paid by subsidiaries to minority interests	106,429,537.61	209,835,616.44
Other cash paid relating to financing activities	165,661,872.63	93,309,507.39
Sub-total of cash outflow from financing activities	4,280,402,732.00	2,317,084,974.93
Net cash flow generated from financing activities	5,708,093,138.78	6,145,513,386.24
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	-6,645,651.72	7,886,309.81
V. Net increase in cash and cash equivalents	4,116,501,621.89	2,985,010,539.19
Add: Balance of cash and cash equivalents at the beginning of the period	6,005,238,095.67	5,494,514,947.49
VI. Balance of cash and cash equivalents at the end of the period	10,121,739,717.56	8,479,525,486.68

Statement of Cash Flows of the Parent Company (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	2,081,263,225.32	1,503,149,235.76
Net increase in deposits from clients and placements from other banks		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling fees and commissions		
Net increase in loans from other banks		
Net increase in repurchases business fund		
Net cash received from agency security transaction		
Receipt of tax rebates	—	1,362,021.31
Other cash received from activities relating to operation	14,182,781.11	50,579,858.82
Sub-total of cash inflow from operating activities	2,095,446,006.43	1,555,091,115.89
Cash paid for goods purchased and services rendered	724,826,041.28	1,477,471,245.74
Net increase in loans and advances to customers		
Net increase in placements with central bank and other banks		
Cash paid for claims on original insurance contracts		
Net increase in financial assets held for trading purposes		
Net increase in loans to other banks		
Cash payment for interest, handling fees and commissions		
Cash payment for premium bonus		
Cash paid to and on behalf of staff	115,335,194.26	262,096,921.37
Taxes paid	73,137,063.36	136,972,502.64
Other cash paid for activities relating to operating activities	33,395,128.15	16,568,408.16
Sub-total of cash outflow from operating activities	946,693,427.05	1,893,109,077.91
Net cash flows generated from operating activities	1,148,752,579.38	-338,017,962.02

Statement of Cash Flows of the Parent Company (Unaudited)

Unit: RMB

Items	From January to June 2026	From January to June 2025
II. Cash flow generated from investment activities:		
Cash received from disposal of investments		
Cash received from gains in investments	333,089,585.42	65,163,500.00
Net cash received from disposal of fixed assets,		
intangible assets and other long-term assets	12,975,840.13	—
Net cash received from disposal of subsidiaries and other operating entities	358,726.28	—
Other cash received relating to investment activities	859,472,857.84	2,500,000.00
Sub-total of cash inflow from investment activities	1,205,897,009.67	67,663,500.00
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	21,520,151.50	52,963,244.08
Cash paid for investment	200,287,263.61	—
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities	5,189,855.39	431,012,867.58
Sub-total of cash outflow from investment activities	226,997,270.50	483,976,111.66
Net cash flow generated from investment activities	978,899,739.17	-416,312,611.66
III. Cash flow from financing activities:		
Proceeds received from investments		
Including: Proceeds received by subsidiaries from minority interests' investment		
Cash received from borrowings	2,145,638,888.88	—
Cash received from issue of debt securities		
Other cash received relating to financing activities	768,215,800.45	2,019,524,920.42
Sub-total of cash inflow from financing activities	2,913,854,689.33	2,019,524,920.42
Cash paid for repayment of debts	3,000,000.00	510,000,000.00
Cash payments for dividend and profit distribution or interest repayment	32,278,533.04	13,992,241.67
Including: Dividend and profit paid by subsidiaries to minority interests		
Other cash paid relating to financing activities	5,134,510,333.72	1,052,220,427.93
Sub-total of cash outflow from financing activities	5,169,788,866.76	1,576,212,669.60
Net cash flow generated from financing activities	-2,255,934,177.43	443,312,250.82
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	-1,932,690.25	505,690.41
V. Net increase in cash and cash equivalents	-130,214,549.13	-310,512,632.45
Add: Balance of cash and cash equivalents at the beginning of the period	385,961,829.80	707,068,573.70
VI. Balance of cash and cash equivalents at the end of the period	255,747,280.67	396,555,941.25

Unit: RMB

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Consolidated Statement of Changes in Shareholders' Equity (Unaudited)

Unit: RMB

From January to June 2025														
Equity attributable to the shareholders of the parent company														
Items	Share capital	Other equity instruments		Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Sub-total	Non-controlling interest	Total shareholders' equity
		Preference shares	Residual bonds											
I. Balance at the end of previous period	1,430,000,000.00			9,833,949,220.16		-135,337,283.02	41,180,844.93	981,955,892.67		20,641,591,615.72		32,793,340,290.46	2,500,384,954.15	35,293,725,244.61
Add: Changes in accounting policy														
Prior-period error correction														
Merger of enterprises under common control														
Others														
II. Balance at the beginning of the current period	1,430,000,000.00			9,833,949,220.16		-135,337,283.02	41,180,844.93	981,955,892.67		20,641,591,615.72		32,793,340,290.46	2,500,384,954.15	35,293,725,244.61
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")														
(i) Total comprehensive income						31,282,924.50	25,926,115.50			-256,290,928.26		-199,081,888.26	1,910,488,826.07	1,711,406,937.30
(ii) Contribution and reduction of capital by shareholders						31,282,924.50				-256,290,928.26		-225,008,003.76	-51,056,685.53	-276,064,689.29
1. Ordinary shares contributed by shareholders													1,961,183,910.42	1,961,183,910.42
2. Capital contributed by other equity instrument holders													1,961,183,910.42	1,961,183,910.42
3. Amount included in Shareholders' equity in share payment														
4. Others														
(iii) Profit distribution														
1. Withdrawal of surplus reserves														
2. Withdrawal of general risk reserve														
3. Distributions to shareholders														
4. Others														
(iv) Carry-forward of Shareholders' equity														
1. Conversion of capital reserves to increase share capital														
2. Conversion of surplus reserves to increase share capital														
3. Making up of losses by surplus reserves														
4. Carry-forward of retained earnings from changes in defined benefit plans														
5. Carry-forward of retained earnings from other comprehensive income														
6. Others														
(v) Special reserves							25,926,115.50					25,926,115.50	381,601.17	26,287,716.67
1. Current withdrawal							61,597,291.06					61,597,291.06	542,763.63	62,140,054.69
2. Current use							35,671,175.56					35,671,175.56	181,162.46	35,852,338.02
(vi) Others														
IV. Balance at the end of the current period	1,430,000,000.00			9,833,949,220.16		-104,054,358.52	67,106,960.43	981,955,892.67		20,385,300,687.46		32,594,258,402.20	4,410,873,780.22	37,005,132,182.41

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

Unit: RMB

Items	Other equity instruments							From January to June 2026			Total shareholders' equity	
	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Treasury shares	Less comprehensive income	Special reserve	Surplus reserve	Undistributed profit		Others
I. Balance at the end of previous period	1,430,000,000.00				9,282,562,502.30		(115,860,666.70)	13,874,588.21	980,338,796.74	8,275,578,202.07		19,866,393,226.62
Add: Changes in accounting policy												
Prior-period error correction												
Others												
II. Balance at the beginning of the current period	1,430,000,000.00				9,282,562,502.30		(115,860,666.70)	13,874,588.21	980,338,796.74	8,275,578,202.07		19,866,393,226.62
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")												
(I) Total comprehensive income							65,547,911.33	4,061,472.12		651,094,347.89		720,703,741.34
(II) Contribution and reduction of capital by shareholders							65,547,911.33			651,094,347.89		716,642,259.22
1. Ordinary shares contributed by shareholders												
2. Capital contributed by other equity instrument holders												
3. Amount included in Shareholders' equity in share payment												
4. Others												
(III) Profit distribution												
1. Withdrawal of surplus reserves												
2. Distributions to shareholders												
3. Others												
(IV) Carry-forward of Shareholders' equity												
1. Conversion of capital reserves to increase share capital												
2. Conversion of surplus reserves to increase share capital												
3. Making up of losses by surplus reserves												
4. Carry-forward of retained earnings from changes in defined benefit plans												
5. Carry-forward of retained earnings from other comprehensive income												
6. Others												
(V) Special reserves								4,061,472.12				4,061,472.12
1. Current withdrawal								7,041,471.42				7,041,471.42
2. Current use								2,979,999.30				2,979,999.30
(VI) Others												
IV. Balance at the end of the current period	1,430,000,000.00				9,282,562,502.30		(50,412,955.37)	17,536,061.33	980,338,796.74	8,926,672,549.96		20,887,096,956.96

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

Unit: RMB

Items	From January to June 2025							Total shareholders' equity
	Share capital	Preference shares	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Undistributed profit	
			Perpetual bonds				Surplus reserve	Others
I. Balance at the end of previous period	1,430,000,000.00			9,280,740,942.59		-129,175,789.32	1,288,374.30	20,202,332,942.84
Add: Changes in accounting policy								
Prior-period error correction								
Others								
II. Balance at the beginning of the current period	1,430,000,000.00			9,280,740,942.59		-129,175,789.32	1,288,374.30	20,202,332,942.84
III. Amount of increase/decrease/change in the current period (decrease is represented by "-")								
(I) Total comprehensive income						23,664,321.06	7,663,100.27	182,669,892.11
(II) Contribution and reduction of capital by shareholders						23,664,321.06	151,342,460.78	175,006,781.64
1. Ordinary shares contributed by shareholders								
2. Capital contributed by other equity instrument holders								
3. Amount included in Shareholders' equity in share payment								
4. Others								
(III) Profit distribution								
1. Withdrawal of surplus reserves								
2. Withdrawal of general risk reserve								
3. Distributions to shareholders								
4. Others								
(IV) Carry-forward of Shareholders' equity								
1. Conversion of capital reserves to increase share capital								
2. Conversion of surplus reserves to increase share capital								
3. Making up of losses by surplus reserves								
4. Carry-forward of retained earnings from changes in defined benefit plans								
5. Carry-forward of retained earnings from other comprehensive income								
6. Others								
(V) Special reserves								
1. Current withdrawal								
2. Current use								
(VI) Others								
IV. Balance at the end of the current period	1,430,000,000.00			9,280,740,942.59		-105,511,468.26	8,951,474.57	20,385,002,824.95

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

I. GENERAL INFORMATION OF THE COMPANY

(I) Company Profile

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

I. GENERAL INFORMATION OF THE COMPANY (continued)

(I) Company Profile (continued)

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

(II) Nature of Business

The Group’s polysilicon business falls within the “computer, communication and other electronic equipment manufacturing industry”, wind power and PV power plants development and construction business falls within “professional technical services”, wind power and PV power plants operation business falls within the “electricity and heat production and supply industry”, and the manufacture and sale of electrical equipment falls within the “other general-purpose equipment manufacturing industry”.

(III) Main Business

The Group is principally engaged in the research and development, production and sale of high-purity polysilicon; the development, construction and operation of wind power and photovoltaic power plants; and the manufacture and sale of electrical equipment including inverters, static VAR generator (“**SVG**”), energy storage and FDC Converter Valve. These financial statements have been approved for issuance by the Board of the Company on 21 August 2026.

II. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

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

2. Going concern

The Group has evaluated its ability to continue as a going concern for a period of 12 months from the end of the Reporting Period, and has not identified any material uncertainties that cast significant doubt on its ability to continue as a going concern. These financial statements are presented on a going concern basis.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

1. Statement of compliance with the ASBE

The financial statements comply with the ASBE, which reflect the financial positions of the Company and the Group as of 30 June 2026, as well as their results of operation and cash flows for the first half of 2026 truly and completely.

2. Accounting period

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

3. Business cycle

The normal business cycle refers to the period from the acquisition of assets for processing to the realization of cash or cash equivalents. The business cycle of the Group is 12 months, which is used as the basis for classifying assets and liabilities as current or non-current.

4. Recording currency

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

5. Determination method and selection basis of materiality criteria

The Group prepares and discloses its financial statements in accordance with the principle of materiality. The following describes the disclosures in the financial statement notes that require judgments about materiality, together with the methods used to determine materiality and the basis for selecting those criteria:

Disclosures involving judgments on materiality criteria	Determination method and selection basis of materiality criteria
Significant receivables with provision for bad debt made on individual basis	The amount of receivables with provision for bad debt made on individual basis exceeds RMB30 million
Significant amount of receivables with provision for bad debt recovered or reversed	The amount of single receivables with provision for bad debt recovered or reversed exceeds RMB10 million
Significant write-off of receivables	The amount of single receivables write-off exceeds RMB10 million
Significant changes in the carrying amount of contract assets	The amount of changes in the carrying amount of contract assets accounts for 30% of the opening balance of contract assets or the amount exceeds RMB100 million
Significant prepayments aged more than one year	Single prepayments aged more than one year
Significant construction in progress	The amount of single construction in progress exceeds RMB100 million
Significant accounts payable aged more than one year	The amount of single and significant accounts payable aged more than one year exceeds RMB100 million
Significant contract liabilities aged more than one year	The amount of single and significant contract liability aged more than one year exceeds RMB50 million
Significant changes in the carrying amount of contract liabilities	The amount of changes in the carrying amount of contract liabilities accounts for 30% of the opening balance of contract liabilities or the amount exceeds RMB100 million

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

5. Determination method and selection basis of materiality criteria (continued)

Disclosures involving judgments on materiality criteria	Determination method and selection basis of materiality criteria
Significant other payables aged more than one year	The amount of single and significant other payables aged more than one year exceeds RMB50 million
Significant non-wholly owned subsidiaries	The amount of any one of total revenue, net profit, net assets and total assets of non-wholly owned subsidiaries accounts for more than 8% of the Group's consolidated amount for any one item.
Significant joint ventures or associates	The carrying amount of long-term equity investments in single associate/joint venture accounts for more than 5% of the Group's net assets, or the investment profit or loss under the equity method of long-term equity investments accounts for more than 8% of the Group's consolidated net profit.
Significant commitments and contingencies	Single significant contingency and commitment of the Group which may affect an amount exceeding 5% of the Group's net assets, or commitments or contingencies deemed to be significant by management in light of the specific circumstances in which the Group operates.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

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

(1) Business mergers under common control

Business mergers under common control are those in which the combining entities, both before and after the merger, are ultimately controlled by the same party or by the same group of parties acting together, and such control is not temporary.

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

(2) Business mergers under different control

Business mergers under different control are those in which the combining parties are not ultimately controlled by the same party or the same group of parties both before and after the merger.

The identifiable assets, liabilities and contingent liabilities of the acquiree acquired by the Group, as the acquirer, from a business merger under different control should be measured at fair value at the acquisition date. If the cost of merging is greater than the fair value of the identifiable net assets of the acquiree obtained by the Group in business merger, the difference shall be recognized as goodwill; if the cost of merging is less than the fair value of the identifiable net assets of the acquiree obtained by the Group in business merger, the fair value of various identifiable assets, liabilities and contingent liabilities obtained in business merger and the cost of merging shall be re-checked first. If the rechecked cost of merger is still less than the fair value of the identifiable net assets of the acquiree obtained by the Group in business merger, the difference shall be included into current non-operating revenue.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Criteria for determining control and preparation methods of consolidated financial statements

The scope of consolidation for the Group's consolidated financial statements is determined on the basis of control and includes the Company and all subsidiaries controlled by the Company. The Group assesses control by determining whether it has power over the investee; exposure or rights to variable returns from its involvement with the investee; and the ability to use its power to affect those returns.

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

The effects of internal transactions between the Company and its subsidiaries, as well as those between subsidiaries on consolidated financial statements, are offset on consolidation. Shares in owners' equity of subsidiaries but not attributed to the parent company, net profit or loss for the current period, other comprehensive income and Shares attributed to non-controlling interests in total comprehensive income shall be listed in consolidated financial statements as "non-controlling interests, non-controlling profit or loss, other comprehensive income attributed to minority shareholders and total comprehensive income attributed to minority shareholders, respectively".

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

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

When the Group partially disposes of its long-term equity investment in a subsidiary while retaining control, the difference between the disposal proceeds and the proportionate share of the subsidiary's net assets attributable to the disposed investment, calculated from the acquisition date or the date of the business combination, is recognized in consolidated financial statements as an adjustment to capital reserve (share premium). If the capital reserve is insufficient, the excess is charged against retained earnings.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

7. Criteria for determining control and preparation methods of consolidated financial statements (continued)

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

If the Group disposes of its equity investment in a subsidiary until loss of control by multiple transactions that together constitute a package transaction, the transactions shall be accounted for as a single disposal of the subsidiary with loss of control. However, prior to loss of control, the difference between the consideration received for each disposal and the proportionate share of the subsidiary's net assets related to the disposed interest shall be recognized in other comprehensive income in consolidated financial statements and reclassified to investment profit or loss for the period in which control is lost upon loss of control. If the step-by-step disposals of equity investment in the subsidiary until loss of control do not constitute a package transaction, each disposal is accounted for separately depending on whether control is lost as a result of that disposal.

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

The Group's joint arrangements include joint operations and joint ventures. Joint operations refer to arrangements under which the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement. Joint ventures refer to arrangements under which the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

9. Cash and cash equivalents

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

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

(1) Foreign currency transaction

At initial recognition, the amount in a foreign currency transaction of the Group is converted into an amount in the recording currency at the spot exchange rate on the transaction date (or, as appropriate in practice, at the average exchange rate for the transaction period or a weighted average exchange rate). Monetary items calculated in foreign currency in the balance sheet shall be translated into the recording currency at the spot exchange rate on the balance sheet date; the exchange difference shall be included in current profit or loss directly, after disposal of the balance of exchange that is formed by special foreign currency loans borrowed for acquiring or producing assets which meet capitalized terms; foreign currency non-monetary items measured at historical cost are still converted based on the spot exchange rate on the transaction date, with the recording currency amount unchanged; foreign currency non-monetary items calculated at fair value are converted by using the spot rate on the date when the fair value is determined. The difference between the converted amount in the recording currency and the original recording currency amount shall be treated as change of fair value (including changes in exchange rates) and included in current profits or losses; capital contributions received from investors in foreign currency are translated at the spot exchange rate on the transaction date; no foreign currency translation difference between the foreign currency capital contribution and the amount of monetary items in the recording currency shall arise.

(2) Translation of financial statements in foreign currency

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments

(1) Recognition and derecognition of financial instruments

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

A financial asset is derecognized when any of the following conditions are met and the previously recognized financial asset is removed from the balance sheet: 1) the right to receive cash flows from the financial asset has expired; 2) the Group has transferred the right to receive cash flows from the financial asset, or has assumed an obligation under a “pass-through arrangement” to timely remit the received cash flows in full to a third party; and the Group has substantially transferred all the risks and rewards of ownership of the financial asset, or although the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, it has surrendered control of the financial asset.

A financial liability is derecognized when its obligations have been discharged, cancelled, or expired. If an existing financial liability is replaced by another financial liability from the same creditor on substantially different terms, or all the terms of an existing liability are substantially modified, such replacement or modification is accounted for as the derecognition of the original liability and the recognition of a new liability, with the difference being included in profit or loss for the current period.

Regular purchases and sales of financial assets are recognized and derecognized on their transaction dates. The transaction date is the date on which the Group commits to purchasing or selling the financial asset.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(2) Classification and measurement method of financial assets

At initial recognition, the Group classifies its financial assets based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets as financial assets measured at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss for the current period. Reclassification of affected financial assets is made when and only when the Group changes its business model for managing those financial assets.

When assessing the business model, the Group considers factors including how the entity evaluates and reports financial-asset performance to key management personnel, the risks that affect financial-asset performance and how those risks are managed, and how the remuneration of relevant business managers is determined. In assessing whether the objective is to hold assets to collect contractual cash flows, the Group analyzes and evaluates the reasons for, and the frequency, timing and value of disposing financial assets before their maturity.

When determining the contractual cash flow characteristics, the Group shall make judgments on whether the contractual cash flows represent solely payments of principal and interest on the principal outstanding. This assessment includes evaluating modifications for the time value of money and whether there are significant differences compared with a benchmark cash flow, and, for assets that include prepayment features, whether the fair value of the prepayment feature is insignificant.

Financial assets are measured at fair value on initial recognition. However, trade receivables and notes receivable that arise from the sale of goods or the provision of services and that do not contain a significant financing component (or for which the financing component of one year or less is not considered) are initially measured at the transaction price.

For financial assets at fair value through profit or loss for the current period, related transaction costs are directly included in profit or loss for the current period, related transaction costs related to other categories of financial assets are included in their initial carrying amount.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(2) Classification and measurement method of financial assets (continued)

Subsequent measurement of financial assets depends on their classification:

1) *Financial assets at amortized cost*

Financial assets meeting both of the following conditions are classified into financial assets at amortized cost: ① the financial asset is held within a business model with the objective to hold the financial assets in order to collect contractual cash flows; ② the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income on these financial assets is recognized using the effective interest method, gains or losses arising from their derecognition, modification or impairment are included in profit or loss for the current period. The Group's financial assets under this category primarily include: monetary capital, accounts receivable, notes receivable and other receivables.

2) *Investments in debt instruments at fair value through other comprehensive income*

Financial assets meeting both of the following conditions are classified into financial assets at fair value through other comprehensive income: ① the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial assets; ② the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income on these financial assets is recognized using the effective interest method. Except for interest income, impairment losses and exchange differences which are recognized in profit or loss for the current period, the remaining changes in fair value are included in other comprehensive income. Upon derecognition of the financial assets, the cumulative gains or losses previously included in other comprehensive income shall be transferred out and be included in profit or loss for the current period. The Group's financial assets under this category primarily include: receivables financing.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(2) Classification and measurement method of financial assets (continued)

3) *Equity instrument investments at fair value through other comprehensive income*

The Group irrevocably elects to designate certain equity instrument investments not held for trading as financial assets at fair value through other comprehensive income. The Group only recognizes related dividend income (except for dividends that clearly constitute a recovery of part of the investment cost) in profit or loss for the current period, subsequent changes in fair value are recognized in other comprehensive income, and no impairment provision is required. Upon derecognition of such financial assets, the cumulative gains or losses previously included in other comprehensive income shall be transferred out and be included in retained earnings. The Group's financial assets under this category are other equity instrument investments.

4) *Financial assets at fair value through profit or loss for the current period*

Other than the above financial assets classified as financial assets measured at amortized cost and those classified or designated as financial assets at fair value through other comprehensive income, the Group classifies its financial assets as financial assets at fair value through profit or loss for the current period. Such financial assets are subsequently measured at fair value, except for those accounted for under hedge accounting, all fair value changes are included in profit or loss for the current period. The Group's financial assets under this category primarily include: financial assets held for trading.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(3) Classification, recognition basis and measurement of financial liabilities

Except for financial guarantee contracts issued, loan commitments provided at interest rates below market rates, and financial liabilities arising from transfers of financial assets that do not qualify for derecognition or from continued involvement in transferred financial assets, the Group classifies its financial liabilities at initial recognition as: financial liabilities at fair value through profit or loss for the current period or financial liabilities measured at amortized cost. For financial liabilities at fair value through profit or loss for the current period, related transaction costs are recognized in profit or loss for the current period; transaction costs related to financial liabilities measured at amortized cost are included in their initial recognition amount.

Subsequent measurement of financial liabilities depends on their classification:

1) *Financial liabilities at amortized cost*

Financial liabilities at amortized cost are subsequently measured at amortized cost using the effective interest method.

2) *Financial liabilities at fair value through profit or loss for the current period*

Financial liabilities at fair value through profit or loss for the current period (including derivative instruments that are financial liabilities) comprise financial liabilities held for trading and financial liabilities designated at initial recognition as at fair value through profit or loss for the current period. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value, with all fair value changes recognized in profit or loss for the current period, except for those qualifying for hedge accounting. Financial liabilities designated as at fair value through profit or loss for the current period are subsequently measured at fair value; fair value changes are recognized in profit or loss for the current period except for those in fair value arising from the Group's own credit risk, which are recognized in other comprehensive income. If recognizing changes in fair value arising from the Group's own credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, the Group recognizes all fair value changes (including the effect of changes in its own credit risk) in profit or loss for the current period.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments

The Group accounts for impairment on financial assets at amortized cost and contract assets based on expected credit losses and recognizes provision for impairment losses.

1) *Measurement of expected credit losses*

Expected credit loss refers to the weighted average of credit losses on financial instruments weighted at the risk of default. Credit loss refers to the present value of all cash shortfalls, being the difference between all contractual cash flows due to the Group under the contract and all cash flows expected to be received, discounted at the original effective interest rate.

Lifetime expected credit loss refers to the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Expected credit loss for the next 12 months refers to the expected credit loss resulting from possible default events on a financial instrument within the 12 months after the balance sheet date (if the expected life of the financial instrument is less than 12 months, over its expected life), it represents a portion of the lifetime expected credit loss.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

2) *Impairment testing method for receivables*

For receivables arising from ordinary operating activities, such as the sale of goods and the provision of services, including accounts receivable, notes receivable, financing receivables and contract assets that do not contain a significant financing component, the Group applies the simplified approach and measures provision for losses at an amount equal to the lifetime expected credit losses.

For lease receivables, receivables containing a significant financing component and contract assets, the Group has elected to apply the simplified approach and measure provision for losses at an amount equal to the lifetime expected credit losses.

The Group designates receivables with individual balances above RMB30 million that are subject to litigation or other specific risks as individually significant receivables. Individually significant receivables are tested for impairment on an individual basis.

For receivables, expected credit losses are generally calculated on the basis of a portfolio of common credit risk characteristics by taking into account the elements that should be reflected in the expected credit loss measurement methodology and by reference to historical credit loss experience and preparing a reconciliation of aging of accounts receivable to the default loss rate, except for amounts that are individually significant and for which credit impairment has occurred, in which case the credit losses shall be determined separately. If the credit risk characteristics of a customer are significantly different from those of other customers in the portfolio, or if there is a significant change in the credit risk characteristics of the customer, for example, if the customer is in severe financial difficulty and the expected credit loss rate on receivables from this customer has significantly exceeded the expected credit loss rate for the aging and overdue ranges in which the customer is located, etc., the Group makes a provision for losses on an individual basis on the receivables from this customer.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

2) Impairment testing method for receivables (continued)

- ① Categories of portfolio for accounts receivable and contract assets and basis for determination

The Group groups accounts receivable and contract assets into portfolios on the basis of similarity and relevance of credit risk characteristics, taking into account aging, the nature of the amounts, credit exposure and historical collection experience. For accounts receivable and contract assets, the Group considers aging to be the primary driver of credit risk; accordingly, the Group refers to historical credit loss experience to compile aging schedules of accounts receivable and corresponding default loss rates, and uses these schedules as the basis for assessing expected credit losses. The basis for determining the portfolios is as follows:

Category of portfolio	Basis for determining the portfolio	Method for measuring expected credit loss
Portfolio of credit risk characteristics	Portfolio of aging	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, prepare a reconciliation table of the aging of accounts receivable/contract assets to the lifetime expected credit loss rate, and calculate expected credit loss
	Portfolio of electricity and subsidies	Calculate expected credit loss after considering, among other factors, the time value of money in conjunction with the receivable collection cycle

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

2) *Impairment testing method for receivables (continued)*

- ① Categories of portfolio for accounts receivable and contract assets and basis for determination (continued)

Lifetime expected credit loss rate of portfolio of electricity and subsidies in the credit risk characteristics portfolio:

Basis for determining the portfolio	Method for measuring expected credit loss
Portfolio of electricity and subsidies	Based on aging, discount the carrying amount of the portfolio of electricity and subsidies using the five-year LPR for the Reporting Period less 10%, and calculate the expected credit loss based on the difference between the carrying amount and the discounted amount

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

2) *Impairment testing method for receivables (continued)*

② Categories of portfolio for notes receivable and basis for determination

The Group classifies notes receivable into different portfolios based on their acceptors' credit risk as the common risk characteristic, and determines the accounting estimation policy for expected credit losses:

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

2) *Impairment testing method for receivables (continued)*

③ Categories of portfolio for other receivables and basis for determination

The Group classifies other receivables into certain portfolios based on credit risk characteristics, and calculates expected credit losses on a portfolio basis. Basis for determining the portfolio is as follows:

Category of portfolio	Basis for determining the portfolio	Method for measuring expected credit loss
Portfolio of credit risk characteristics	Portfolio of aging	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, prepare a reconciliation table of other receivables and expected credit losses for the next 12 months or lifetime, and calculate the expected credit loss

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(4) Impairment of financial instruments (continued)

3) *Impairment testing method for other current assets, debt investments, other debt investments, and other non-current assets*

For financial assets other than those measured using the simplified approach described above, such as other current assets, other debt investments, and other non-current assets, the Group applies the general approach (three-stage approach) to provide for expected credit losses. At each balance sheet date, the Group assesses whether their credit risk has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition (Stage 1), the Group measures the loss allowance at an amount equal to the expected credit losses within the next 12 months, and calculates interest income based on the carrying balance and the effective interest rate. If the credit risk has increased significantly since initial recognition but is not yet credit-impaired (Stage 2), the Group measures the loss allowance at an amount equal to the lifetime expected credit loss, and calculates interest income based on the carrying balance and the effective interest rate. If it is credit-impaired after initial recognition (Stage 3), the Group measures the loss allowance at an amount equal to the lifetime expected credit loss, and calculates interest income based on the amortized cost and the effective interest rate. For financial instruments that on the balance sheet date have only low credit risk, the Group assumes that their credit risk has not increased significantly since initial recognition.

Lifetime expected credit loss refers to the expected credit loss that results from all possible default events over the expected life of a financial instrument. Expected credit loss for the next 12 months refers to the expected credit loss that results from default events that are possible within 12 months after the balance sheet date (or, if the expected life of the financial instrument is less than 12 months, within the expected life), which forms a portion of lifetime expected credit loss.

For the Group's criteria for determining whether credit risk has increased significantly, the definition of credit-impaired assets and related disclosures, please refer to Note VIII. Risks related to financial instruments.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(5) Recognition and measurement of transfer of financial assets

When the Group transfers a financial asset, it shall derecognize the financial asset if it has transferred substantially all the risks and rewards of ownership of such financial asset to the transferee; it shall not derecognize the financial asset if it retains substantially all the risks and rewards of ownership of the financial asset; where it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and has relinquished control of the financial asset, the Group shall derecognize the financial asset and recognize any assets and liabilities arising from the transfer; where it has not relinquished control of the financial asset, the Group shall recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and shall recognize the related liability accordingly.

If the transfer of an entire financial assets meets the conditions of derecognition, the difference between the carrying amount of the transferred financial assets on the date of derecognition and the sum of the consideration received from the transfer and the accumulative amount of the changes in the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (when the transferred financial assets meet the following conditions: 1 the financial asset is held within a business model with the objectives to hold the financial assets in order to collect contractual cash flows and sell the financial assets; 2 where the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of interest on the principal amount and the outstanding principal), are included in profit or loss for the current period.

If the transfer of financial asset partially meets the conditions of derecognition, the entire carrying amount of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the sum of the consideration received from the transfer and the accumulative amount of the changes of the fair value originally included in other comprehensive income which shall be apportioned to the derecognized portion (when the transferred financial assets meet the following conditions: 1 the financial asset is held within a business model with the objectives to hold the financial assets in order to collect contractual cash flows and sell the financial assets; 2 where the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of interest on the principal amount and the outstanding principal), and the apportioned entire carrying amount of the said financial assets are included in profit or loss for the current period.

Where the Group continues to be involved by providing a financial guarantee over the transferred financial asset, it shall recognize an asset arising from the continuing involvement at the lower of the carrying amount of the financial asset and the amount of the financial guarantee. The amount of the financial guarantee refers to the maximum amount of consideration received that the Group may be required to repay.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

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

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

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

11. Financial instruments (continued)

(7) Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts, commodity forward contracts and interest rate swaps, to hedge exposure to foreign exchange risk, commodity price risk and interest rate risk, respectively. Derivative financial instruments are initially measured at their fair value on the date the derivative contract is entered into and are subsequently measured at fair value. Derivative financial instrument with a positive fair value is recognized as an asset, and that with a negative fair value is recognized as a liability.

Except for those accounted for under hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly included in profit or loss for the current period.

(8) Offsetting of financial assets and financial liabilities

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

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

12. Inventories

The Group's inventories mainly include raw materials, packaging materials and low-value consumables, goods in stock, works in progress, self-manufactured semi-finished goods, goods in transit, commissioned processing materials, wind power and PV power plants, etc.

Inventories are initially measured at cost. Inventory cost includes purchase cost, processing cost and other costs. The perpetual inventory system is adopted for inventories, the weighted average method is used to determine the actual cost of the inventory used or issued. Low-value consumables and packaging materials are amortized using the method of periodic write-off.

At the balance sheet date, inventories are measured at the lower of cost and net realizable value. Where inventory cost exceeds its net realizable value, the Group makes provisions for impairment of inventories, which are included in profit or loss for the current period. Net realizable value is the estimated selling price of the inventory in the ordinary course of business less the estimated costs of completion, estimated selling expenses and related taxes.

For the estimated irrecoverable part of the cost due to inventory damage, obsolescence of all or partial inventories, or sale price lower than the cost, the Group makes provisions for impairment of inventories. Provisions for impairment of inventories for goods in stock and bulk raw materials are recognized based on the difference between the cost of a single inventory item and its net realizable value; provisions for impairment of inventories for other large-quantity, low-unit-value raw and auxiliary materials are recognized by category.

13. Contract assets and contract liabilities

(1) Contract assets

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

For details about determination methods and the accounting treatments for the expected credit loss of contract assets, please refer to the above Note III. 11(4) related to the impairment of financial assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

13. Contract assets and contract liabilities (continued)

(2) Contract liabilities

Contract liabilities reflect the obligations of the Group to transfer goods to customers for which the Group has received or is due to receive consideration.

14. Assets related to contract costs

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

The Group's assets related to contract costs comprise contract performance costs and contract acquisition costs. In accordance with their liquidity, contract performance costs are presented separately as inventories and other non-current assets, and contract acquisition costs are presented separately as other current assets and other non-current assets.

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

Contract acquisition cost, namely the incremental costs the Group incurs to obtain a contract that are expected to be recoverable, is recognized as an asset as contract acquisition cost. If the amortization period of such asset does not exceed one year, the Group elects the practical expedient to include the costs in profit or loss in the period in which they are incurred. Incremental cost refers to the cost which will not be incurred by the Group had the contract not been acquired, such as sales commissions. Other expenses incurred by the Group to obtain a contract (such as travel expenses to be incurred regardless of obtaining a contract or not and excluding the incremental cost expected to be recoverable) are included in profit or loss for the period as incurred, save for those expressly to be borne by customers.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

14. Assets related to contract costs (continued)

(2) Amortization of assets related to contract costs

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

(3) Impairment of assets related to contract costs

If the carrying amount of the Group's assets related to contract costs exceeds the difference between the following two items, the Group shall make a provision for impairment and recognize the excess as an asset impairment loss: ①the remaining consideration expected to be obtained by the Group arising from the transfer of goods relating to such assets; ②the estimated cost to be incurred to transfer such goods. After the provision is made for impairment, if the difference between the above two is higher than the carrying amount of the asset as a result of any subsequent change of impairment factors in the previous period, the provision for impairment of assets previously made shall be reversed and included in profit or loss for the period as incurred to the extent that the carrying amount of the asset upon reversal shall not be higher than that of the asset on the reversal date assuming no provision for impairment has been made.

15. Long-term equity investments

The Group's long-term equity investments include investments in subsidiaries, investments in associates, and equity investments in joint ventures.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Long-term equity investments (continued)

(1) Judgement of significant influence and joint control

Equity investments in investees over which the Group has significant influence are investments in associates. Significant influence refers to the Group's power to participate in the financial and operating policy decisions of the investee but not to control or jointly control their preparation with others. When the Company directly, or indirectly through its subsidiaries, holds 20% or more but less than 50% of the voting rights of an investee, it is generally deemed to have significant influence over the investee, unless there is clear evidence that the Group cannot participate in the investee's production and operating decisions or exercise control over the investee. Where the Group holds less than 20% of the voting rights of an investee, the Group considers that it has significant influence over the investee if, for example, it has a representative on the investee's board of directors or similar governing body, participates in the formulation of the investee's financial and operating policies, engages in significant transactions with the investee, appoints management personnel to the investee, or provides the investee with critical technical information.

An equity investment in which the Group and the other joint venturers exercise joint control over an investee and have rights to the net assets of the investee is an investment in a joint venture. Joint control is the contractually agreed sharing of control over an arrangement, which exists only when decisions about the relevant activities of the arrangement require the unanimous consent of the parties sharing control. The Group bases its judgment of joint control on the fact that whether all the parties, or a group of the parties, collectively control the arrangement, and whether decisions about the relevant activities of the arrangement require the unanimous consent of those parties that collectively control the arrangement.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Long-term equity investments (continued)

(2) Accounting treatment

The Group initially measures investments in long-term equity investments at their initial investment cost.

For long-term equity investments acquired through business merger under common control, the share of the carrying amount of net assets of the combined party in the consolidated statement of the ultimate controlling party on the merger date shall be accounted for as the initial investment cost. If the carrying amount of net assets of the combined party on the merger date is negative, the cost of initial investment is determined as nil.

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

Apart from the long-term equity investments formed through business merger, for long-term equity investments acquired by cash payment, the investment cost is the actual amount of cash paid for the acquisition and the expenses, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for long-term equity investments acquired by issuing equity securities, the cost of investment is the fair value of the equity securities issued;

The Company's investments in subsidiaries are accounted for using the cost method in the separate financial statements. When the cost method is adopted, long-term equity investments are measured at initial investment cost. When additional investment is made, the carrying amount of the long-term equity investment cost will be added according to the fair value of cost paid for additional investment and the related expenses incurred by related transactions. For cash dividend or profit declared and paid by the investee, it shall be recognized as its investment income for the period at the amount to which it entitles.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Long-term equity investments (continued)

(2) Accounting treatment (continued)

The Group accounts for its investments in joint ventures and associates using the equity method. Under the equity method, if the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the date of investment, the carrying amount of the long-term equity investment is not adjusted. If the initial investment cost of a long-term equity investment is less than the Group's share of the fair value of the investee's identifiable net assets at the date of investment, the difference is adjusted to the carrying amount of the long-term equity investment and recognized in profit or loss for the period in which the investment is acquired.

For long-term equity investment for which the subsequent measurement is accounted for using the equity method, during the holding period of the investment, the carrying amount of long-term equity investment shall be increased or decreased accordingly according to the change in the owners' equity of the investee. In which, the attributable net profit or loss in the investee is recognized on the basis of the fair value of various identifiable assets in the investee at the time of acquisition and in accordance with the accounting policies and accounting period of the Group, based on the share attributable to the Group as calculated in proportion to the Group's entitlement (losses arising from internal transactions that represent impairment losses on assets are recognized in full), after elimination of the share of unrealized profits or losses arising from intra-group transactions with associates and joint ventures that do not constitute business and after adjustment to the investee's net profit. The Group recognizes its share of an investee's net loss to the extent that the carrying amount of the long-term equity investment, together with other long-term interests that, in substance, form part of the Group's net investment in the investee, is reduced to zero, except to the extent that the Group has obligations to assume additional losses.

When long-term equity investments are disposed of, the difference between the carrying amount and the proceeds actually received shall be included in investment income for the period.

For long-term equity investments accounted for using the equity method, upon discontinuation of the equity method, the relevant other comprehensive income previously recognized under the equity method is accounted for on the same basis as that applied when the investee directly disposes of the related assets or liabilities. Any owners' equity recognized as a result of other changes in the investee's owners' equity other than changes arising from net profit or loss, other comprehensive income, and profit distributions is fully reclassified to investment income for the current period upon discontinuation of the equity method.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

15. Long-term equity investments (continued)

(2) Accounting treatment (continued)

When, following the disposal of part of an equity interest, the remaining interest continues to be accounted for using the equity method, the relevant other comprehensive income previously recognized under the equity method is accounted for on the same basis as that applied when the investee directly disposes of the related assets or liabilities and is carried forward on a proportional basis. The owner's equity recognized as a result of the changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution shall be carried forward to the current investment income on a pro-rata basis.

Where partial disposal results in loss of joint control or significant influence over the investee and the residual equity is to be recognized as a financial asset, the difference between the fair value of the retained interest at the date control or significant influence is lost and its carrying amount shall be included in profit or loss for the current period.

For the loss of the control of the investee due to disposal of partial long-term equity investments, the residual equity after disposal, if capable of realizing joint control or exerting significant influence on the investee, is changed to the equity method for calculation, the difference for disposal of carrying amount and consideration is included in the investment income, and the residual equity is adjusted as if it was calculated using the equity method since it was acquired; the residual equity after disposal, if unable to realize joint control or exert significant influence on the invested unit, financial assets shall be recognized, the difference for disposal of carrying amount and consideration is included in the investment income, and the difference between the fair value and carrying amount of the residual equity on the control-lost date is included in profit or loss for the current period.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

16. Investment properties

The Group's investment properties are properties held to earn rentals or for capital appreciation, or for both, including land use rights that have been leased out, land use rights held for transfer after appreciation, and buildings which have been leased out.

Measurement of investment properties: the costs of purchased investment properties, include purchase price, relevant taxes and other expenditures that can directly be attributed to the asset; the cost for self-constructing investment properties shall be comprised of necessary expenditures for making the asset reach its intended use; the cost of investment properties obtained by other means is determined in accordance with the relevant accounting standards.

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

When investment properties are converted to self-use, they are converted to and accounted for as other assets; when self-use buildings cease to be for self-use and are leased out, other assets are converted to investment properties.

Impairment testing and provision for impairment of investment properties:

At the balance sheet date, the Group assesses internal and external information to determine whether there are indications of impairment of investment properties. For investment properties with indications of impairment, impairment tests are performed and their recoverable amounts are estimated.

If the estimate of recoverable amount indicates that the recoverable amount of an investment property is less than its carrying amount, the carrying amount of the investment property is written down to its recoverable amount. The write-down amount is recognized as an asset impairment loss, included in profit or loss for the current period, and a corresponding impairment provision is made. Once an impairment loss on investment properties is recognized, it shall not be reversed in subsequent accounting periods.

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From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

17. Fixed assets

Fixed assets of the Group are tangible assets held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and expected to be used for more than one year.

Fixed assets are recognized when it is probable that the related economic benefits will flow to the Group and the cost can be measured reliably. The Group's fixed assets include buildings and structures, machinery and equipment, transportation vehicles, electronic equipment, and others.

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

Category of fixed assets	Depreciation period (year)	Residual rate (%)	Annual depreciation rate (%)
Buildings and structures	20-40	5.00	2.38-4.75
Machinery and equipment	5-25	5.00	3.80-19.00
Transportation vehicles	5-10	5.00	9.50-19.00
Electronic equipment	3-5	5.00	19.00-31.67
Others	5-20	5.00	4.75-19.00

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

18. Construction in progress

Costs of construction in progress are determined based on actual project expenditures, including necessary engineering expenditures incurred during construction, borrowing costs that are capitalizable prior to the construction reaching its intended use, and other related costs.

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

Construction in progress shall be transferred into fixed assets when ready for intended use. The criteria are as follows:

Project	Criteria for being transferred to fixed assets
Buildings and structures	Earlier of actual commencement of use/completion, and acceptance
Machinery and equipment	Earlier of actual commencement of use/completion of installation, and acceptance

19. Borrowing costs

The Group capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets and includes those capitalized amounts in the cost of the related assets; other borrowing costs are recognized in profit or loss for the current period. Qualifying assets determined by the Group include the borrowing expense related to fixed assets, right-of-use assets, inventories that necessarily take more than one year of acquisition or production activities to get ready for their intended use or sale; they are capitalized when expenditures for such assets and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale, borrowing costs incurred thereafter are recognized in profit or loss for the current period. If the acquisition, construction or production of a qualifying asset is suspended for abnormal reasons and the suspension exceeds three consecutive months, capitalization of borrowing costs is suspended until the activities to acquire, construct or produce the asset resume.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

19. Borrowing costs (continued)

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

20. Intangible assets

Intangible assets of the Group include land use rights, patent rights, non-patent technology, software and trademark rights, etc. Intangible assets are measured at the actual costs upon acquisition. The purchased intangible assets are stated at actual cost based on the actual price paid and related other expenses. For intangible assets invested by investors, the actual costs are determined according to the values specified in the investment contract or agreement, for the unfair values agreed in the contract or agreement, the actual costs are determined at the fair value. However, intangible assets acquired in a business combination under different control that were owned by the acquiree but not recognized in its financial statements shall be initially recognized and measured at fair value.

(1) Useful life and its basis for determination, estimation, amortization method or review procedures

The cost of mining rights is amortized by the production method based on the acquired permit of volume to be mined; exploration rights begin to be amortized using the production method when they are converted into mining rights and the relevant mine commences production; the land use rights shall be evenly amortized over its remaining term when it is obtained from the date of transfer; the patented technology and other intangible assets are amortized evenly by stages over estimated useful life, beneficial term stipulated by contract and legal effective term, whichever is the shortest. The amortization amount is included in relevant asset cost and the current profit or loss according to its beneficiaries.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

20. Intangible assets (continued)

(2) Collection scope of R&D expenditures and related accounting treatment

Collection scope of the Group's research and development expenditures includes labor costs of research and development personnel, direct investment expenses, depreciation and amortization expenses, new product design costs, and other related expenses.

The Group classifies internal research and development project expenditures into research-stage expenditures and development-stage expenditures according to the nature of the expenditure and the degree of uncertainty as to whether the R&D activities will ultimately result in an identifiable intangible asset.

Expenditures in the research stage, such as planned investigation, evaluation and selection for the process of the specific product, are included in profit or loss for the current period as incurred. Expenditures in the development stage, such as the designing and testing for the final application of the process of the specific product before the scale production, shall be capitalized only if all of the following conditions are satisfied:

- 1) the R&D technology of the process of the specific product has been fully approved by the technical team; any proprietary technology formed by the capitalization of R&D expenditures shall obtain the certification issued by the relevant third party or industry authority;
- 2) the R&D expenditure capitalization shall be approved in accordance with the relevant procedures of the Group's science and technology department, and the project approval report shall be obtained, and the budget relating to the process of the specific product has been approved by the management;
- 3) the research and analysis from the marketing investigation demonstrated that the product produced during the process of the specific product has marketing capability; and the proprietary technology must reach the international and domestic advanced level or fill the international, domestic and Company gaps, and can be put into production, with good earnings expectations;
- 4) there are adequate technical and financial resources for the development of the process of the specific product and the subsequent scale production;
- 5) the expenditure attributable to the process of the specific product can be reliably collected.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

20. Intangible assets (continued)

(2) Collection scope of R&D expenditures and related accounting treatment (continued)

Development-stage expenditures that do not meet the above conditions are recognized in profit or loss for the current period as incurred. Development expenditures previously recognized in profit or loss are not subsequently reclassified as assets. Capitalized development-stage expenditures are presented as development expenditures on the balance sheet and are transferred to intangible assets from the date on which the relevant project reaches its intended use.

21. Impairment of long-term assets

Long-term equity investments, fixed assets, construction in progress, right-of-use assets, and intangible assets with finite useful lives are tested for impairment by the Group if there is any indication of impairment at the balance sheet date. For goodwill and intangible assets with uncertain useful life, development expenditures not yet ready for their intended use, impairment tests shall be conducted at the end of each period regardless of whether there is any indication of impairment.

(1) Impairment of non-current assets other than financial assets (excluding goodwill)

When performing impairment tests, the Group determines the recoverable amount of an asset as the higher of the net amount of its fair value less costs of disposal and the present value of the estimated future cash flows of the asset. Subsequent to the impairment test, if the carrying amount of such asset exceeds its recoverable amount, the excess is recognized as an impairment loss.

The Group estimates recoverable amount of assets on an individual asset basis. If it is difficult to estimate the recoverable amount for an individual asset, the recoverable amount is determined based on the asset group to which the asset belongs. The identification of an asset group is based on whether the major cash inflows generated by the asset group are independent of the cash inflows from other assets or asset groups.

The net amount of fair value less costs of disposal is determined by reference to the sales agreement prices of similar assets in arm's-length transactions or observable market prices, less the incremental costs directly attributable to the disposal of the asset. When estimating the present value of expected future cash flows, management must estimate the asset's or asset group's expected future cash flows and select an appropriate discount rate to determine its present value. For further details, please refer to Note V. 14. Fixed assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

21. Impairment of long-term assets (continued)

(2) Impairment of goodwill

For goodwill arising from business combinations, the Group allocates its carrying amount to the relevant asset groups from the acquisition date using a reasonable method; where allocation to individual asset groups is impracticable, the goodwill is allocated to an appropriate portfolio of asset groups. When performing impairment tests on an asset group or portfolio of asset groups that contains goodwill, if there are indicators of impairment for the asset group or portfolio of asset groups related to the goodwill, the Group first performs impairment tests on the asset group or portfolio of asset groups that does not contain goodwill, calculates the recoverable amount and compares it with the corresponding carrying amounts to determine the related impairment loss; the Group then performs impairment tests on the asset group or portfolio of asset groups that contains goodwill, comparing carrying amount with recoverable amount. If the recoverable amount is lower than the carrying amount, the amount of impairment loss is first allocated to reduce the carrying amount of the goodwill allocated to the asset group or portfolio of asset groups, and the remaining impairment loss is then allocated among the other assets in the asset group or portfolio of asset groups, excluding goodwill, in proportion to their respective carrying amounts.

Once an impairment loss has been recognized for the above assets, it is not reversed in subsequent accounting periods.

22. Long-term deferred expenses

The long-term deferred expenses are expenses which have been paid but will be amortized within the period over one year. Such expenses with a definite period of benefit shall be amortized over their period of benefit; expenses without a definite period of benefit shall be amortized on a straight-line basis over five years. If the long-term expenses to be amortized are no longer beneficial in subsequent accounting periods, the amortized value of the unamortized item is transferred in full to the current profit or loss.

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From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

23. Staff remuneration

The Group's staff remuneration includes short-term remuneration, post-employment benefits, termination benefits and other long-term benefits.

Short-term remuneration mainly includes staff salaries, bonuses, allowances and subsidies, staff welfare payments, medical insurance premiums, work injury insurance premiums, maternity insurance premiums, housing provident fund, labour union expenses and staff education expenses. During the accounting period in which the employees render services, the Group recognizes the short-term remuneration actually incurred as liabilities and includes in profit or loss for the current period or costs of relevant assets according to the beneficiaries of the services.

Post-employment benefits mainly include basic pension insurance, unemployment benefits, enterprise annuities and payments to early-retired personnel. These plans are classified based on the risks and obligations borne by the Company as defined contribution plans. For defined contribution plans, contributions payable to separate legal entities in exchange for employee services rendered during the accounting period are recognized as liabilities at the balance sheet date and are recognized in profit or loss for the current period or capitalized into the cost of related assets in accordance with the beneficiaries of the services.

Termination benefits arise when the enterprise, before the normal expiry of an employee's contract, commits, either under a legally binding agreement with the employee or the employee's representative (such as a trade union), or pursuant to commercial practice, to terminate the employee's employment earlier than the contract date and to pay compensation. The employee benefit liability arising from termination benefits shall be recognized, with the amount charged to current-period profit or loss, at the earlier of the following dates: when the Group can no longer unilaterally withdraw the termination benefits offered under a plan to terminate the employment relationship or a proposal to reduce staff; or when the Group recognizes costs or expenses related to a restructuring involving the payment of termination benefits.

Other long-term employee benefits are all employee benefits other than short-term remuneration, post-employment benefits and termination benefits.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

24. Accrued liabilities

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

Accrued liabilities are initially measured at the best estimate required to be paid when performing relevant current obligations, with comprehensive consideration of such factors as risks, uncertainties and time value of money related to contingencies. The Group reviews the current best estimate at the balance sheet date and adjusts the carrying amount of the expected liabilities.

Expected accrued liabilities to be settled within one year from the balance sheet date are presented as current liabilities.

25. Share-based payments

The equity-settled share-based payment in return for employees' services shall be measured based on the fair value of equity instruments granted to the employees on the date of grant. Equity instruments which are exercisable immediately upon the grant are included in relevant costs or expenses at the fair value of equity instruments on the date of grant and capital reserves are increased accordingly. If exercising is conditional upon completion of services in the vesting period or fulfillment of performance conditions, on each balance sheet date during the vesting period, based on the best estimate of the number of exercisable equity instruments, the services received for the period are recognized as the costs or expenses and capital reserves at the fair value of the equity instruments on the date of grant. If the terms of an equity-settled share-based payment are modified, the Group shall, at a minimum, recognize the services received as if the terms had not been modified. In addition, any modification that increases the fair value of the equity instruments granted, or any other change that is beneficial to the employees at the modification date, shall be recognized as an increase in the services received.

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From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

25. Share-based payments (continued)

If an equity-settled share-based payment is cancelled, it shall be treated as an acceleration of vesting on the cancellation date, and the amount not yet recognized shall be recognized immediately. If the employees or other parties are able to choose to fulfill a non-vesting condition but fail to do so during the vesting period, it shall be treated as a cancellation of the equity-settled share-based payment. However, if new equity instruments are granted and, on the grant date of the new equity instruments, it is determined that the new equity instruments granted are intended to replace the cancelled equity instruments, the substitute equity instruments granted shall be accounted for in the same manner as a modification of the terms and conditions of the original equity instruments.

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

26. Special reserve

In accordance with the relevant provisions of the Circular on Printing and Issuing the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilization (Cai Zi [2022] No.136) and the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilization issued by the MOF and the Ministry of Emergency Management, the safety expenditures accrued by the Group shall be included in the cost of related products or the current profit or loss, and shall be credited to the special reserve account.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Revenue recognition principles and measurement methods

(1) General principles

The Group recognizes revenue when a performance obligation in the contract is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customers. Obtaining control over the relevant goods or services means being able to direct the use of such goods or the provision of such services and obtain substantially all of the economic benefits therefrom.

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

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

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From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Revenue recognition principles and measurement methods (continued)

(1) General principles (continued)

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

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

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

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

- 1) The Group has a present right to receive the payment in respect of the goods or services;
- 2) The Group has transferred the legal title of the goods to customers;
- 3) The Group has transferred physical possession of the goods to customers;
- 4) The Group has transferred the significant risks and rewards of the ownership of the goods to the customers;
- 5) Customers have accepted the goods or services.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Revenue recognition principles and measurement methods (continued)

(1) General principles (continued)

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

(2) Specific methods

The Group's operating revenue mainly includes: 1) commodity sales business: revenue from the sale of polysilicon and related products, inverters, SVGs, energy storage, FDC Converter Valves and other products; 2) construction contracting business: revenue from the development and construction of wind power and PV power plants; 3) electricity sales business: revenue from the sale of electricity generated from the operation of wind power and PV power plants; and 4) revenue from other businesses. The specific policies and methods for revenue recognition are as follows:

- 1) Revenue from the sale of the Group's polysilicon-related products, inverters, energy storage and other electrical equipment products is recognized when control is transferred to the purchaser. The specific revenue recognition criteria are as follows: the parties to the contract have approved the contract and undertaken to perform their respective obligations; the contract specifies the rights and obligations of each party in relation to the goods to be transferred; the contract specifies payment terms in relation to the goods to be transferred; the contract has commercial substance; and it is probable that the consideration to which the Group is entitled in exchange for transferring the goods will be recognized upon recovery.

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

27. Revenue recognition principles and measurement methods (continued)

(2) Specific methods (continued)

- 2) For the development and construction business of wind power and PV power plants, the Group assesses contracts at their effective dates and determines whether the relevant contract performance obligations meet the condition for “performance over time”.

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

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

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

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

28. Government grants

Government grants are recognized when the Group can comply with the conditions attached and is able to receive them. Government grants in the form of monetary assets are measured at the amount actually received. For grants allocated in accordance with fixed quota standards, or when there is conclusive evidence at the end of the Reporting Period that the Group can satisfy the relevant conditions stipulated in the fiscal support policies and is expected to receive the fiscal support funds, the grants are measured at the amount receivable. Government grants in the form of non-monetary assets are measured at fair value, where fair value cannot be reliably determined, the grants are measured at a nominal amount of RMB1.

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

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

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

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From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

29. Deferred income tax assets and deferred income tax liabilities

The Group calculates and recognizes deferred income tax assets and deferred income tax liabilities arising from differences between the tax bases of assets and liabilities and their carrying amounts, as well as from (temporary differences) arising between the tax bases and carrying amounts of items that are not recognized as assets or liabilities but whose tax bases can be determined in accordance with the tax laws.

The Group recognizes deferred income tax liabilities for all taxable temporary differences, except in the following circumstances: (1) temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting profit nor taxable income (or deductible losses); or (2) taxable temporary difference is associated with investments in subsidiaries, associates, and joint ventures, and 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.

The Group recognizes deferred income tax assets for deductible temporary differences, deductible losses, and tax credits, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, deductible losses, and tax credits can be utilized, except in the following circumstances: (1) temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting profit nor taxable income (or deductible losses); or (2) deductible temporary difference is associated with investments in subsidiaries, associates, and joint ventures, and the following conditions cannot be satisfied simultaneously: it is probable that the temporary difference will reverse in the foreseeable future, and it is probable that future taxable income will be available against which the deductible temporary difference can be utilized.

The Group recognizes deferred income tax assets for all unused deductible losses to the extent that it is probable that sufficient taxable income will be available against which the deductible losses can be utilized. Management uses significant judgment in estimating the timing and amount of future taxable income and, in conjunction with tax planning strategies, determines the amount of deferred income tax assets to be recognized, as there is uncertainty.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the applicable tax rates expected to apply during the period in which the assets are recovered or the liabilities are settled.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Lease

(1) Identification of lease

At the commencement date of the contract, the Group assesses whether the contract is a lease or contains a lease. If a party to the contract transfers the right-of-use of an identified asset or several identified assets for consideration within a certain period of time, such a contract is regarded as a lease or includes a lease.

Where a contract concurrently contains multiple separate leases, the Group splits the contract and conducts accounting treatment respectively for all separate leases. Where a contract concurrently includes both leased and non-leased parts, the Group shall split the leased and non-leased parts and conduct accounting treatment. Each lease component is accounted for in accordance with the relevant requirements of the lease standards, while each non-lease component is accounted for in accordance with other applicable Accounting Standards for Business Enterprises.

(2) The Group as lessee

1) *Recognition of leases*

Except for short-term leases and leases of low-value assets, the Group recognizes the right-of-use asset and the lease liability at the commencement date of the lease term.

Right-of-use assets represent the Group's right, as a lessee, to use the leased asset during the lease term. Right-of-use assets are initially measured at cost, which comprise: ① the initial measurement amount of the lease liability; ② the lease payments made on or before the commencement date of the lease term, net of lease incentives received; ③ any initial direct costs incurred; ④ an estimate of costs to dismantle and remove the leased asset or to restore the site where the leased asset is located or restore the leased asset to its agreed condition under the terms of the lease (except for those incurred in connection with the production of inventories). If the Group remeasures a lease liability in accordance with the relevant requirements of the lease standards, it correspondingly adjusts the carrying amount of the right-of-use asset.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Lease (continued)

(2) The Group as lessee (continued)

1) Recognition of leases (continued)

The Group depreciates right-of-use assets using the straight-line method based on the expected pattern of consumption of the economic benefits associated with the right-of-use assets. If it is reasonably certain that the Group will obtain ownership of the leased asset upon expiry of the lease term, depreciation is provided over the remaining useful life of the leased asset. If it is not reasonably certain that the Group will obtain ownership of the leased asset upon expiry of the lease term, depreciation is provided over the shorter of the lease term and the remaining useful life of the leased asset. Depreciation charges are recognized in the cost of the relevant assets or in current profit or loss, depending on the use of the right-of-use assets.

The Group initially measures lease liabilities at the present value of the lease payments that remain unpaid at the commencement date of the lease term. Lease payments comprise: ① fixed payments and in-substance fixed payments, less amounts related to lease incentives; ② variable lease payments that depend on an index or a rate; ③ the exercise price of a purchase option, if the Group is reasonably certain to exercise the purchase option; ④ payments required for exercising an option to terminate the lease, if the lease term reflects the Group's exercise of such an option; and ⑤ amounts expected to be payable by the Group under residual value guarantees provided by it.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate as the discount rate. The Group calculates interest expenses on lease liabilities over the lease term using a fixed periodic interest rate and recognizes them in current profit or loss, except to the extent that they are eligible for capitalization.

After the commencement date of the lease term, when the Group recognizes interest on a lease liability, it increases the carrying amount of the lease liability. When lease payments are made, it reduces the carrying amount of the lease liability. When there is a change in in-substance fixed payments, the amount expected to be payable under a residual value guarantee, an index or rate used to determine lease payments, or the assessment or actual exercise of a purchase option, renewal option, or termination option, the Group remeasures the lease liability at the present value of the revised lease payments.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Lease (continued)

(2) The Group as lessee (continued)

2) *Changes in leases*

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

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

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

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Lease (continued)

(2) The Group as lessee (continued)

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

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

(3) The Group as a lessor

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

30. Lease (continued)

(3) The Group as a lessor (continued)

1) *Finance leases*

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

The net lease investment is the sum of the unguaranteed residual value and the present value of leases receipts that have not been received on the start date of the lease term, which is discounted according to the interest rate implicit in the lease. The Group calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. Variable lease payments received by the Group that are not included in the measurement of the net investment in the lease are recognized in current profit or loss when they are actually incurred.

2) *Operating leases*

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

The initial direct costs incurred by the Group in relation to the operating leases shall be capitalized as the costs of the subject leased asset and apportioned on the same basis as the rental income recognition during the lease term, and included in profit or loss for the current period. The variable lease payments received by the Group that are not included in the lease receipts related to the operating leases are recognized in profit or loss in the period in which they are actually incurred.

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

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

31. Held-for-sale

Where the Group recovers the carrying amount of a non-current asset or disposal group principally through a sale (including an exchange of non-monetary assets having commercial substance the same hereinafter), rather than through its continuing use, it classifies the non-current asset or disposal group as held for sale.

The Group classifies non-current assets or disposal groups that meet the following criteria as held-for-sale: ①they are ready for immediate sale under current conditions based on the practice of selling such assets or disposal groups in similar transactions; ②it is highly probable that the sale will occur; that is, a decision has been made on a plan to sell and an undertaking to purchase has been obtained, and the sale is expected to be completed within a year. Relevant approval is required for sales subject to approval of relevant authorities or regulators as stipulated by relevant regulations. Where the book value of non-current assets or disposal groups (other than assets arising from financial assets, deferred income tax assets, investment properties measured at fair value and staff remuneration) is higher than the net value of its fair value less sales expenses, its book value is written down to that net value less disposal expenses, and the amount of the write-down is recognized as an impairment loss on the asset and charged to the current profit or loss, and at the same time, a provision is made for impairment of assets held for sale.

Where the Group loses control over a subsidiary as a result of selling its investment in the subsidiary or for other reasons, regardless of whether the Group retains a portion of the equity investment after the sale, as long as the investment in the subsidiary proposed for sale meets the criteria for classification as held-for-sale, the Group classifies the entire investment in the subsidiary as held for sale in the parent company's separate financial statements, and classifies all assets and liabilities of the subsidiary as held-for-sale in the consolidated financial statements.

No provision for depreciation or amortization of non-current assets held-for-sale or non-current assets in disposal groups, and interests on liabilities and other expenses of disposal groups held-for-sale continue to be recognized.

Upon derecognition of a non-current asset or disposal group classified as held-for-sale, any gain or loss that has not yet been recognized is included in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

32. Discontinued operation

Discontinued operation refers to a component of the Group which meets one of the following requirements and can be distinguished separately and has been already disposed of or classified as held-for-sale: (1) the component represents an independent major line of business or a major independent geographical area of operations; (2) the component is part of a plan for the contemplated disposal of an independent major line of business or a major independent geographical area of operations; (3) the component is a subsidiary acquired exclusively for the purpose of resale.

33. Fair value measurement

The Group measures investment properties, derivative financial instruments, and equity instrument investments at fair value at each balance sheet date. 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: the Level 1 input is the unadjusted quotation of the same assets or liabilities that can be obtained on the measurement date in the active market; The Level 2 input is the direct or indirect observable input value of related assets or liabilities other than the Level 1 input; the Level 3 input is the unobservable input of related assets or liabilities.

For assets and liabilities measured at fair value that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels of measurement at fair value by reassessing categorization as at the each balance sheet date.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

34. Hedge accounting

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

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

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

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

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

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Significant accounting estimates and judgments

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

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

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

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Significant accounting estimates and judgments (continued)

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

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

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

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

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Significant accounting estimates and judgments (continued)

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

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

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

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

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

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

35. Significant accounting estimates and judgments (continued)

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

(4) *Income tax*

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

(5) *Fair value measurement*

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

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

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

36. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

The Ministry of Finance issued Interpretation No. 19 of Accounting Standards for Enterprises (Cai Kuai [2025] No. 32) on 5 December 2025. It covers: ①accounting treatment for compensatory assets in business combinations under non-common control; ②accounting treatment for relevant capital surplus upon disposal of subsidiaries originally obtained through business combinations under common control; ③derecognition of financial liabilities settled via electronic payment systems; ④assessment of cash flow characteristics of financial asset contracts and relevant disclosures; and ⑤disclosures for equity instruments designated at fair value with changes recognized in other comprehensive income. The Group adopted the interpretation with effect from 1 January 2026. Such provisions have no material impact on the Group's financial statements for the Reporting Period.

The Ministry of Finance issued Interpretation No. 20 of Accounting Standards for Enterprises (Cai Kuai [2026] No. 7) on 4 June 2026. It covers: ①assessment of cash flow characteristics of financial asset contracts; and ②accounting treatment and relevant disclosures in circumstances of lack of currency convertibility. The Group adopted the interpretation from its date of issuance. For businesses newly falling within the scope of the interpretation during the period from 1 January 2026 up to the effective date of the interpretation, enterprises shall make adjustments in accordance with the interpretation. Such provisions have no material impact on the Group's financial statements for the Reporting Period.

(2) Changes in significant accounting estimates

Nil.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

IV. TAXATION

1. Main types and rates of taxes

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

2. Tax preference

(1) Value-added tax

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

According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Additional Value-added Tax Credit Policy for Advanced Manufacturing Enterprises (Announcement [2023] No. 43 of the MOF and the State Taxation Administration), from 1 January 2023 to 31 December 2027, advanced manufacturing enterprises are permitted to claim an additional 5% credit based on the deductible input value-added tax for the current period against the value-added tax payable. The Company's subsidiaries Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司), Inner Mongolia Mengte Silicon Material Co., Ltd. (內蒙古蒙特硅材料有限公司), TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司), and TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司) qualify for the above tax preference and enjoyed the preference in 2026.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference (continued)

(1) Value-added tax (continued)

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

(2) Enterprise income tax

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

According to the Notice of the Ministry of Science and Technology, the MOF and the State Administration of Taxation on the Revision and Issuance of the Administrative Measures for Determination of High-Tech Enterprises (Guo Ke Fa Huo [2016] No. 32), Xinte Energy Co., Ltd. was jointly recognized as a national high-tech enterprise by the Department of Science and Technology, Department of Finance and Taxation Bureau of Xinjiang Uygur Autonomous Region, with the certificate number GR202365000137, issued on 16 October 2023, valid for three years, and the enterprise income tax rate of 15% for 2026.

Xinjiang Xinte Xinneng Materials Co., Ltd., a subsidiary of the Company, was jointly recognized as a national high-tech enterprise by the Department of Science and Technology, Department of Finance and Taxation Bureau of Xinjiang Uygur Autonomous Region, with the certificate number GR202365000102, issued on 16 October 2023, valid for three years, and the enterprise income tax rate of 15% for 2026.

TBEA Xinjiang Sunoasis Co., Ltd., a subsidiary of the Company, was jointly recognized as a national high-tech enterprise by the Department of Science and Technology, Department of Finance and Taxation Bureau of Xinjiang Uygur Autonomous Region, with the certificate number GR202465000229, issued on 28 October 2024, valid for three years, and the enterprise income tax rate of 15% for 2026.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

IV. TAXATION (continued)

2. Tax preference (continued)

(2) Enterprise income tax (continued)

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

According to the Announcement of the State Taxation Administration on Issues Relating to Enterprise Income Tax in Connection with the Implementation of the Catalogue of Encouraged Industries in Western Region and Caishui [2011] No. 58 Document, enterprises whose principal business primarily comprises newly-added encouraged industry projects listed in the Catalogue of Encouraged Industries in Western Region, and whose revenue from principal business accounts for at least 70% of their total revenue for the relevant year, may pay enterprise income tax at a reduced rate of 15%, effective from 1 October 2014. According to the Notice of the Continuation of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region (MOF Notice [2020] No. 23) by the MOF, the State Administration of Taxation and the NDRC, enterprise income tax will be levied at a reduced rate of 15% on enterprises located in the western region in the encouraged industries from 1 January 2021 to 31 December 2030. The enterprises in encouraged industries stated in this provision refer to those whose main business belongs to the industries and projects as set out in the Catalogue of Encouraged Industries in Western Region and whose main business income accounts for more than 60% of the total income of the enterprise. In addition, pursuant to Order No. 28 of 2024 issued by the NDRC on 27 November 2024, the Catalogue of Encouraged Industries in Western Region (2025), which came into effect on 1 January 2025, and the Catalogue of Encouraged Industries in Western Region (2020), were repealed concurrently. The subsidiaries entitled to the above preferential documents include: Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司), Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司), Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司), Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司), Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司), Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司), Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司), Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司), Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司), Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司), Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司), Xi'an Guangcheng Power Sales Co., Ltd. (西安光成售電有限公司), Zhidan County Xinsheng PV Technology Co., Ltd. (志丹縣新晟光伏科技有限公司), Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司), TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司), TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司), Xi'an TBEA Electric Power Design Co., Ltd. (西安特變電工電力設計有限責任公司), Shaanxi TBEA New Energy Co., Ltd. (陝西特變電工新能源有限公司), Habahe County Xinte Wind Power Co., Ltd. (哈巴河縣新特風電有限公司), Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司), Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限責任公司), Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司), Hami Shisanjianfang Xinte Wind Energy Co., Ltd. Hami Shisanjianfang Xinte Wind Energy Co., Ltd. (哈密十三間房新特風能有限責任公司) and Kalpin County Kete New Energy Co., Ltd. (柯坪縣柯特新能源有限責任公司).

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference (continued)

(2) Enterprise income tax (continued)

3) Preferential enterprise tax treatment for public infrastructure projects

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

Name of company	Exemption period of income tax	50% reduction period of income tax
Heze Mudan District Haofeng New Energy Co., Ltd. (菏泽市牡丹區浩風新能源有限公司)	2021–2023	2024–2026
Luyi Fengyi Power Co., Ltd. (鹿邑縣風易發電有限公司)	2021–2023	2024–2026
Hami Zhenchao Wind Power Co., Ltd. (哈密市振超風力發電有限公司)	2021–2023	2024–2026
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	2021–2023	2024–2026
Xingtang County Xingte New Energy Co., Ltd. (行唐縣行特新能源有限公司)	2021–2023	2024–2026
Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司)	2023–2025	2026–2028
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	2023–2025	2026–2028
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	2023–2025	2026–2028
Hami Shisanjianfang Xinte Wind Energy Co., Ltd. (哈密十三間房新特風能有限責任公司)	2022–2024	2025–2027
Xifeng Rongsheng Power New Energy Co., Ltd. (西豐縣榮晟電力新能源有限公司)	2023–2025	2026–2028

Notes to the Financial Statements

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

IV. TAXATION (continued)

2. Tax preference (continued)

(2) Enterprise income tax (continued)

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

Name of company	Exemption period of income tax	50% reduction period of income tax
Kalpin County Kete New Energy Co., Ltd. (柯坪縣柯特新能源有限責任公司)	2023–2025	2026–2028
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	2023–2025	2026–2028
Tianjin LingSheng New Energy Co., Ltd. (天津市凌晟新能源有限公司)	2023–2025	2026–2028
Fuping County Mingte New Energy Co., Ltd. (阜平縣名特新能源有限公司)	2023–2025	2026–2028
Nanning Huineng Wind Power Co., Ltd. (南寧匯能風力發電有限公司)	2024–2026	2027–2029
Si County Mingyuan Guangsheng Wind Power Generation Co., Ltd. (泗縣明源廣晟風力發電有限公司)	2024–2026	2027–2029
Suichuan County Huafeng Power Generation Co., Ltd. (遂川縣華風發電有限公司)	2024–2026	2027–2029
Chengde County Fengsheng PV Power Generation Co., Ltd. (承德縣豐晟光伏發電有限公司)	Centralized: 2024–2026	Centralized: 2027–2029
Ruoqiang Tong Chang New Energy Co., Ltd. (若羌縣同昌新能源有限公司)	2025–2027	2028–2030
Changji Prefecture Shengyu New Energy Power Generation Co., Ltd. (昌吉州盛裕新能源發電有限公司)	2025–2027	2028–2030
Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司)	2025–2027	2028–2030
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司)	2023–2025	2026–2028

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

IV. TAXATION (continued)

2. Tax preference (continued)

(2) Enterprise income tax (continued)

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

According to the Announcement of the MOF and the State Administration of Taxation on Further Support of Tax Policies for Development of Small and Micro Enterprises and Individual Business (Announcement of the MOF and the SAT [2023] No. 12), the taxable income of small and low-profit enterprises shall be calculated at the tax rate of 25%, and the policy of paying enterprise income tax at the tax rate of 20% shall continue to be implemented until 31 December 2027. Xinjiang Information Technology Co., Ltd. (新疆知信科技有限公司), Xinjiang Shahai Green Energy Services Co., Ltd. (新疆沙海綠色能源服務有限公司), Xinjiang Xinte Energy Logistic Co., Ltd. (新疆新特能源物流有限公司), Xinjiang Silicon-based New Material Innovation Center Co., Ltd. (新疆硅基新材料創新中心有限公司), subsidiaries of the Company, are eligible for the preferential tax policies for small and micro enterprises, with the enterprise income tax levied at the applicable tax rate for small and micro enterprises in 2026.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

V. NOTES TO KEY ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

For the data of consolidated financial statements disclosed below, unless otherwise indicated, “opening” or “beginning of the period” represents 1 January 2026, “closing” or “end of the period” represents 30 June 2026, “current period” represents the period from 1 January to 30 June 2026, “previous period” represents the period from 1 January to 30 June 2025, all figures are stated in RMB.

1. Monetary capital

Items	Closing balance	Opening balance
Cash in hand	0.00	0.00
Bank deposits	6,980,071,856.83	3,708,993,834.83
Other monetary capital	3,155,074,180.46	3,454,329,270.97
Deposit in financial company	2,990,711,049.40	2,083,250,829.27
Total	13,125,857,086.69	9,246,573,935.07
Including: Total amount deposited overseas	99,805,473.30	122,343,777.87

Restricted monetary capital

Items	Closing balance	Opening balance
Security deposits for bank acceptance notes	1,611,820,572.89	1,392,287,558.80
Security deposits for the letter of guarantee	214,464,293.75	123,737,851.65
Environmental restoration and remediation guarantee fund	13,898,851.27	13,868,494.52
Funds frozen by the court	557,170,410.09	493,886,039.58
Special funds under shared accounts	296,810,659.73	145,725,414.74
Margin and deposits for land rehabilitation	15,082,666.20	31,120,567.75
Term deposits and call deposits	0.00	956,903,451.19
Futures margin	274,199,879.84	50,735,832.75
Others	19,826,673.52	20,566,035.10
Total	3,003,274,007.29	3,228,831,246.08

Note: The unrestricted monetary capital included in “Other monetary funds” mainly comprise funds in futures accounts that can be transferred back at any time.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

2. Financial assets held for trading

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss	256,557,053.02	84,947,050.09
Including: Equity instrument investments	53,026,600.00	54,110,364.14
Derivative financial instruments	203,530,453.02	24,060,104.84
Structured bank deposits	0.00	6,776,581.11
Total	256,557,053.02	84,947,050.09

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

3. Notes receivable

(1) Notes receivable by category

Items	Closing balance	Opening balance
Bank acceptance notes	421,064,222.41	139,159,565.47
Trade acceptance notes	0.00	588,740.62
Total	421,064,222.41	139,748,306.09

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

3. Notes receivable (continued)

(2) Method of provision for bad debts by category

Category	Book balance		Closing balance Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Provision percentage	
		(%)		(%)	
Bad debt provision made on individual basis	0.00	0.00	0.00	0.00	0.00
Bad debt provision made on a collective basis	425,317,396.37	100.00	4,253,173.96	1.00	421,064,222.41
Including: Bank acceptance notes	425,317,396.37	100.00	4,253,173.96	1.00	421,064,222.41
Trade acceptance notes	0.00	0.00	0.00	1.00	0.00
Total	425,317,396.37	100.00	4,253,173.96	—	421,064,222.41

Category	Book balance		Opening balance Provision for bad debts		Carrying amount
	Amount	Percentage	Amount	Provision percentage	
		(%)		(%)	
Bad debt provision made on individual basis	0.00	0.00	0.00	0.00	0.00
Bad debt provision made on a collective basis	141,159,905.14	100.00	1,411,599.05	1.00	139,748,306.09
Including: Bank acceptance notes	140,565,217.64	99.58	1,405,652.17	1.00	139,159,565.47
Trade acceptance notes	594,687.50	0.42	5,946.88	1.00	588,740.62
Total	141,159,905.14	100.00	1,411,599.05	—	139,748,306.09

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

3. Notes receivable (continued)

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

Category	Opening balance	Accrued	Changes of the current period			Other	Closing balance
			Recovered or reversed	Carry-forward or written-off			
Bank acceptance notes	1,405,652.17	2,847,521.79	0.00	0.00	0.00		4,253,173.96
Trade acceptance notes	5,946.88	-5,946.88	0.00	0.00	0.00		0.00
Total	1,411,599.05	2,841,574.91	0.00	0.00	0.00		4,253,173.96

(4) Notes receivable pledged at the end of the period

Items	Amount pledged at the end of the period
Bank acceptance notes	267,169,090.23
Trade acceptance notes	0.00
Total	267,169,090.23

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

Items	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance notes	278,530,496.86	116,452,741.94
Trade acceptance notes	0.00	0.00
Total	278,530,496.86	116,452,741.94

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

3. Notes receivable (continued)

(6) Notes transferred to accounts receivable at the end of the period due to nonperformance of issuers

Nil.

(7) Notes receivable written off in the current period

Nil.

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

The aging of the above notes receivable at the end of the period of the Group were all within 365 days.

4. Accounts receivable

(1) Accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	3,651,846,496.31	3,334,850,637.46
1 year to 2 years (inclusive)	1,001,631,445.11	902,624,112.58
2 years to 3 years (inclusive)	720,556,750.28	666,635,129.86
3 years to 4 years (inclusive)	725,460,035.59	615,240,604.78
4 years to 5 years (inclusive)	801,788,072.54	660,078,020.86
Over 5 years	892,760,485.15	643,610,307.23
Total	7,794,043,284.98	6,823,038,812.77

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

4. Accounts receivable (continued)

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

Category	Book balance		Closing balance Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	101,661,602.78	1.30	101,141,540.76	99.49	520,062.02
Bad debt provision made on a collective basis	7,692,381,682.20	98.70	714,146,815.11	9.28	6,978,234,867.09
Including: Portfolio of aging	4,230,581,003.19	54.28	469,902,682.27	11.11	3,760,678,320.92
Portfolio of electricity and subsidies	3,461,800,679.01	44.42	244,244,132.84	7.06	3,217,556,546.17
Total	7,794,043,284.98	100.00	815,288,355.87	—	6,978,754,929.11

Category	Book balance		Opening balance Provision for bad debts		Carrying amount
	Amount	Percentage (%)	Amount	Provision percentage (%)	
Bad debt provision made on individual basis	94,448,537.36	1.38	94,448,537.36	100.00	0.00
Bad debt provision made on a collective basis	6,728,590,275.41	98.62	579,105,736.19	8.61	6,149,484,539.22
Including: Portfolio of aging	3,332,656,511.29	48.84	363,072,776.86	10.89	2,969,583,734.43
Portfolio of electricity and subsidies	3,395,933,764.12	49.77	216,032,959.33	6.36	3,179,900,804.79
Total	6,823,038,812.77	100.00	673,554,273.55	—	6,149,484,539.22

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

4. Accounts receivable (continued)

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

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

Item	Book balance	Closing balance		Reasons for provision
		Provision for bad debts	Provision percentage (%)	
Reduction or cancellation of electricity price subsidies for some projects	78,142,451.11	78,142,451.11	100.00	Not expected to be recovered
Nanjing Ronghao Construction Engineering Co., Ltd. (南京榮浩建設工程有限公司)	16,306,086.25	16,306,086.25	100.00	Not expected to be recovered
Xiangyuan County Yuanguang New Energy Co., Ltd. (襄垣縣垣光新能源有限公司)	7,213,065.42	6,693,003.40	92.79	Not expected to be recovered
Total	101,661,602.78	101,141,540.76	99.49	—

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

4. Accounts receivable (continued)

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

2) Bad debt provision made on accounts receivable on a collective basis

Aging	Book balance	Closing balance Provision for bad debts	Provision percentage (%)
Within 1 year (inclusive)	3,070,037,757.05	61,400,755.15	2.00
1 year to 2 years (inclusive)	395,200,112.61	19,760,005.62	5.00
2 years to 3 years (inclusive)	43,925,576.57	8,785,115.32	20.00
3 years to 4 years (inclusive)	311,371,310.51	93,411,393.15	30.00
4 years to 5 years (inclusive)	247,001,666.84	123,500,833.42	50.00
Over 5 years	163,044,579.61	163,044,579.61	100.00
Total	4,230,581,003.19	469,902,682.27	—

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

4. Accounts receivable (continued)

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

3) Bad debt provision made on accounts receivable using other methods

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

Item	Book balance	Closing balance Provision for bad debts	Provision percentage (%)
Portfolio of electricity and subsidies	3,461,800,679.01	244,244,132.84	7.06

Item	Book balance	Opening balance Provision for bad debts	Provision percentage (%)
Portfolio of electricity and subsidies	3,395,933,764.12	216,032,959.33	6.36

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

4. Accounts receivable (continued)

(3) Provisions for bad debt accrued, recovered or reversed for accounts receivable during the current period

Category	Opening balance	Accrued	Changes of the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written-off		
Bad debt provision made on accounts receivable	673,554,273.55	146,651,529.98	0.00	4,689,334.04	228,113.62	815,288,355.87
Total	673,554,273.55	146,651,529.98	0.00	4,689,334.04	228,113.62	815,288,355.87

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

(4) Accounts receivable written off in the current period

Item	Amount written off
Accounts receivable written off	4,689,334.04

Note: During the Reporting Period, the accounts receivable written off mainly related to amounts transferred following the deregistration of customers, no significant accounts receivable were written off.

(5) Particulars of the top five of closing balances for accounts receivable and contract assets presented by debtors

The aggregate amount of the top five of closing balances for accounts receivable and contract assets presented by debtors was RMB3,042,348,217.71 in the current period, accounting for 34.18% of the total closing balance for accounts receivable and contract assets, and aggregate amount of the closing balance of corresponding provision for bad debts was RMB251,332,659.79.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

5. Receivables financing

Item	Closing balance	Opening balance
Notes receivable	707,921,231.97	1,103,918,158.70
Total	707,921,231.97	1,103,918,158.70

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

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

6. Prepayments

(1) Aging of prepayments

Aging	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year (inclusive)	1,174,123,019.01	78.35	549,017,921.52	64.28
1 year to 2 years (inclusive)	211,304,688.87	14.10	301,131,032.75	35.26
2 years to 3 years (inclusive)	110,468,771.03	7.37	1,472,166.51	0.17
Over 3 years	2,650,141.47	0.18	2,437,674.36	0.29
Total	1,498,546,620.38	100.00	854,058,795.14	100.00

(2) Particulars of the top five of closing balances of prepayments presented by prepayment objects

The aggregate amount of the top five of closing balances of prepayments presented by prepayment objects was RMB801,864,200.10 in the current period, accounting for 53.50% of the total closing balance of prepayments.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

7. Other receivables

Items	Closing balance	Opening balance
Interests receivable	0.00	0.00
Dividends receivable	85,621,785.32	91,079,838.60
Other receivables	383,451,521.46	269,587,067.72
Total	469,073,306.78	360,666,906.32

7.1 Interests receivable

Nil.

7.2 Dividends receivable

(1) Dividends receivable by category

Items (or investees)	Closing balance	Opening balance
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	26,004,490.26	26,004,490.26
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	17,267,200.00	17,267,200.00
Xuwen Haoneng PV Power Generation Co., Ltd. (徐聞縣昊能光伏發電有限公司)	17,054,157.82	17,054,157.82
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	8,450,692.22	8,450,692.22
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	9,541,081.55	9,541,081.55
Sichuan Ganzi Datang International New Energy Co., Ltd. (四川甘孜大唐國際新能源有限責任公司)	1,542,082.78	1,542,082.78
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	3,796,496.83	3,796,496.83
Xi'an Yusheng PV Power Generation Co., Ltd. (西安煜盛光伏發電有限公司)	1,965,583.86	1,965,583.86
Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	0.00	5,458,053.28
Total	85,621,785.32	91,079,838.60

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

7. Other receivables (continued)

7.2 Dividends receivable (continued)

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

Items (or investees)	Closing balance	Aging	Reason for non-recovery	Whether impairment is incurred and the basis of judgment
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	26,004,490.26	1 year to 2 years	Collection conditions have not been met	No
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	17,267,200.00	Within 3 years	Collection conditions have not been met	No
Xuwen Haoneng PV Power Generation Co., Ltd. (徐聞縣昊能光伏發電有限公司)	17,054,157.82	Over 5 years	Collection conditions have not been met	No

7.3 Other receivables

(1) Other receivables by nature

Nature	Book balance at the end of the period	Book balance at the beginning of the period
Advances	65,893,941.35	33,542,455.67
Margin and deposits	145,720,734.96	158,448,356.54
Principals and interests of borrowings	175,980,891.27	88,626,094.73
Petty cash	11,352,026.74	5,526,545.15
Other transactions	7,406,484.34	751,076.66
Total	406,354,078.66	286,894,528.75

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

7. Other receivables (continued)

7.3 Other receivables (continued)

(2) Other receivables by aging

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (inclusive)	272,182,557.03	133,026,855.42
1 year to 2 years (inclusive)	103,223,586.88	130,255,005.74
2 years to 3 years (inclusive)	14,398,529.26	10,302,345.10
3 years to 4 years (inclusive)	4,887,420.46	5,260,326.54
4 years to 5 years (inclusive)	7,316,533.12	7,108,778.71
Over 5 years	4,345,451.91	941,217.24
Total	406,354,078.66	286,894,528.75

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From 1 January 2026 to 30 June 2026

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

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

7. Other receivables (continued)

7.3 Other receivables (continued)

(3) *Provision for bad debts made on other receivables under the general expected credit loss model*

Provision for bad debts	Stage 1 Expected credit loss for the next 12 months	Stage 2 Lifetime expected credit loss (without credit impairment)	Stage 3 Lifetime expected credit loss (with credit impairment)	Total
Balance as at 1 January 2026	17,307,461.03			17,307,461.03
Balance as at 30 June 2026 for the current period	—	—	—	—
— transferred to Stage 2	0.00	0.00	0.00	0.00
— transferred to Stage 3	0.00	0.00	0.00	0.00
— reversed to Stage 2	0.00	0.00	0.00	0.00
— reversed to Stage 1	0.00	0.00	0.00	0.00
Accrued in current period	5,617,758.37	0.00	0.00	5,617,758.37
Reversed in current period	0.00	0.00	0.00	0.00
Carry-forward in current period	0.00	0.00	0.00	0.00
Written off in current period	0.00	0.00	0.00	0.00
Other changes	-22,662.20	0.00	0.00	-22,662.20
Balance as at 30 June 2026	22,902,557.20	0.00	0.00	22,902,557.20

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

7. Other receivables (continued)

7.3 Other receivables (continued)

(4) Provisions for bad debt accrued, recovered or reversed for other receivables during the current period

Category	Opening balance	Accrued	Changes of the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written-off		
Bad debt provision made on other receivables	17,307,461.03	5,617,758.37	0.00	0.00	-22,662.20	22,902,557.20
Total	17,307,461.03	5,617,758.37	0.00	0.00	-22,662.20	22,902,557.20

Note: During the Reporting Period, the decrease of RMB-22,662.20 in the provision for bad debts under "Other changes" was mainly due to changes in the Company's scope of consolidation.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

7. Other receivables (continued)

7.3 Other receivables (continued)

(5) Other receivables written off in the current period

Nil.

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

Name of entity	Nature of amount	Closing balance	Aging	Percentage to the total closing balance of other receivables (%)	Closing balance of bad debt provision
Shandong Xinxin Energy Technology Co., Ltd. (山東莘信能源科技有限公司)	Margin and deposits	82,000,000.00	1 year to 2 years	20.18	4,100,000.00
Xuyi Xinte Energy Development Co., Ltd. (盱眙鑫特能源發展有限公司)	Principals and interests of borrowings	61,376,715.21	Within 1 year	15.10	1,227,534.31
Xuyi Shenghui Energy Development Co., Ltd. (盱眙晟輝能源發展有限公司)	Principals and interests of borrowings	59,103,945.85	Within 1 year	14.54	1,182,078.92
Zhangwu County Rongsheng New Energy Co., Ltd. (彰武縣榮晟新能源有限公司)	Principals and interests of borrowings	18,934,620.92	Within 1 year	4.66	378,692.42
Suileng County Hesheng New Energy Co., Ltd. (綏棱縣禾晟新能源有限公司)	Advances	18,813,070.68	Within 2 years	4.63	593,422.34
Total	—	240,228,352.66	—	59.11	7,481,727.99

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

8. Inventories

(1) Inventories by category

Items	Closing balance		
	Book balance	Reserve for inventory depreciation/ provision for impairment of contract performance costs	Book value
Raw materials	722,622,008.11	96,563,811.34	626,058,196.77
Packaging materials and low-value consumables	9,127,271.90	1,061,946.90	8,065,325.00
Goods in stock	709,363,609.92	182,643,664.05	526,719,945.87
Work in progress and semi-finished goods	470,014,954.84	120,576,793.00	349,438,161.84
Materials processed on commission	63,476,264.23	16,407,637.21	47,068,627.02
Goods in transit	152,613,994.41	0.00	152,613,994.41
Wind power and PV power plants	2,374,684,782.53	27,452,954.64	2,347,231,827.89
Total	4,501,902,885.94	444,706,807.14	4,057,196,078.80

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From 1 January 2026 to 30 June 2026

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

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

8. Inventories (continued)

(1) Inventories by category (continued)

Items	Book balance	Opening balance Reserve for inventory depreciation/ provision for impairment of contract performance costs	Book value
Raw materials	918,696,087.80	74,173,557.49	844,522,530.31
Packaging materials and low-value consumables	10,129,084.90	1,061,946.90	9,067,138.00
goods in stock	662,561,557.23	46,593,254.74	615,968,302.49
Work in progress and semi-finished goods	452,224,616.64	12,608,259.39	439,616,357.25
Materials processed on commission	124,525.75	0.00	124,525.75
Goods in transit	242,479,230.70	0.00	242,479,230.70
Wind power and PV power plants	3,155,098,845.23	56,360,176.47	3,098,738,668.76
Total	5,441,313,948.25	190,797,194.99	5,250,516,753.26

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

8. Inventories (continued)

(2) Reserve for inventory depreciation and provision for impairment of contract performance cost

Items	Opening balance	Increase in current period		Decrease in current period		Closing balance
		Accrued	Others	Reversed or carry-forward	Others	
Raw materials	74,173,557.49	44,407,108.97	0.00	22,016,855.12	0.00	96,563,811.34
Packaging materials and low-value consumables	1,061,946.90	0.00	0.00	0.00	0.00	1,061,946.90
goods in stock	46,593,254.74	219,044,707.08	0.00	82,994,297.77	0.00	182,643,664.05
Work in progress and semi-finished goods	12,608,259.39	134,321,434.49	0.00	26,352,900.88	0.00	120,576,793.00
Materials processed on commission	0.00	40,250,695.89	0.00	23,843,058.68	0.00	16,407,637.21
Wind power and PV power plants	56,360,176.47	10,222,401.94	0.00	5,738,156.98	33,391,466.79	27,452,954.64
Total	190,797,194.99	448,246,348.37	0.00	160,945,269.43	33,391,466.79	444,706,807.14

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From 1 January 2026 to 30 June 2026

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

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

9. Contract assets

(1) Breakdown of contract assets

Items	Book balance	Closing balance	
		Provision for impairment	Book value
Projects completed but not settled	1,590,849,851.62	325,898,325.22	1,264,951,526.40
Retention money	708,954,011.34	51,073,662.77	657,880,348.57
Total	2,299,803,862.96	376,971,987.99	1,922,831,874.97

Items	Book balance	Opening balance	
		Provision for impairment	Book value
Projects completed but not settled	1,129,986,672.31	242,780,416.93	887,206,255.38
Retention money	448,502,013.51	24,672,984.64	423,829,028.87
Total	1,578,488,685.82	267,453,401.57	1,311,035,284.25

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

9. Contract assets (continued)

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

Items	Opening balance	Accrued in current period	Reversed in current period	Closing balance	Others	Closing balance
				Carry-forward/ written off in current period		
Projects completed but not settled	242,780,416.93	83,117,908.29	0.00	0.00	0.00	325,898,325.22
Retention money	24,672,984.64	26,400,678.13	0.00	0.00	0.00	51,073,662.77
Total	267,453,401.57	109,518,586.42	0.00	0.00	0.00	376,971,987.99

10. Non-current liabilities due within one year

Items	Closing balance	Opening balance
Large certificates of deposit due within one year	0.00	218,596,250.02
Total	0.00	218,596,250.02

11. Other current assets

Items	Closing balance	Opening balance
Large certificates of deposit	752,743,333.32	702,382,621.13
Value-added tax credits	1,320,912,543.57	864,688,021.95
Prepaid income tax	21,118,482.41	15,049,369.68
Prepaid goods and services tax	46,074,321.49	4,846,078.05
Total	2,140,848,680.79	1,586,966,090.81

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From 1 January 2026 to 30 June 2026

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

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

12. Long-term equity investments

Investees	Opening balance		Additional investment	Decrease in investment	Changes in current period		Changes of other equity	Declaration of cash dividends or profits	Provision for impairment	Others	Closing balance	
	Opening balance (book value)	of provision for impairment			Profit or loss on investments recognized under the equity method	Adjustment of other comprehensive income					Closing balance (book value)	of provision for impairment
I. Joint ventures												
Joint ventures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Associates												
Xinjiang Zhunneng Investment Co., Ltd. (新疆准能投資有限公司)	708,182,281.78	0.00	0.00	0.00	115,514,082.52	0.00	0.00	0.00	0.00	0.00	823,696,374.30	0.00
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限公司)	1,789,459,983.40	0.00	0.00	0.00	57,167,173.11	0.00	0.00	0.00	0.00	0.00	1,846,627,156.51	0.00
Jeminay Xinte Wind Power Co., Ltd. (吉木乃新特風電有限公司)	45,614,262.44	0.00	0.00	0.00	740,179.40	0.00	0.00	0.00	0.00	0.00	46,354,441.84	0.00
Wuling Jiangyong Power Co., Ltd. (五凌江永電力有限公司)	33,542,679.60	0.00	0.00	0.00	809,290.38	0.00	0.00	0.00	0.00	0.00	34,351,969.98	0.00
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	77,892,561.69	0.00	0.00	0.00	2,238,010.54	0.00	0.00	0.00	0.00	0.00	80,130,572.23	0.00
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	41,053,157.78	0.00	0.00	0.00	1,545,907.34	0.00	0.00	0.00	0.00	0.00	42,599,065.12	0.00
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	39,337,704.83	0.00	0.00	0.00	1,464,208.49	0.00	0.00	0.00	0.00	0.00	40,801,913.32	0.00
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	92,587,858.61	0.00	0.00	0.00	-4,063,835.79	0.00	0.00	0.00	0.00	0.00	88,524,022.82	0.00
Wujiapu Xinte Energy Co., Ltd. (五家渠新特能源有限公司)	17,165,818.84	0.00	0.00	0.00	-287,898.07	0.00	0.00	0.00	0.00	0.00	16,877,920.77	0.00
Wujiapu TBEA PV Power Technology Co., Ltd. (五家渠特變電工光電科技有限責任公司)	17,865,371.65	0.00	0.00	0.00	-411,012.23	0.00	0.00	1,182,951.80	0.00	0.00	16,271,407.62	0.00
China Energy Xinjiang Ganquanpu Integrated Energy Co., Ltd. (國能新疆甘泉堡綜合能源有限公司)	23,597,689.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,597,689.22	0.00
Sub-total	2,886,299,369.84	0.00	0.00	0.00	174,716,115.69	0.00	0.00	1,182,951.80	0.00	0.00	3,059,332,533.73	0.00
Total	2,886,299,369.84	0.00	0.00	0.00	174,716,115.69	0.00	0.00	1,182,951.80	0.00	0.00	3,059,332,533.73	0.00

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

13. Other equity instrument investments

(1) Breakdown of other equity instrument investments

Items	Closing balance	Opening balance
Equity instrument investments	131,796,295.80	131,796,295.80
Total	131,796,295.80	131,796,295.80

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

Nil.

14. Fixed assets

Items	Closing balance	Opening balance
Fixed assets	39,691,454,714.14	41,160,077,627.25
Disposal of fixed assets	0.00	0.00
Total	39,691,454,714.14	41,160,077,627.25

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

14. Fixed assets (continued)

(1) Breakdown of fixed assets

Items	Buildings and structures	Machinery and equipment	Transportation vehicles	Electronic equipment	Others	Total
I. Original book value						
1. Opening balance	14,866,554,640.64	43,774,980,768.91	100,218,145.74	293,968,356.97	447,802,655.54	59,483,524,567.80
2. Increase in current period	95,640,713.12	963,015,893.70	312,896.88	17,851,683.56	1,878,605.67	1,078,699,792.93
(1) Acquisition	0.00	29,535,668.20	312,896.88	5,390,789.07	418,755.99	35,658,110.14
(2) Transfer from construction in progress	84,381,010.87	762,227,669.19	0.00	12,460,894.49	1,459,849.68	860,529,424.23
(3) Other increases	11,259,702.25	171,252,556.31	0.00	0.00	0.00	182,512,258.56
3. Decrease in current period	282,105,638.99	1,066,636,727.35	2,426,814.11	743,600.04	6,911,803.80	1,358,824,584.29
(1) Disposal or retirement	0.00	237,655,726.58	2,426,814.11	743,600.04	6,911,803.80	247,737,944.53
(2) Decrease in business merger	273,709,256.09	794,439,091.50	0.00	0.00	0.00	1,068,148,347.59
(3) Other decreases	8,396,382.90	34,541,909.27	0.00	0.00	0.00	42,938,292.17
4. Closing balance	14,680,089,714.77	43,671,359,935.26	98,104,228.51	311,076,440.49	442,769,457.41	59,203,399,776.44
II. Accumulated depreciation						
1. Opening balance	2,533,528,697.32	11,851,189,264.21	47,159,265.42	174,777,688.31	247,214,479.95	14,853,869,395.21
2. Increase in current period	271,678,787.64	1,101,938,066.69	4,153,889.17	19,109,144.77	14,670,158.64	1,411,550,046.91
(1) Accrual	270,993,342.51	1,090,493,668.00	4,153,889.17	19,109,144.77	14,670,158.64	1,399,420,203.09
(2) Other increases	685,445.13	11,444,398.69	0.00	0.00	0.00	12,129,843.82
3. Decrease in current period	6,055,659.12	183,052,124.81	37,066.97	691,061.10	2,488,994.06	192,324,906.06
(1) Disposal or retirement	0.00	140,163,662.14	37,066.97	691,061.10	2,488,994.06	143,380,784.27
(2) Decrease in business merger	6,055,659.12	42,888,462.67	0.00	0.00	0.00	48,944,121.79
(3) Other decreases	0.00	0.00	0.00	0.00	0.00	0.00
(4) Translation in foreign currency	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance	2,799,151,825.84	12,770,075,206.09	51,276,087.62	193,195,771.98	259,395,644.53	16,073,094,536.06
III. Provision for impairment						
1. Opening balance	659,943,082.18	2,796,057,302.45	252,868.44	5,774,069.03	7,550,223.24	3,469,577,545.34
2. Increase in current period	0.00	0.00	0.00	0.00	0.00	0.00
(1) Accrual	0.00	0.00	0.00	0.00	0.00	0.00
(2) Other increases	0.00	0.00	0.00	0.00	0.00	0.00
3. Decrease in current period	0.02	30,727,019.08	0.00	0.00	0.00	30,727,019.10
(1) Disposal or retirement	0.02	30,727,019.08	0.00	0.00	0.00	30,727,019.10
(2) Other decreases	0.00	0.00	0.00	0.00	0.00	0.00
4. Closing balance	659,943,082.16	2,765,330,283.37	252,868.44	5,774,069.03	7,550,223.24	3,438,850,526.24
IV. Carrying amount						
1. Carrying amount at the end of the period	11,220,994,806.77	28,135,954,445.80	46,575,272.45	112,106,599.48	175,823,589.64	39,691,454,714.14
2. Carrying amount at the beginning of the period	11,673,082,861.14	29,127,734,202.25	52,806,011.88	113,416,599.63	193,037,952.35	41,160,077,627.25

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

14. Fixed assets (continued)

(1) Breakdown of fixed assets (continued)

Note 1: The “Transfer from construction in progress” in the table was mainly due to the portion of the Xinte Energy Zhundong Green and Low-Carbon Silicon-Based Industrial Park 1GW New Energy Photovoltaic Construction Project that was transferred to fixed assets during the period. The “Other increases” was mainly due to the Company clarifying its intention to hold the Chengde distributed project and the Zhidan project, which are project companies under the Company, for self-use, and accordingly reclassifying them from inventory to fixed assets.

Note 2: The “Decrease in business merger” in the table was mainly due to the transfer of the subsidiaries Yongcheng Chenfeng Xingneng New Energy Co., Ltd. (永城市宸楓興能新能源有限公司) and Yongcheng Chenfeng New Energy Power Generation Co., Ltd. (永城市宸楓新能源發電有限公司), which were no longer included in the scope of consolidation.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

15. Construction in progress

Items	Closing balance	Opening balance
Construction in progress	6,935,424,755.71	5,601,866,040.33
Project materials	0.00	0.00
Total	6,935,424,755.71	5,601,866,040.33

(1) Breakdown of construction in progress

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Xinte Energy Zhundong Green Low-Carbon Polysilicon Industrial Park 2GW New Energy Wind Power Construction Project	4,668,935,704.31	0.00	4,668,935,704.31	2,280,908,120.91	0.00	2,280,908,120.91
Xinte Energy Zhundong Green Low-Carbon Polysilicon Industrial Park 1GW New Energy PV Construction Project	433,608,264.96	0.00	433,608,264.96	1,109,170,678.30	0.00	1,109,170,678.30
Pingshan Lake Million Kilowatt Wind Power Base, Ganzhou District, Zhangye City, Gansu Province, 200,000 Kilowatt Wind Power Project 1#	654,212,893.81	0.00	654,212,893.81	651,099,943.32	0.00	651,099,943.32
Hunan Yongzhou Ningyuan Wulong Mountain 85MW Wind Power Project		0.00	0.00	282,146,936.06	0.00	282,146,936.06
Wuqing Baigutun 48MW Centralized Wind Power Project	250,628,743.41	0.00	250,628,743.41	124,317,289.6	0.00	124,317,289.60
TBEA Xuyi 1GW Project Supporting Industrial Park		0.00	0.00	117,707,457.79	0.00	117,707,457.79
TBEA Zhangjiakou Industrial Park	81,715,252.09	0.00	81,715,252.09	78,452,643.73	0.00	78,452,643.73
TBEA Fuping New Energy Equipment Manufacturing Industrial Project	76,096,592.66	0.00	76,096,592.66	71,058,292.16	0.00	71,058,292.16
Other projects	770,227,304.47	0.00	770,227,304.47	887,004,678.46	0.00	887,004,678.46
Total	6,935,424,755.71	0.00	6,935,424,755.71	5,601,866,040.33	0.00	5,601,866,040.33

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

16. Right-of-use assets

Items	Land use right	Machinery and equipment	Others	Total
I. Original book value				
1. Opening balance	411,236,572.44	3,980,880.89	5,508,355.59	420,725,808.92
2. Increase in current period	37,072,206.92	0.00	0.00	37,072,206.92
(1) Lease	37,072,206.92	0.00	0.00	37,072,206.92
(2) Others	0.00	0.00	0.00	0.00
3. Decrease in current period	9,960,288.60	0.00	0.00	9,960,288.60
(1) Disposal	9,960,288.60	0.00	0.00	9,960,288.60
(2) Lease termination	0.00	0.00	0.00	0.00
(3) Translation of financial statements in foreign currency	0.00	0.00	0.00	0.00
4. Closing balance	438,348,490.76	3,980,880.89	5,508,355.59	447,837,727.24
II. Accumulated depreciation				
1. Opening balance	81,658,480.68	363,917.39	372,617.16	82,395,015.23
2. Increase in current period	10,488,300.26	99,094.86	0.00	10,587,395.12
(1) Accrual	10,488,300.26	99,094.86	0.00	10,587,395.12
(2) Others	0.00	0.00	0.00	0.00
3. Decrease in current period	940,038.31	0.00	0.00	940,038.31
(1) Decrease in business merger	0.00	0.00	0.00	0.00
(2) Disposal	940,038.31	0.00	0.00	940,038.31
(3) Translation of financial statements in foreign currency	0.00	0.00	0.00	0.00
4. Closing balance	91,206,742.63	463,012.25	372,617.16	92,042,372.04
III. Provision for impairment				
1. Opening balance	16,422,041.80	0.00	0.00	16,422,041.80
2. Increase in current period	0.00	0.00	0.00	0.00
(1) Accrual	0.00	0.00	0.00	0.00
3. Decrease in current period	0.00	0.00	0.00	0.00
4. Closing balance	16,422,041.80	0.00	0.00	16,422,041.80
IV. Carrying amount				
1. Carrying amount at the end of the period	330,719,706.33	3,517,868.64	5,135,738.43	339,373,313.40
2. Carrying amount at the beginning of the period	313,156,049.96	3,616,963.50	5,135,738.43	321,908,751.89

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

17. Intangible assets

Items	Land use rights	Proprietary technology	Software	Mining rights	Total
I. Original book value					
1. Opening balance	1,685,424,259.38	173,338,242.54	226,514,004.13	20,225,808.38	2,105,502,314.43
2. Increase in current period	1,177,599.12	0.00	25,800,893.65	0.00	26,978,492.77
(1) Acquisition	1,177,599.12	0.00	22,373,936.58	0.00	23,551,535.70
(2) Transfer from construction in progress	0.00	0.00	3,426,957.07	0.00	3,426,957.07
(3) Other increases	0.00	0.00	0.00	0.00	0.00
3. Decrease in current period	116,271,706.80	0.00	8,446,070.29	0.00	124,717,777.09
(1) Disposal	73,523,591.80	0.00	8,446,070.29	0.00	81,969,662.09
(2) Decrease in scope of consolidation	42,748,115.00	0.00	0.00	0.00	42,748,115.00
4. Closing balance	1,570,330,151.70	173,338,242.54	243,868,827.49	20,225,808.38	2,007,763,030.11
II. Accumulated amortization					
1. Opening balance	307,312,429.31	148,570,778.48	116,110,793.18	18,761,326.13	590,755,327.10
2. Increase in current period	13,758,163.30	2,877,845.46	12,700,917.36	976,321.50	30,313,247.62
(1) Accrual	13,758,163.30	2,877,845.46	12,700,917.36	976,321.50	30,313,247.62
(2) Other increases	0.00	0.00	0.00	0.00	0.00
3. Decrease in current period	3,387,234.75	0.00	2,143,525.02	0.00	5,530,759.77
(1) Disposal	1,055,714.65	0.00	2,143,525.02	0.00	3,199,239.67
(2) Other decreases	2,331,520.10	0.00	0.00	0.00	2,331,520.10
4. Closing balance	317,683,357.86	151,448,623.94	126,668,185.52	19,737,647.63	615,537,814.95
III. Provision for impairment					
1. Opening balance	15,711,654.87	7,879,223.01	3,725,291.00	0.00	27,316,168.88
2. Increase in current period	0.00	0.00	0.00	0.00	0.00
(1) Accrual	0.00	0.00	0.00	0.00	0.00
3. Decrease in current period	0.00	0.00	182,568.44	0.00	182,568.44
(1) Disposal	0.00	0.00	182,568.44	0.00	182,568.44
4. Closing balance	15,711,654.87	7,879,223.01	3,542,722.56	0.00	27,133,600.44
IV. Carrying amount					
1. Carrying amount at the end of the period	1,236,935,138.97	14,010,395.59	113,657,919.41	488,160.75	1,365,091,614.72
2. Carrying amount at the beginning of the period	1,362,400,175.20	16,888,241.05	106,677,919.95	1,464,482.25	1,487,430,818.45

Note 1: The "Decrease in scope of consolidation" in the table was mainly due to disposal of Ningyuan Clean Energy Development Co., Ltd. (寧遠清潔能源開發有限公司), Yongcheng Chenfeng New Energy Power Generation Co., Ltd. (永城市宸楓新能源發電有限公司), Yongcheng Chenfeng Xingneng New Energy Co., Ltd. (永城市宸楓興能新能源有限公司), Xuyi Xinte Energy Development Co., Ltd. (盱眙鑫特能源發展有限公司) and Xuyi Shenghui Energy Development Co., Ltd. (盱眙晟輝能源發展有限公司), project companies of the Company.

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

18. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets not offset

Items	Closing balance	
	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	2,471,707,354.13	370,756,103.12
Deferred income	177,820,893.47	26,520,562.50
Provision for retention money	156,141,687.60	23,421,253.14
Provision for other expenses	1,314,302.20	197,145.33
Share-based incentive expenses	0.00	0.00
Unrealized profits of intra-group transactions	2,216,484,016.98	332,472,602.55
Deductible losses	3,523,372,394.98	528,505,859.25
Changes in fair value of investments in other equity instruments included in other comprehensive income	0.00	0.00
Others	183,633,416.87	27,545,012.53
Total	8,730,474,066.23	1,309,418,538.42

Items	Opening balance	
	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	2,308,753,980.03	366,519,769.51
Deferred income	217,783,818.53	32,515,001.26
Provision for retention money	151,452,988.88	25,321,371.26
Provision for other expenses	34,165,448.08	5,203,730.97
Share-based incentive expenses	0.00	0.00
Unrealized profits of intra-group transactions	2,368,645,765.52	355,296,864.83
Deductible losses	3,502,685,259.98	525,402,789.00
Others	127,678,538.63	15,707,567.39
Total	8,711,165,799.65	1,325,967,094.22

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

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

(2) Deferred income tax liabilities not offset

Items	Closing balance Taxable temporary differences	Deferred income tax liabilities
Accelerated depreciation of fixed assets	1,994,286,124.20	299,286,854.16
Others	3,616,963.50	542,544.53
Total	1,997,903,087.70	299,829,398.69

Items	Opening balance Taxable temporary differences	Deferred income tax liabilities
Accelerated depreciation of fixed assets	1,994,315,725.73	299,291,294.36
Cash flows included in other comprehensive income	10,176,552.40	1,912,739.54
Others	3,616,963.50	542,544.53
Total	2,008,109,241.63	301,746,578.43

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

19. Other non-current assets

Items	Book balance	Closing balance Provision for impairment	Carrying amount
Prepayments for long-term assets	448,720,472.45	0.00	448,720,472.45
Amount of value-added tax credits that are expected to be deducted for more than one year	1,170,589,278.19	0.00	1,170,589,278.19
Capacity deposit	452,704,043.20	0.00	452,704,043.20
Large certificates of deposit for more than one year	103,187,972.22	0.00	103,187,972.22
Contract acquisition cost	48,601,849.55	0.00	48,601,849.55
Total	2,223,803,615.61	0.00	2,223,803,615.61

Items	Book balance	Opening balance Provision for impairment	Carrying amount
Prepayments for long-term assets	907,233,578.32	0.00	907,233,578.32
Amount of value-added tax credits that are expected to be deducted for more than one year	1,416,513,122.97	0.00	1,416,513,122.97
Capacity deposit	452,704,043.20	0.00	452,704,043.20
Large certificates of deposit for more than one year	102,035,416.69	0.00	102,035,416.69
Contract acquisition cost	20,756,141.29	0.00	20,756,141.29
Total	2,899,242,302.47	0.00	2,899,242,302.47

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

20. Short-term borrowings

(1) Short-term borrowings by category

Category	Closing balance	Opening balance
Credit loans	500,208,333.32	752,630,781.39
Factoring loans	0.00	0.00
Notes discounted borrowing	462,354,683.25	378,706,656.27
Total	962,563,016.57	1,131,337,437.66

(2) Outstanding overdue short-term borrowings: Nil.

21. Financial liabilities held for trading

Items	Closing balance	Opening balance
Financial liabilities held for trading	5,226,292.44	7,488,887.79
Including: Derivative financial liabilities	877,260.00	0.00
Put option	4,349,032.44	7,488,887.79
Total	5,226,292.44	7,488,887.79

22. Notes payable

Category	Closing balance	Opening balance
Bank acceptance notes	5,473,885,639.61	4,673,835,965.80
Trade acceptance notes	335,655,260.94	224,423,844.25
Total	5,809,540,900.55	4,898,259,810.05

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

23. Accounts payable

(1) Accounts payable by aging based on recording dates

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	4,980,832,634.82	5,221,193,994.03
1 year to 2 years (inclusive)	1,610,902,083.51	1,634,133,026.83
2 years to 3 years (inclusive)	1,211,796,687.68	1,382,052,714.16
Over 3 years	2,021,821,502.44	1,895,578,342.54
Total	9,825,352,908.45	10,132,958,077.56

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

Name of entity	Closing balance	Reason for non-repayment or carry-forward
China Chemical Engineering No. 16 Construction Co., Ltd. (中國化學工程第十六建設有限公司)	282,402,756.92	Payments for project, not yet settled
Windey Energy Technology Group Co., Ltd. (運達能源科技集團股份有限公司)	196,157,110.01	Payments for material, not yet settled
Sinochem Second Construction Group Co., Ltd. (中化二建集團有限公司)	171,117,541.19	Payments for project, not yet settled
Sinopec Chemical Construction Co., Ltd. (中石化工建設有限公司)	163,416,262.29	Payments for project, not yet settled
China Chemical Engineering No. 6 Construction Co., Ltd. (中國化學工程第六建設有限公司)	160,701,696.16	Payments for project, not yet settled
China National Chemical Engineering Third Construction Co., Ltd. (中國化學工程第三建設有限公司)	148,553,528.56	Payments for project, not yet settled
Total	1,122,348,895.13	—

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

24. Contract liabilities

Items	Closing balance	Opening balance
Sales revenue received in advance	1,123,573,633.31	1,277,638,450.88
Project payments received in advance	737,851,412.28	295,560,560.94
Settled but uncompleted payments	377,419,606.64	643,798,526.91
Total	2,238,844,652.23	2,216,997,538.73

25. Staff remuneration payables

(1) Staff remuneration payables by category

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Short-term compensation	669,715,609.73	949,799,257.16	992,579,802.46	626,935,064.43
Post-employment benefits				
— defined contribution plans	7,783,996.31	97,111,045.52	96,938,783.90	7,956,257.93
Termination benefits	0.00	3,552,445.86	3,552,445.86	0.00
Total	677,499,606.04	1,050,462,748.54	1,093,071,032.22	634,891,322.36

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

25. Staff remuneration payables (continued)

(2) Short-term compensation

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Salaries, bonuses, allowances and subsidies	582,694,697.97	790,971,803.32	830,971,660.59	542,694,840.70
Employee benefits	0.00	22,659,849.01	22,659,849.01	0.00
Social insurance	3,574,764.70	54,510,256.76	54,392,512.59	3,692,508.87
Including: Medical insurance	3,400,274.19	49,159,766.16	49,047,715.85	3,512,324.50
Work-related injury insurance	174,490.51	5,419,321.13	5,413,627.27	180,184.37
Maternity insurance	0.00	-68,830.53	-68,830.53	0.00
Housing provident funds	4,828,927.82	60,702,084.58	60,542,673.38	4,988,339.02
Labor union fees and employee education fees	78,617,219.24	20,955,263.49	24,013,106.89	75,559,375.84
Total	669,715,609.73	949,799,257.16	992,579,802.46	626,935,064.43

(3) Defined contribution plans

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Basic pension	7,475,767.46	93,815,654.20	93,653,567.79	7,637,853.87
Unemployment insurance	308,228.85	3,295,391.32	3,285,216.11	318,404.06
Total	7,783,996.31	97,111,045.52	96,938,783.90	7,956,257.93

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

26. Taxes payable

Items	Closing balance	Opening balance
Enterprise income tax	74,268,554.23	89,328,096.18
Value-added tax	71,058,944.46	76,016,436.32
Individual income tax	10,902,775.48	9,929,456.91
Urban maintenance and construction tax	1,311,751.03	2,603,195.32
Stamp duty	5,143,570.83	10,998,659.13
Real estate tax	2,965,700.15	2,261,945.26
Educational surcharge	573,966.54	1,112,779.36
Local educational surcharge	383,532.01	742,740.57
Land use tax	3,854,502.79	1,723,703.60
Others	4,580,409.78	748,381.25
Total	175,043,707.30	195,465,393.90

27. Other payables

Items	Closing balance	Opening balance
Interests payable	0.00	0.00
Dividends payable	29,833,857.36	0.00
Other payables	413,422,044.01	774,570,080.30
Total	443,255,901.37	774,570,080.30

27.1 Interests payable

Nil.

27.2 Dividends payable

Items	Closing balance	Opening balance
Xinjiang Socos New Materials Co., Ltd. (新疆索科斯新材料有限公司)	29,833,857.36	0.00
Total	29,833,857.36	0.00

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

27. Other payables (continued)

27.3 Other payables

(1) Other payables by nature

Nature	Closing balance	Opening balance
Margin and deposits payable	71,059,467.47	88,502,504.82
Temporary receipts payable	168,388,855.85	85,142,032.49
Fees payable	165,307,201.96	394,324,926.16
Due to related parties	4,919,165.53	201,220,851.09
Other payables	3,747,353.20	5,379,765.74
Total	413,422,044.01	774,570,080.30

(2) Significant other payables with aging of over 1 year or overdue: Nil.

28. Non-current liabilities due within one year

Items	Closing balance	Opening balance
Long-term borrowings due within one year	2,332,612,185.82	2,472,588,373.18
Lease liabilities due within one year	13,421,080.41	30,212,533.37
Total	2,346,033,266.23	2,502,800,906.55

29. Other current liabilities

Items	Closing balance	Opening balance
Sales tax to be carried forward	104,089,557.91	259,126,409.82
Notes receivable not derecognized	34,423,761.76	87,360,401.13
Total	138,513,319.67	346,486,810.95

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From 1 January 2026 to 30 June 2026

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

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

30. Long-term borrowings

Category	Closing balance	Opening balance
Credit borrowings	13,359,349,071.22	8,867,240,795.26
Secured and pledged borrowings	5,030,404,864.30	5,757,417,500.55
Pledged borrowings	2,769,235,216.48	3,202,776,766.14
Secured borrowings	2,671,156,453.89	2,566,406,566.00
Pledged and guaranteed borrowings	291,000,000.00	0.00
Total	24,121,145,605.89	20,393,841,627.95

31. Lease liabilities

Items	Closing balance	Opening balance
Lease payments	346,189,744.84	626,186,576.82
Unrecognized financing cost	-115,326,330.65	-215,717,521.14
Reclassification to non-current liabilities due within one year	-13,421,080.41	-30,212,533.37
Total	217,442,333.78	380,256,522.31

32. Accrued liabilities

Items	Closing balance	Opening balance
Product quality assurance	447,805,733.48	469,697,592.70
Expected refund of tariff subsidy	32,043,599.72	32,043,599.72
Pending lawsuits	6,033,988.79	6,033,988.79
Onerous contract to be performed	15,589,108.56	5,283,066.16
Total	501,472,430.55	513,058,247.37

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

33. Deferred income

(1) Deferred income by category

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance	Reasons
Government grants	558,611,348.00	21,103,059.81	48,739,854.73	530,974,553.08	Government grants received
Total	558,611,348.00	21,103,059.81	48,739,854.73	530,974,553.08	—

(2) Items of government grants

Liability items	Opening balance	New grants in current period	Amount included in other income in current period	Other changes	Closing balance	Related to assets/ Related to income
Development of 200,000-ton per annum High-Purity Polysilicon, Supporting 200,000-ton Industrial-grade Silicon and New Energy Power Plant	79,534,821.56	0.00	178,571.40	0.00	79,356,250.16	Related to assets
Project Funds for Key Technology Research and Development and Industrial Chain Integration Services for the PV Material Industry	30,680,000.00	5,250,000.00	0.00	0.00	35,930,000.00	Related to assets
High-Efficiency Integrated PV and Storage System for Intelligent PV Industrial Technology	33,300,000.00	0.00	0.00	0.00	33,300,000.00	Related to assets
Transformation Project Funds	37,382,379.36		5,356,612.81	0.00	32,025,766.55	Related to assets
Subsidies for Urban Affordable Housing Projects	28,469,132.68	2,118,126.48	429,283.09	0.00	30,157,976.07	Related to assets
Intranet Upgrading and Integrated Application of High-purity Silicon-based New Materials Based on the Industrial Internet Platform	30,357,142.86	0.00	1,785,714.30	0.00	28,571,428.56	Related to assets
TB-eCloud Smart Power Energy Management Integrated Service Platform Construction Project	22,800,000.00	0.00	0.00	0.00	22,800,000.00	Related to assets

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From 1 January 2026 to 30 June 2026

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

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

33. Deferred income (continued)

(2) Items of government grants (continued)

Liability items	Opening balance	New grants in current period	Amount included in other income in current period	Other changes	Closing balance	Related to assets/ Related to income
Funds for the Xinjiang Silicon-based New Materials Industrial Innovation Research Institute	10,000,000.00	6,150,000.00	0.00	-6,350,000.00	9,800,000.00	Related to assets
Subsidy Funds for Enterprise Innovative Technology Development Incentives	21,945,757.49		4,311,132.72	-1,780,000.00	15,854,624.77	Related to assets
Project Funds for R&D and Application of Artificial Intelligence Technology for Manufacturing of Silicon-based New Materials	14,158,068.49	0.00	0.00	-270,000.00	13,888,068.49	Related to assets
Energy Conservation and Carbon Reduction Projects	13,816,666.75	0.00	617,857.14	0.00	13,198,809.61	Related to assets
Project Funds for Construction of Public Service Platform for New Materials Testing and Evaluation	11,349,857.07	0.00	540,714.30	0.00	10,809,142.77	Related to assets
Special Fund for Industrial Transformation and Upgrading	10,535,714.11	0.00	607,142.88	0.00	9,928,571.23	Related to assets
Funds for the Energy-Saving Renovation Project for Waste Heat and Pressure Utilization and Energy Cascade Utilization of the 100,000-ton per annum Polysilicon Production System	9,000,000.00	0.00	375,000.00	0.00	8,625,000.00	Related to assets
Polysilicon Cold Hydrogenation Synthesis Gas Heat Recovery and Slurry Process Energy-saving Optimization Project	7,812,500.00	0.00	375,000.00	0.00	7,437,500.00	Related to assets
Funds for Air Pollution Control Projects	7,989,105.93	0.00	796,607.12	0.00	7,192,498.81	Related to assets
10,000-ton Polysilicon CDI System Energy Efficiency Improvement	7,366,071.44	0.00	446,428.57	0.00	6,919,642.87	Related to assets
Subsidy Fund for High-quality Enterprise Development	7,259,999.97	0.00	482,142.86	0.00	6,777,857.11	Related to assets

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

33. Deferred income (continued)

(2) Items of government grants (continued)

Liability items	Opening balance	New grants in current period	Amount included in other income in current period	Other changes	Closing balance	Related to assets/ Related to income
TB-eCloud Industrial Internet Platform Construction Project	7,180,286.95	0.00	684,817.01	0.00	6,495,469.94	Related to assets
Subsidies for Green Manufacturing System Integration Project in 2016	6,669,642.87	0.00	482,142.86	0.00	6,187,500.01	Related to assets
Support Funds for 1,500-ton per annum Polysilicon Expansion	6,657,777.76	0.00	777,777.78	0.00	5,879,999.98	Related to assets
High-purity Polysilicon Intelligent Manufacturing Innovation Mode Application Project	5,851,648.37	0.00	357,142.86	0.00	5,494,505.51	Related to assets
Key Projects for Resource Conservation and Recycling	5,464,285.73	0.00	321,428.57	0.00	5,142,857.16	Related to assets
National Key Laboratory for PV Materials and Batteries Project Funds	4,894,798.32	0.00	0.00	0.00	4,894,798.32	Related to assets
Central Infrastructure Investment for Ecological Civilization Construction	5,008,928.56	0.00	303,571.43	0.00	4,705,357.13	Related to assets
Others	133,126,761.73	7,584,933.33	9,366,348.35	-11,744,418.68	119,600,928.03	—
Total	558,611,348.00	21,103,059.81	28,595,436.05	-20,144,418.68	530,974,553.08	

34. Other non-current liabilities

Items	Closing balance	Opening balance
Contract liabilities (non-current portion)	42,136,744.52	43,533,218.47
Total	42,136,744.52	43,533,218.47

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

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

35. Share capital

Items	Opening balance	Changes in current period (+, -)					Closing balance
		Issue of new Shares	Bonus issue	Share capital converted from reserves	Others	Sub-total	
TBEA Co., Ltd.	951,226,161.00	0.00	0.00	0.00	0.00	0.00	951,226,161.00
Xinjiang Tebian (Group) Co., Ltd	83,863,108.00	0.00	0.00	0.00	-25,616,800.00	-25,616,800.00	58,246,308.00
Xinjiang Honglian Venture Investment Co., Ltd.	0.00	0.00	0.00	0.00	25,616,800.00	25,616,800.00	25,616,800.00
Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.	3,196,800.00	0.00	0.00	0.00	0.00	0.00	3,196,800.00
Liu Bingcheng	474,732.00	0.00	0.00	0.00	0.00	0.00	474,732.00
Jia Boyun	448,560.00	0.00	0.00	0.00	0.00	0.00	448,560.00
Jinglong Technology Holdings Limited	14,619,883.00	0.00	0.00	0.00	0.00	0.00	14,619,883.00
TBEA (HONGKONG) CO., LIMITED	1,223,200.00	0.00	0.00	0.00	0.00	0.00	1,223,200.00
Public shares	374,947,556.00	0.00	0.00	0.00	0.00	0.00	374,947,556.00
Total shares	1,430,000,000.00	0.00	0.00	0.00	0.00	0.00	1,430,000,000.00

Note: In May 2026, Xinjiang Tebian (Group) Co., Ltd transferred 25,616,800 Domestic Shares to Xinjiang Honglian Venture Investment Co., Ltd.

36. Capital reserve

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Share premium	8,977,115,534.25	0.00	0.00	8,977,115,534.25
Other capital reserve	678,202,858.27	0.00	0.00	678,202,858.27
Total	9,655,318,392.52	0.00	0.00	9,655,318,392.52

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

37. Other comprehensive income

Items	Opening balance	Amount in current period	Amount recognized in current period		Less: income tax expenses	After-tax amount attributable to the parent company	After-tax amount attributable to non-controlling interest	Closing balance
			Less: Amount previously included in other comprehensive income	Less: Amount previously included in other comprehensive income				
I. Other comprehensive income not reclassified to profit or loss	-124,436,733.90	0.00	0.00	0.00	0.00	0.00	0.00	-124,436,733.90
Including: Changes in fair value of investments in other equity instruments	-124,436,733.90	0.00	0.00	0.00	0.00	0.00	0.00	-124,436,733.90
II. Other comprehensive income to be reclassified to profit or loss	19,846,189.66	395,814,794.69	0.00	0.00	0.00	376,993,007.78	18,821,786.91	396,839,197.44
Including: Reserve for cash flow hedging	27,839,037.34	411,580,227.09	0.00	0.00	0.00	391,462,612.43	20,117,614.66	419,301,649.77
Exchange differences on translation of financial statements in foreign currency	-7,992,847.68	-15,765,432.40	0.00	0.00	0.00	-14,469,604.65	-1,295,827.75	-22,462,452.33
Total other comprehensive income	-104,590,544.24	395,814,794.69	0.00	0.00	0.00	376,993,007.78	18,821,786.91	272,402,463.54

38. Special reserve

Items	Closing balance	Opening balance
Safe production expenses	67,925,540.11	58,703,365.02
Total	67,925,540.11	58,703,365.02

39. Surplus reserve

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserve	981,955,892.67	0.00	0.00	981,955,892.67
Total	981,955,892.67	0.00	0.00	981,955,892.67

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

40. Undistributed profit

Items	Current period	Previous period
Undistributed profit as at the end of last period before adjustment	19,436,115,451.59	20,641,591,615.72
Adjustment of total undistributed profit at the beginning of the period (increase +, decrease -)	0.00	0.00
Including: retrospective adjustment for the		
Accounting Standards for Business Enterprises and relevant new regulations	0.00	0.00
Change in accounting policies	0.00	0.00
Correction of significant prior period errors	0.00	0.00
Change in scope of consolidation under common control	0.00	0.00
Other adjustment factors	0.00	0.00
Undistributed profit at the beginning of the period after adjustment	19,436,115,451.59	20,641,591,615.72
Add: Net profit attributable to owners of the parent company for the period	-211,893,107.27	-256,290,928.26
Less: Appropriation to statutory surplus reserve	0.00	0.00
Appropriation to discretionary surplus reserve	0.00	0.00
Appropriation to general risk reserve	0.00	0.00
Payable dividends for ordinary shares	0.00	0.00
Dividends of ordinary shares transferred to share capita	0.00	0.00
Balance at the end of the current period	19,224,222,344.32	20,385,300,687.46

41. Operating revenue, operating cost

(1) Information of operating revenue and operating cost

Items	Amount recognized in current period		Amount recognized in previous period	
	Revenue	Cost	Revenue	Cost
Main businesses	9,982,747,592.20	8,702,161,221.83	7,145,709,430.05	6,517,225,631.42
Other businesses	170,546,161.26	117,523,570.82	165,121,944.62	125,088,900.37
Total	10,153,293,753.46	8,819,684,792.65	7,310,831,374.67	6,642,314,531.79

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

41. Operating revenue, operating cost (continued)

(2) By business segment

Items	Amount recognized in current period	
	Revenue from main businesses	Cost of main businesses
Polysilicon and related products	3,888,206,217.86	3,834,022,314.09
Construction of wind power and PV power plants	3,396,905,337.14	2,821,955,124.83
Operation of wind power and PV power plants	1,087,366,620.41	602,719,570.35
Electrical equipment	1,593,642,737.91	1,430,292,448.45
Others	16,626,678.88	13,171,764.11
Total	9,982,747,592.20	8,702,161,221.83

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

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

42. Taxes and surcharges

Items	Amount recognized in current period	Amount recognized in previous period
Urban maintenance and construction tax	9,154,028.40	27,108,524.27
Educational surcharge	3,846,414.50	11,880,742.46
Local educational surcharge	2,561,792.50	9,922,222.35
Water resources tax	732,675.07	1,516,739.20
Resource tax	156,565.70	901,851.90
Foundation for water works	641,612.43	682,648.69
Real estate tax	30,993,899.73	29,000,668.33
Land use tax	26,201,224.33	24,049,122.12
Stamp duty	11,326,830.25	12,493,764.87
Environmental protection tax	348,939.05	293,625.79
Others	1,455,575.35	918,152.98
Total	87,419,557.31	118,768,062.96

43. Selling expenses

Items	Amount recognized in current period	Amount recognized in previous period
Employee compensation	118,261,400.94	100,704,215.30
Early project fees	41,158,057.26	43,940,495.01
Vehicle fees	51,122.46	39,740.84
Labor service fees	28,600,014.39	34,013,556.63
Business entertainment	19,624,196.15	31,957,529.11
Travel expenses	15,999,505.41	20,627,726.93
Advisory fees	9,550,636.05	13,841,358.54
Advertising and promotion fees and conference fees	2,040,780.97	6,669,076.69
Lease payments	5,413,263.43	5,276,392.25
Tender fees	3,658,829.34	2,035,125.57
Others	5,652,407.76	6,710,519.39
Total	250,010,214.16	265,815,736.26

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

44. Administrative expenses

Items	Amount recognized in current period	Amount recognized in previous period
Employee compensation	200,027,771.47	190,316,319.37
Depreciation cost	54,304,463.74	55,673,987.84
Labor service and greening fees	31,462,022.49	30,946,685.75
Advisory fees	12,653,410.03	12,505,826.90
Maintenance fees	4,409,503.48	3,575,422.05
Advertising and promotion fees	9,321,089.26	10,920,565.15
Utilities	16,151,462.24	10,765,296.74
Travel expenses	4,690,384.06	5,617,268.76
Business entertainment	3,875,528.59	2,524,132.14
Office expenses	1,688,911.95	2,750,623.43
Lease payments	2,752,716.09	2,276,464.99
Intermediary fees	0.00	-1,427,068.73
Amortization of intangible assets	13,289,154.72	13,054,112.01
Others	7,514,892.35	16,669,256.54
Total	362,141,310.47	356,168,892.94

45. R&D expenses

Items	Amount recognized in current period	Amount recognized in previous period
Direct inputs costs	19,910,256.27	27,704,599.48
Staff labor costs	112,574,191.36	90,073,992.50
Depreciation and amortization expenses	10,115,111.39	14,019,703.58
Other related costs	32,669,382.29	25,337,512.17
Total	175,268,941.31	157,135,807.73

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From 1 January 2026 to 30 June 2026

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

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

46. Financial expenses

Items	Amount recognized in current period	Amount recognized in previous period
Interest expenses	325,478,734.61	351,174,534.29
Less: Interest income	50,857,887.30	69,184,158.34
Add: Exchange loss	23,061,065.70	-15,566,989.44
Handling fees and others	18,232,724.69	14,272,095.62
Total	315,914,637.70	280,695,482.13

47. Other revenue

(1) Other revenue by category

Sources of other revenue	Amount recognized in current period	Amount recognized in previous period
Government grants	57,659,650.61	53,625,066.91
VAT credit and reduction	47,068,825.95	2,622,664.00
Refund of handling fees for withholding individual income tax	2,208,302.78	2,525,841.70
Total	106,936,779.34	58,773,572.61

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

47. Other revenue (continued)

(2) Breakdown of government grants

Items	Amount recognized in current period	Amount recognized in previous period	Related to assets/income
Amortization of deferred income recognized in the current period	28,595,436.05	23,968,458.46	Related to assets
Acceptance of innovation platform project	6,000,000.00	0.00	Related to income
Government grant from the Treasury Department of Finance Department of Xinjiang Uygur Autonomous Region — special fund for high-tech enterprises	3,450,000.00	2,450,000.00	Related to income
Special funds for key projects under the Baotou city pilot program for new-type technological transformation in manufacturing	3,054,100.00	0.00	Related to income
Acceptance of the capacity enhancement and construction project for the energy internet and power electronics laboratory	2,330,000.00	0.00	Related to income
Talent recruitment subsidy funds issued by the Zhundong Human Resources and Social Security Bureau	2,312,000.00	0.00	Related to income
Social insurance subsidies	2,120,425.72	8,739,561.70	Related to income
Acceptance of R&D on key technologies for large-capacity hybrid shared multi-scenario energy storage for friendly interaction with new energy	1,780,000.00	0.00	Related to income
Acceptance of key technologies for adaptive grid-connection and active synchronization of ultra-high penetration distributed photovoltaic generation	1,382,400.00	0.00	Related to income
Policy funds for the “Tianchi Talent” introduction plan	2,731,000.00	0.00	Related to income
2025 job stabilization subsidy	1,052,794.78	0.00	Related to income
Funds for the Urumqi “Hongshan Talent” cultivation program	17,500.00	110,000.00	Related to income

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

47. Other revenue (continued)

(2) Breakdown of government grants (continued)

Items	Amount recognized in current period	Amount recognized in previous period	Related to assets/income
Subsidies for high-skilled talent training bases at the national level in 2024	0.00	7,100,000.00	Related to income
Subsidies for the renovation and construction projects of government-subsidized rental housing	0.00	1,000,000.00	Related to income
Funds received from the Xinjiang Uygur Autonomous Region Market Supervision and Administration Bureau	0.00	266,000.00	Related to income
Central foreign trade funds for 2025	0.00	1,398,824.00	Related to income
Subsidy funds for enterprises above designated size to absorb employment in 2025	0.00	59,000.00	Related to income
Funds for specialized, sophisticated, distinctive and innovative enterprise cultivation project in 2025	0.00	400,000.00	Related to income
Incentive funds allocated by Baotou city	0.00	161,000.00	Related to income
Subsidy policy for stabilizing industrial growth in the fourth quarter of 2024	0.00	3,493,000.00	Related to income
Subsidy rewards for post-research and development expenses of high-tech enterprises in Xinjiang Uygur Autonomous Region in 2024	0.00	1,000,000.00	Related to income
Others	2,833,994.06	3,479,222.75	Related to income
Total	57,659,650.61	53,625,066.91	—

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

48. Investment income

Items	Amount recognized in current period	Amount recognized in previous period
Investment income from disposal of long-term equity investments	273,525,412.24	218,594,755.95
Investment income from financial and derivative instruments	57,091,410.96	-66,723,898.48
Income of long-term equity investments under equity method	172,335,210.49	271,246,455.86
Gains from derecognition of financial assets measured at amortized cost	0.00	-917,696.09
Total	502,952,033.69	422,199,617.24

49. Gain on changes in fair value

Sources of gain on changes in fair value	Amount recognized in current period	Amount recognized in previous period
Financial assets held for trading	0.00	0.00
Including: Derivative financial instruments	0.00	0.00
Financial liabilities held for trading	0.00	0.00
Derivative financial liabilities	0.00	6,039,935.00
Total	0.00	6,039,935.00

50. Impairment loss of credit

Items	Amount recognized in current period	Amount recognized in previous period
Loss on bad debts of notes receivable	-2,841,574.91	3,458,014.43
Loss on bad debts of accounts receivable	-146,651,529.98	-10,428,045.30
Loss on bad debts of other receivables	-5,617,758.37	14,997,770.52
Total	-155,110,863.26	8,027,739.65

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

51. Impairment loss of assets

Items	Amount recognized in current period	Amount recognized in previous period
Loss on stock depreciation	-448,246,348.37	-101,406,080.02
Loss on impairment of fixed assets	-0.02	-961,343.02
Loss on impairment of contract assets	-109,518,586.42	-149,977,911.87
Total	-557,764,934.81	-252,345,334.91

52. Gains from disposal of assets

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Gains from disposal of non-current assets	8,847,398.85	13,959,000.24	8,847,398.85
Including: Gains from disposal of non-current assets not classified as held for sale	8,847,398.85	13,959,000.24	8,847,398.85
Including: Gains from disposal of fixed assets	8,847,398.85	13,959,000.24	8,847,398.85
Total	8,847,398.85	13,959,000.24	8,847,398.85

53. Non-operating revenue

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Gains from compensations and penalties	3,692,509.61	12,268,336.43	3,692,509.61
Others	511,297.49	6,906,121.14	511,297.49
Total	4,203,807.10	19,174,457.57	4,203,807.10

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

54. Non-operating expenses

Items	Amount recognized in current period	Amount recognized in previous period	Amount included in non-recurring profit or loss of current period
Payment of compensations and penalties	13,771,307.09	216,516.40	13,771,307.09
Losses on damage or retirement of non-current assets	1,033,463.83	172,940.51	1,033,463.83
Loss on retirement of fixed assets	1,033,463.83	172,940.51	1,033,463.83
Carbon emission expenses	5,783,018.88	0.00	5,783,018.88
Others	18,883,526.06	594,632.72	18,883,526.06
Total	39,471,315.86	984,089.63	39,471,315.86

55. Income tax expenses

Items	Amount recognized in current period	Amount recognized in previous period
Current income tax calculated according to tax law and relevant regulations	218,689,206.23	106,033,657.03
Deferred income tax expenses	18,945,008.29	-33,898,232.42
Total	237,634,214.52	72,135,424.61

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

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

56. Items of the cash flow statement

(1) Supplementary information of the consolidated cash flow statement

Items	Amount in current period	Amount in previous period
1. Net profit reconciled to cash flows from operating activities:	—	—
Net profit	-224,187,009.61	-307,357,665.98
Add: Provision for impairment of assets	557,764,934.81	252,345,334.91
Impairment loss of credit	155,110,863.26	-8,027,739.65
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	1,399,420,203.09	999,541,635.80
Amortization of right-of-use assets	10,587,395.12	12,357,369.00
Amortization of intangible assets	30,313,247.62	33,928,176.70
Amortization of long-term deferred expenses	0.00	13,114,032.25
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain is represented by "-")	8,847,398.85	-13,959,000.24
Loss on retirement of fixed assets (gain is represented by "-")	1,033,463.83	0.00
Gain or loss from changes in fair value (gain is represented by "-")	0.00	-6,039,935.00
Financial expenses (income is represented by "-")	315,914,637.70	280,695,482.13
Investment loss (income is represented by "-")	-502,952,033.69	422,199,617.24
Decrease of deferred income tax assets (increase is represented by "-")	16,548,555.80	-41,704,601.26
Increase of deferred income tax liabilities (decrease is represented by "-")	-1,917,179.74	-221,076.82
Decrease of inventories (increase is represented by "-")	-1,193,320,674.46	297,553,980.43
Decrease of operating receivables (increase is represented by "-")	-1,467,483,605.18	2,292,542,439.82
Increase of operating payables (decrease is represented by "-")	978,587,564.73	-5,083,493,166.52
Others	0.00	0.00
Net cash flow from operating activities	84,267,762.13	-856,525,117.19
2. Significant investment and financing activities not involving cash receipt and payment:		
Conversion of debt into capital	0.00	0.00
Convertible corporate bonds due within one year	0.00	0.00
Fixed assets leased through financing	0.00	0.00
3. Net change in cash and cash equivalents:		
Balance of cash at the end of the period	10,121,739,717.56	8,479,525,486.67
Less: Balance of cash at the beginning of the period	6,005,238,095.67	5,494,514,947.49
Add: Balance of cash equivalents at the end of the period	0.00	0.00
Less: Balance of cash equivalents at the beginning of the period	0.00	0.00
Net increase of cash and cash equivalents	4,116,501,621.89	2,985,010,539.18

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

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

56. Items of the cash flow statement (continued)

(2) Cash and cash equivalents

Items	Closing balance	Opening balance
Cash	10,121,739,717.56	6,005,238,095.67
Including: Cash in hand	0.00	0.00
Bank deposits that are readily available for payment	9,969,939,544.39	5,779,740,070.78
Other monetary funds that are readily available for payment	151,800,173.17	225,498,024.89
Cash equivalents	0.00	0.00
Including: Debt investments due within three months	0.00	0.00
Balance of cash and cash equivalents at the end of the period	10,121,739,717.56	6,005,238,095.67
Including: Restricted cash and cash equivalents used by the parent company or subsidiaries within the Group	99,805,473.30	113,126,775.37

57. Assets with restrictions in ownership or use rights

Items	Closing balance	Opening balance
Monetary capital	3,003,274,007.29	3,228,831,246.08
Notes receivable	264,497,399.33	22,962,525.00
Accounts receivable	2,709,239,757.40	2,855,093,864.14
Receivables financing	601,223,577.81	539,063,657.39
Inventories	0.00	163,154,057.60
Fixed assets	13,641,051,413.44	19,874,154,824.03
Construction in progress	0.00	1,270,836,490.22
Intangible assets	164,451,098.45	235,379,022.81
Other non-current assets	20,000,000.00	2,542,962.30
Total	20,403,737,253.72	28,192,018,649.57

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From 1 January 2026 to 30 June 2026

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

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

58. Foreign currency monetary items

Items	Foreign currency balance at the end of the period	Exchange rate	Balance translated to RMB at the end of the period
Bank deposits			
Including: USD	27,930,596.70	6.8109	190,232,501.06
EUR	5,109,304.67	7.7671	39,684,480.30
INR	564,290,277.80	0.0716	40,403,183.89
PKR	106,423,573.36	0.0245	2,607,377.55
EGP	1,715,598.62	0.138	236,752.61
HKD	578,812.99	0.8686	502,756.96
BDT	3,073,719.08	0.0553	169,976.67
BRL	5,279,801.44	1.312	6,927,099.49
JPY	3,916,721.00	0.042	164,502.28
Accounts receivable			
Including: USD	92,252,254.94	6.8109	628,320,883.17
INR	1,350,924,527.73	0.0716	96,726,196.19
PKR	193,878,593.78	0.0245	4,750,025.55
EUR	10,165,388.65	7.7671	78,955,590.18
BRL	11,410,695.44	1.312	14,970,832.42
BHD	444,703.96	17.9976	8,003,603.99
Contract assets-retention money			
Including: EUR	5,194,864.00	7.7671	40,349,028.17
Other receivables			
Including: USD	1,367,405.61	6.8109	9,313,262.87
EUR	57,886.91	7.7671	449,613.42
PKR	2,437,404.51	0.0245	59,716.41
EGP	506,851.91	0.138	69,945.56
INR	236,524,951.88	0.0716	16,935,186.55
BRL	700.00	1.312	918.40

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

58. Foreign currency monetary items (continued)

Items	Foreign currency balance at the end of the period	Exchange rate	Balance translated to RMB at the end of the period
Accounts payable			
Including: USD	2,784,826.65	6.8109	18,967,175.83
EUR	134,199.69	7.7671	1,042,342.41
HKD	77,400.00	0.8686	67,229.64
PKR	8,386,765.87	0.0245	205,475.76
INR	947,103,090.84	0.0716	67,812,581.30
EGP	237,274.02	0.138	32,743.81
MYR	2,650.00	1.6734	4,434.51
EGP	140,849.70	0.138	19,437.26
BHD	1,006,693.30	17.9976	18,118,063.34
BRL	57,716.27	1.312	75,723.75
Other payables			
Including: USD	1,367,405.61	6.8109	9,313,262.87
PKR	2,437,404.51	0.0245	59,716.41
EGP	506,851.91	0.138	69,945.56
INR	129,354,212.23	0.0716	9,261,761.60
BRL	700.00	1.312	918.40
EUR	57,886.91	7.7671	449,613.42

59. Basic information of government grants

(1) Basic information of government grants

Category	Amount	Presentation item	Amount included in profit or loss of the period
Details set out in Note V. 33	21,103,059.81	Deferred income	28,595,436.05
Details set out in Note V. 47	29,064,214.56	Other income	29,064,214.56
Total	50,167,274.37		57,659,650.61

(2) Refund of government grants

Nil

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business merger involving enterprises under different control

Nil

2. Business merger involving enterprises under common control

Nil

3. Reverse takeover

Nil

4. Disposal of subsidiaries

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

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Xixian Yufeng Xinneng Wind Power Co., Ltd. (息縣豫風新能風力發電有限公司)	Second-level subsidiary	100	Equity transfer	February 2026	Actual loss of control over the subsidiary
Yongcheng Chenfeng Xingneng New Energy Co., Ltd. (永城市宸楓興能新能源有限公司)	Third-level subsidiary	100	Equity transfer	February 2026	Actual loss of control over the subsidiary
Urumqi Yuneng Wind Power Co., Ltd. (烏魯木齊昱能風力發電有限公司)	Second-level subsidiary	100	Equity transfer	March 2026	Actual loss of control over the subsidiary
Zhangwu Rongsheng New Energy Co., Ltd. (彰武縣榮晟新能源有限公司)	Third-level subsidiary	100	Equity transfer	March 2026	Actual loss of control over the subsidiary
Shanxi Huitte New Energy Co., Ltd. (山西慧特新能源有限公司)	Second-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Shanxi Huate New Energy Technology Co., Ltd. (山西華特新能源科技有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Huate (Hongdong) New Energy Development Co., Ltd. (華特(洪洞)新能源開發有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

4. Disposal of subsidiaries (continued)

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

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Huate (Hongdong) New Energy PV Industry Co., Ltd. (華特(洪洞)新能源光伏產業有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Huate (Xixian) New Energy Development Co., Ltd. (華特(隰縣)新能源開發有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Huate (Xixian) New Energy Wind Power Industry Co., Ltd. (華特(隰縣)新能源風電產業有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Shanxi Xixian Junlin New Energy Co., Ltd. (山西省隰縣俊霖新能源有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Shanxi Xixian Ruihong New Energy Co., Ltd. (山西省隰縣瑞宏新能源有限公司)	Third-level subsidiary	100	Equity transfer	January 2026	Actual loss of control over the subsidiary
Xi'an Xuxuan Xinte New Energy Co., Ltd. (西安旭烜鑫特新能源有限責任公司)	Second-level subsidiary	100	Equity transfer	April 2026	Actual loss of control over the subsidiary
Xuyi Shenghui Energy Development Co., Ltd. (盱眙晟輝能源發展有限公司)	Third-level subsidiary	100	Equity transfer	April 2026	Actual loss of control over the subsidiary
Xi'an Fengtuo Xinte New Energy Co., Ltd. (西安豐拓鑫特新能源有限責任公司)	Second-level subsidiary	100	Equity transfer	April 2026	Actual loss of control over the subsidiary
Xuyi Xinte Energy Development Co., Ltd. (盱眙鑫特能源發展有限公司)	Third-level subsidiary	100	Equity transfer	April 2026	Actual loss of control over the subsidiary
Longhua Guangsheng Rihui PV Power Generation Co., Ltd. (隆化縣光晟日輝光伏發電有限公司)	Second-level subsidiary	100	Equity transfer	June 2026	Actual loss of control over the subsidiary
Ningyuan Clean Energy Development Co., Ltd. (寧遠清潔能源開發有限公司)	Second-level subsidiary	100	Equity transfer	June 2026	Actual loss of control over the subsidiary

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VI. CHANGES IN THE SCOPE OF CONSOLIDATION (continued)

4. Disposal of subsidiaries (continued)

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

Name of subsidiary	Subsidiaries	Proportion of equity disposed of (%)	Way of equity disposal	Time of losing the control right	Basis for determination of time of losing the control right
Xi'an Yongneng Fengyuan New Energy Power Generation Co., Ltd. (西安永能豐源新能源發電有限公司)	Second-level subsidiary	100	Equity transfer	June 2026	Actual loss of control over the subsidiary
Yongcheng Chenfeng New Energy Power Generation Co., Ltd. (永城市宸楓新能源發電有限公司)	Third-level subsidiary	100	Equity transfer	June 2026	Actual loss of control over the subsidiary
Dali Xinjia New Energy Co., Ltd. (大荔縣新佳新能源有限公司)	Second-level subsidiary	100	Equity transfer	June 2026	Actual loss of control over the subsidiary

5. Changes in the scope of consolidation for other reasons

(1) Cancellation of subsidiaries

Name of subsidiary	Way of equity disposal	Time of losing the control right
Urumqi Xinjia Fengshang Power Technology Co., Ltd. (烏魯木齊新佳風尚電力科技有限公司)	Cancellation	January 2026
Wuwei Zhuoyuan New Energy Technology Co., Ltd. (武威卓源新能源科技有限公司)	Cancellation	January 2026
Hunan Green Smart Electricity Sales Co., Ltd. (湖南綠智售電有限公司)	Cancellation	May 2026
Ningxia Mancheng Optical Storage New Energy Technology Co., Ltd. (寧夏曼誠光儲新能源科技有限公司)	Cancellation	May 2026

(2) Newly established subsidiaries

There was an increase of 45 subsidiaries including Tongchuang Yingfeng New Energy Co., Ltd. (烏魯木齊同創迎風新能源有限責任公司) and Ruoqiang Tongchuang New Energy Co., Ltd. (若羌縣同創新能源有限公司) due to new establishment in the current period.

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VII. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Structure of the Group

1) Major subsidiaries of the Group

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司)	Joint stock company	Urumqi, Xinjiang	Construction of wind power and PV power plants	570,013.13	91.26 0.00	Business merger involving enterprises under common control
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古蒙特硅材料有限公司)	Limited liability company	Baotou, Inner Mongolia	Production and sales of polysilicon	350,000.00	82.00 0.00	Incorporation
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Limited liability company	Changji, Xinjiang	Production and sales of polysilicon	440,000.00	100.00 0.00	Incorporation
Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司)	Limited liability company	Urumqi, Xinjiang	Production and sales of polysilicon	233,915.98	94.30 0.00	Incorporation
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特新能建材有限公司)	Limited liability company	Urumqi, Xinjiang	Production and sales of aerated blocks	4,500.00	100.00 0.00	Incorporation
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	Limited liability company	Urumqi, Xinjiang	R&D, production and sales of zirconium based new materials	27,000.00	7.41 87.32	Incorporation

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

VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
Xinjiang Xinte Xinneng Materials Co., Ltd. (新疆新特新材料檢測中心有限公司)	Limited liability company	Urumqi, Xinjiang	Inspection and testing services	4,478.00	100.00 0.00	Incorporation
Changji Prefecture Shengding New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	193,962.00	0.00 58.25	Incorporation
Changji Prefecture Shengyu New Energy Power Generation Co., Ltd. (昌吉州盛裕新能源發電有限公司)	Limited liability company	Changji, Xinjiang	Operation of PV power plants	104,860.88	0.00 58.25	Incorporation
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司)	Limited liability company	Urumqi, Xinjiang	Operation of wind power plants	15,422.00	0.00 100.00	Incorporation
Urumqi Zhijun Wind Power Co., Ltd. (烏魯木齊志君風力發電有限公司)	Limited liability company	Urumqi, Xinjiang	Operation of wind power plants	15,422.00	100.00 0.00	Incorporation

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

VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
CAMC-TBEA New Energy REIT (華夏特變電工新能源REIT)	Others	Shanghai	Operation of PV power plants	116,370.00	16.00 31.98	Incorporation
TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司)	Limited liability company	Xi'an, Shaanxi Province	R&D, production and sales of inverters	175,000.00	0.00 91.26	Incorporation
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限責任公司)	Limited liability company	Baotou, Inner Mongolia	Operation of PV power plants	15,578.32	0.00 91.26	Incorporation
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	Limited liability company	Altay Prefecture, Xinjiang	Operation of wind power plants	26,700.00	0.00 91.26	Incorporation
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	Limited liability company	Baotou, Inner Mongolia	Operation of wind power and PV power plants	19,465.00	0.00 91.26	Incorporation

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From 1 January 2026 to 30 June 2026

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

VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司)	Limited liability company	Hami, Xinjiang	Operation of wind power plants	38,773.33	16.00 31.98	Incorporation
Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	48,716.00	0.00 91.26	Incorporation
Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	16,250.00	0.00 91.26	Incorporation
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	Limited liability company	Yangquan, Shanxi Province	Operation of PV power plants	15,349.60	0.00 91.26	Incorporation
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	Limited liability company	Xilingol League, Inner Mongolia	Operation of wind power plants	120,259.09	0.00 55.62	Incorporation

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VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	Limited liability company	Changji, Xinjiang	Operation of wind power plants	42,000.00	0.00 91.26	Merger involving enterprises under different control
Xi'an TBEA Electric Power Design Co., Ltd. (西安特變電工電力設計有限公司)	Limited liability company	Xi'an, Shaanxi Province	Electric power design	4,100.00	0.00 91.26	Incorporation
TBEA Xi'an Flexible Power Transmission & Distribution Co., Ltd. (特變電工西安柔性輸配電有限公司)	Limited liability company	Xi'an, Shaanxi Province	R&D, production and sales of flexible DC power transmission and distribution	25,000.00	0.00 91.26	Incorporation
Heze Mudan District Haofeng New Energy Co., Ltd. (荷澤市牡丹區浩風新能源有限公司)	Limited liability company	Heze, Shandong Province	Operation of wind power plants	12,834.00	0.00 91.26	Incorporation
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	Limited liability company	Yuncheng, Shanxi	Operation of PV power plants	14,392.43	0.00 91.26	Incorporation

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(1) Structure of the Group (continued)

1) Major subsidiaries of the Group (continued)

Name of subsidiary	Type of legal person	Place of registration and principal place of business	Business	Registered Capital (RMB'0,000)	Shareholding (%) Directly Indirectly	Way of acquisition
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限公司)	Limited liability company	Kashgar Prefecture, Xinjiang	Operation of PV power plants	15,222.51	0.00 91.26	Incorporation
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	Limited liability company	Bayingol Mongolian Autonomous Prefecture, Xinjiang	Operation of wind power plants	7,860.00	0.00 91.26	Incorporation
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Limited liability company	Liaocheng, Shandong	Operation of PV power plants	11,943.15	0.00 91.26	Incorporation

Notes to the Financial Statements

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

VII. INTERESTS IN OTHER ENTITIES (continued)

1. Interests in subsidiaries (continued)

(2) Significant joint ventures or associates

Name of joint venture or associate	Principal place of business	Business	Shareholding (%)		Accounting treatment method for investments in joint ventures and associates
			Directly	Indirectly	
Xinjiang Zhudong TBEA Energy Co., Ltd. (新疆准東特變能源有限公司)	Changji, Xinjiang	Electricity and heat production and supply industry	49.00	0.00	Equity method
Xinjiang Zhunneng Investment Co., Ltd. (新疆准能投資有限公司)	Changji, Xinjiang	Electricity and heat production and supply industry	0.00	46.23	Equity method

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

Nil.

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS

The Group is exposed to a variety of financial instrument risks in its daily activities, which mainly include market risks (such as exchange rate risk, interest rate risk, and commodity price risk), credit risk, and liquidity risk. Risks related to these financial instruments and the risk management policies the Group adopts to mitigate such risks are discussed below. The management of the Group manages and monitors the exposure of these risks to ensure that these risks are controlled within specific ranges.

1. Risk management goals and policies

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

(1) Market risks

1) Foreign exchange risk

The Group's foreign exchange exposure is mainly related to US dollars, Euro, Indian Rupee and Pakistani Rupee, etc. Except that individual subsidiaries of the Group are using US dollars and other foreign currencies for settlement, other main business operations of the Group are denominated and settled in RMB. As at 30 June 2026, some of the Group's assets and liabilities have balances in US dollars, Euro, Indian Rupee and Pakistani Rupee, etc. The foreign exchange exposure of balances in such foreign currencies is minimal, and will not have a material adverse impact on the financial position of the Group. The Group adopts reasonable hedging instruments and products to reduce the risk of exchange rate fluctuations, adheres to the principle of exchange rate hedging, clarify the management of target exchange rates, and appropriately conducts businesses such as spot and forward settlements to avoid the risk of exchange rate fluctuations.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(1) Market risks (continued)

1) Foreign exchange risk (continued)

Items	Closing balance	Opening balance
Bank deposits		
Including: USD	27,930,596.70	29,943,823.58
EUR	5,109,304.67	3,938,961.33
AUD	0.00	0.05
INR	564,290,277.80	329,215,315.08
PKR	106,423,573.36	54,019,498.22
EGP	1,715,598.62	1,715,873.62
HKD	578,812.99	596,030.50
CLP	0.00	44,264,767.00
BDT	3,073,719.08	3,073,719.08
BRL	5,279,801.44	4,510,874.90
PHP	0.00	27,744,801.25
ZMW	0.00	2,921,823.09
JPY	3,916,721.00	3,916,719.00
Other monetary funds		
Including: USD	0.00	1,505,305.39
EUR	0.00	56,154.90
INR	0.00	117,713,952.70
Accounts receivable		
Including: USD	92,252,254.94	32,178,719.52
INR	1,350,924,527.73	1,022,105,469.72
PKR	193,878,593.78	192,299,437.05
EUR	10,165,388.65	6,828,269.80
BRL	11,410,695.44	12,227,314.02
PHP	0.00	243,566,447.20
BHD	444,703.96	0.00
Contract assets		
Including: USD	0.00	9,832,528.54
EUR	5,194,864.00	3,201,402.40

Notes to the Financial Statements

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(1) Market risks (continued)

1) Foreign exchange risk (continued)

Items	Closing balance	Opening balance
Other receivables		
Including: USD	1,367,405.61	425,841.29
EUR	57,886.91	215,642.00
ZMW	0.00	4,622,142.36
EGP	506,851.91	45,901.92
PKR	2,437,404.51	0.00
PHP	0.00	118,074,771.86
INR	236,524,951.88	0.00
BRL	700.00	0.00
Accounts payable		
Including: USD	2,784,826.65	3,406,864.15
EUR	134,199.69	128,172.79
HKD	77,400.00	77,400.00
PKR	8,386,765.87	8,386,765.25
EGP	140,849.70	0.00
EGP	237,274.02	237,274.01
MYR	2,650.00	2,650.00
INR	947,103,090.84	2,608,272,157.60
BRL	57,716.27	57,716.28
PHP	0.00	178,867,981.36
BHD	1,006,693.30	351,151.29
Other payables		
Including: USD	1,367,405.61	906,241.96
EUR	57,886.91	57,886.91
PKR	2,437,404.51	3,710,474.40
EGP	506,851.91	491,024.51
BRL	700.00	1,052,856.86
PHP	0.00	77,696.06
INR	129,354,212.23	239,763,226.31

The Group closely monitors the impact of changes in exchange rates on the Group.

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(1) Market risks (continued)

2) Interest rate risk

The Group's interest rate risk arises from interest-bearing liabilities such as bank borrowings and bonds payable. Financial liabilities at floating interest rates expose the Group to cash flow interest rate risk, and financial liabilities at fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative ratio of its fixed rate and floating rate contracts based on prevailing market conditions. As at 30 June 2026, the Group's interest-bearing liabilities mainly represent floating rate borrowing contracts denominated in RMB with the aggregate value of RMB26,246,089,632.55 (31 December 2025: RMB23,049,332,334.58) and fixed rate contracts denominated in RMB with the aggregate value of RMB1,488,000,000 (31 December 2025: RMB948,435,104.21).

The Group's risk of changes in fair value of financial instruments resulting from the changes in interest rates was mainly associated with bank borrowings with fixed interest rates. The Group aims to maintain these fixed interest-rate bank borrowings at floating rates.

The Group's risk of changes in cash flow of financial instruments resulting from the changes in interest rates was mainly associated with bank borrowings with floating interest rate. The Group's policy is to maintain these bank borrowings at the floating interest rate, so as to eliminate fair value risks arising from changes in interest rate.

3) Price risk

The Group is subject to price fluctuations as it procures raw materials and sells products at market rates.

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VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

1. Risk management goals and policies (continued)

(2) Credit risk

The Group manages credit risk by portfolio classification. Credit risk mainly arises from monetary capital, notes receivable, accounts receivable, receivables financing, other receivables, contract assets, long-term receivables, etc.

In order to reduce credit risk, the Group has set up a dedicated department to determine credit limits, conduct credit approval, and perform other monitoring procedures to ensure necessary measures are taken to recover overdue debts. In addition, the Group reviews the recovery of each item of receivables at each balance sheet date, to ensure sufficient bad debt provisions are made on unrecoverable items. Therefore, the Group's management believes that the Group's credit risk has been significantly reduced.

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

The Group had taken necessary measures to make sure all customers have a good credit record. Other than the five largest amounts of accounts receivable and contract assets, the Group does not have other significant credit risk concentrations. The aggregate of the five largest amounts of accounts receivable and contract assets of the Group amounted to RMB3,042,348,217.71, accounting for 34.18% of the Company's total accounts receivable and contract assets.

(3) Liquidity risk

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

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IX. DISCLOSURE OF FAIR VALUE

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

Items	Fair value at the end of the period			Total
	Level 1 fair Value measurement	Level 2 fair Value measurement	Level 3 fair Value measurement	
Continuous fair value measurement	—	—	—	—
(I) Financial assets held for trading	0.00	203,530,453.02	53,026,600.00	256,557,053.02
(1) Investments in debt instruments	0.00	0.00	0.00	0.00
(2) Investments in equity instruments	0.00	0.00	53,026,600.00	53,026,600.00
(3) Derivative financial instruments	0.00	203,530,453.02	0.00	203,530,453.02
(4) Bank structured deposit	0.00	0.00	0.00	0.00
(II) Receivables financing	0.00	0.00	707,921,231.97	707,921,231.97
(III) Other debt investments	0.00	0.00	0.00	0.00
(IV) Other equity instrument investments	0.00	0.00	0.00	0.00
Total assets continuously measured at fair value	0.00	203,530,453.02	760,947,831.97	964,478,284.99
(I) Financial liabilities held for trading	0.00	5,226,292.44	0.00	5,226,292.44
Total liabilities continuously measured at fair value	0.00	5,226,292.44	0.00	5,226,292.44

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

The Group's derivative financial assets and derivative financial liabilities are mainly forward foreign exchange contracts. The fair value is determined based on the difference between the bank's foreign exchange settlement quotation and the agreed delivery rate on the balance sheet date.

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

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

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

1. Relationship with related parties

(1) Controlling shareholder and ultimate controlling party

1) Controlling shareholder and ultimate controlling party

Name of controlling shareholder	Registration place	Business	Registered Business capital (RMB10,000)	Proportion of shareholding in the Company (%)	Proportion of voting right in the Company (%)
TBEA Co., Ltd.	Xinjiang Changji	Production and sales	505,279.26	66.61	66.61

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

Zhang Xin holds a total of 70.90% of the Shares of the Company through Xinjiang Tebian Group Co., Ltd. (新疆特變電工集團有限公司), TBEA Co., Ltd. (特變電工股份有限公司), Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd. (新疆遠卓企業管理諮詢有限公司) and TBEA (Hong Kong) Co., Ltd. (特變電工(香港)有限公司) and is the de facto controller of the Company.

2) Registered capital of controlling shareholder and the changes

Controlling shareholder	Opening balance	Increase in current period	Decrease in current period	Closing balance
TBEA Co., Ltd.	5,052,792,571.00	0.00	0.00	5,052,792,571.00

3) Shares or equity interest held by controlling shareholder and the changes

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

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

1. Relationship with related parties (continued)

(2) Information on the Company's subsidiaries

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

(3) Joint ventures and associates with operations and transactions with the Company

Name of joint venture or associate with operations and transactions with the Company	Relationship with the Company
Jeminay Xinte Wind Power Co., Ltd. (吉木乃新特風電有限公司)	Associate
Wuling Jiangyong Electric Power Co., Ltd. (五凌江永電力有限公司)	Associate
Jiangyong Shenghua Energy Development Co., Ltd. (江永晟華能源開發有限公司)	Associate
Jiangyong Clean Energy Development Co., Ltd. (江永清潔能源開發有限公司)	Associate
Daoxian Clean Energy Development Co., Ltd. (道縣清潔能源開發有限公司)	Associate
Wujiaqu TBEA PV Power Technology Co., Ltd. (五家渠特變電工光電科技有限責任公司)	Associate
Turpan TBEA New Energy Co., Ltd. (吐魯番特變電工新能源有限公司)	Associate
Wujiaqu Xinte Energy Co., Ltd. (五家渠新特能源有限責任公司)	Associate
China Energy Xinjiang Ganquanpu Integrated Energy Co., Ltd. (國能新疆甘泉堡綜合能源有限公司)	Associate
Jiangyong Xinfeng New Energy Development Co., Ltd. (江永鑫風新能源開發有限公司)	Associate
Xinjiang Zhunneng Investment Co., Ltd. (新疆准能投資有限公司)	Associate
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	Associate

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

1. Relationship with related parties (continued)

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

Name of other related party with operations and transactions with the Company	Relationship with the Company
Xinjiang Tebian Group Co., Ltd. and its subsidiaries	Enterprise controlled by directors of the Company
Guyang County Changlan Wind Power Co., Ltd. (固陽縣長嵐風力發電有限公司)	Party of other relationship
Tumxuk Hengrunjin Power Technology Co., Ltd. (圖木舒克恒潤金電力科技有限公司)	Party of other relationship
Xinjiang Communications Construction Group Co., Ltd. (新疆交通建設集團股份有限公司)	Party of other relationship
Changji Gurbantunggut Desert Base New Energy Development Co., Ltd. (昌吉古爾班通古特沙漠基地新能源開發有限公司)	Party of other relationship

2. Related-party transactions

(1) Related-party transactions of purchase and sale of goods and the provision and acceptance of services

1) Purchase of goods/acceptance of services

Related party	Amount recognized in current period	Amount recognized in previous period
Enterprise controlled by the controlling shareholder	438,014,803.42	584,142,063.85
Enterprise controlled by directors of the Company	469,173,345.69	38,829,685.99
Total	907,188,149.11	622,971,749.84

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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

2. Related-party transactions (continued)

(1) Related-party transactions of purchase and sale of goods and the provision and acceptance of services (continued)

2) Sales of goods/provision of services

Related party	Amount recognized in current period	Amount recognized in previous period
Enterprise controlled by the controlling shareholder	7,313,429.79	44,035,203.77
Enterprise controlled by directors of the Company	321,301.83	382,542.50
Party of other relationship	174,866.89	—
Total	7,809,598.51	44,417,746.27

(2) Related-party trusteeship/contracting and commissioned management/outsourcing: Nil

(3) Related-party lease

1) As Leasor

Name of lessee	Type of leased assets	Rental income recognized in the current period	Rental income recognized in the previous period
Xinjiang Zhunneng Investment Co., Ltd. (新疆准能投資有限公司)	Buildings and structures	944,636.50	1,292,733.91
Xinjiang Zhudong TBEA Energy Co., Ltd. (新疆准東特變能源有限公司)	Buildings and structures	271,748.04	452,913.40
Inner Mongolia TBEA Energy Equipment Co., Ltd. (內蒙古特變電工能源裝備有限公司)	Buildings and structures	1,055,045.88	1,150,000.02
Total		2,271,430.42	2,895,647.33

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From 1 January 2026 to 30 June 2026

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

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

2. Related-party transactions (continued)

(3) Related-party lease (continued)

2) As Lessee:

Nil.

(4) Related-party guarantee: Nil.

(5) Asset transfer and debt restructuring of related parties: Nil.

(6) Remuneration of key management personnel

Item	Amount recognized in current period	Amount recognized in previous period
Total remuneration	10,135,902.47	6,876,568.34

(7) Other related-party transactions: Nil

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
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X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

3. Balance of transactions with related parties

(1) Receivables

Items	Related party	Closing balance	Opening balance
Other non-current assets	Enterprise controlled by the controlling shareholder	35,673,700.60	134,829,850.77
Prepayments	Enterprise controlled by the controlling shareholder	71,228,721.78	64,973,537.48
	Enterprise controlled by the controlling shareholder	4,375,581.97	3,934,600.24
Accounts receivable	Enterprise controlled by directors of the Company	—	181,617.87
	Associate	—	7,515,897.65
	Party of other relationship	—	30,083,081.69
Contract assets	Enterprise controlled by the controlling shareholder	2,549,359.07	1,842,680.34
Dividends receivable	Associate	65,059,960.86	70,518,014.14
Other receivables	Enterprise controlled by the controlling shareholder	116,553.35	79,703.81
Total		179,003,877.63	313,958,983.99

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From 1 January 2026 to 30 June 2026

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

X. RELATED PARTIES AND RELATED-PARTY TRANSACTIONS

(continued)

3. Balance of transactions with related parties (continued)

(2) Payables

Items	Related party	Closing balance	Opening balance
Short-term borrowings	Enterprise controlled by the controlling shareholder	300,000,000.00	477,100,194.59
	Enterprise controlled by the controlling shareholder	944,740,266.27	962,130,835.38
Accounts payable	Enterprise controlled by directors of the Company	362,294,627.22	292,072,117.46
	Party of other relationship	—	7,920.97
	Enterprise controlled by the controlling shareholder	4,804,018.36	201,367,797.36
Other payables	Enterprise controlled by directors of the Company	230,000.00	200,000.00
	Associate	—	457,796.96
	Party of other relationship	6,866,367.92	6,866,367.92
Contract liabilities	Enterprise controlled by the controlling shareholder	13,715,250.00	2,874,995.04
	Enterprise controlled by directors of the Company	3,225,739.52	35,398.23
	Associate	390,510.19	2,917,125.95
	Party of other relationship	—	1,585,718.89
Total		1,636,266,779.48	1,947,616,268.75

4. Related-party commitment

Nil.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
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XI. SHARE-BASED PAYMENT

Nil.

XII. CONTINGENCIES

1. Material contingent liabilities arising from pending lawsuits or arbitration: Nil
2. Contingent liabilities arising from provision of external guarantees: Nil
3. Other contingent liabilities: Nil
4. As at 30 June 2026, the Group did not have other material contingencies.

XIII. COMMITMENTS

1. Significant commitments

As at 30 June 2026, the Group's guarantees in the form of letter of guarantee were equivalent to RMB4,274,867,435.24 at the benchmark exchange rate at the end of the year, with maturity in 2029 at the latest.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/original carrying amount	Project of mortgage/guarantee
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Development Bank Xinjiang Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Agricultural Bank of China Changji Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Industrial and Commercial Bank of China Limited Xinjiang Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	The Export-Import Bank of China Xinjiang Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Urumqi Changji Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Industrial Bank Urumqi Branch	Land use rights, machinery and equipment will be formed in the future of the 200,000-ton-per-annum high-end electronic-grade polysilicon green, low carbon circular economy construction project of Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司)	5,563,887,286.16	The 200,000-ton-per-annum high-end electronic-grade polysilicon green, low carbon circular economy construction project of the Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司) 年產20萬噸高端電子級多晶硅綠色低碳循環經濟建設項目)
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Minsheng Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China Merchants Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of China Xinjiang Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Communications Xinjiang Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	China CITIC Bank Urumqi Branch			
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Bank of Kunlun Urumqi Branch			

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/original carrying amount	Project of mortgage/guarantee
Xinte Energy Co., Ltd. (新特能源股份有限公司)	Everbright Financial Leasing Co., Ltd.	Certain equipment of self-owned power plant	1,305,671,510.49	Self-owned power plant
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限責任公司)	China Development Bank Xinjiang Branch	Fixed assets formed upon the completion of the Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project	576,924,537.32	Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project (包頭市光羿太陽能發電有限責任公司石拐區領導者1號100MWp光伏項目)
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	Agricultural Bank of China Burqin Subbranch	Fixed assets formed upon the completion of the Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant Project	1,020,523,593.44	Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant Project (新疆准東基地特變電工布爾津縣150MW風電場項目)
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	Bank of China Jiuquan Branch	Fixed assets formed upon the completion of TBEA Dunhuang 20MW Grid-Parity PV Power Project and 100MW Gridconnected PV Power Generation Project	565,288,591.66	TBEA Dunhuang 20MW Grid-Parity PV Power Project (特變電工敦煌20MW平價光伏發電項目)
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	China Development Bank Xinjiang Branch	Fixed assets and land use rights formed upon the completion of the TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project and Guyang Xingshunxi PV Power Plant 20MWp Integrated Wind Power and PV Power Plant PV Power Generation Project	718,875,742.20	TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project (特變電工固陽興順西風電場一期100MW風電工程項目)
Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司)	China Development Bank Xinjiang Branch	Land, properties and mechanical equipment formed upon the completion of Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project	1,366,051,463.93	Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project (新疆哈密風電基地二期項目景峽第六風電場B區200MW工程)

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/original carrying amount	Project of mortgage/guarantee
Heze Mudan District Haofeng New Energy Co., Ltd. (荷澤市牡丹區浩風新能源有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	Assets (mechanical equipment) formed upon the completion of the Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project	386,205,639.35	Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project (浩風新能源牡丹區王浩屯 50MW風電項目)
Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限責任公司)	China Development Bank Xinjiang Branch	Fixed assets formed upon the completion of the Yunnan Dali Prefecture Heqing Huangping Grid-connected PV Power Project	177,604,661.19	Yunnan Dali Prefecture Heqing Huangping Grid-connected PV Power Project (雲南省大理州鶴慶縣黃坪並網光伏電站項目)
Liaocheng Shenxian Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	Fixed assets formed upon the completion of the Liaocheng County Guancheng 101MW/204MWh Electrochemical Energy Storage Project	365,594,305.35	Liaocheng County Guancheng 101MW/204MWh Electrochemical Energy Storage Project (聊城縣觀城101MW/204MWh電化學儲能項目)
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	Industrial and Commercial Bank of China Limited Kashgar Branch	Fixed assets formed upon the completion of the Xinshang Energy Yarkant 100MW PV Grid connected Power and Energy Storage Facilities Project	458,658,127.30	Xinshang Energy Yarkant 100MW PV Grid connected Power and Energy Storage Facilities Project (新尚能源莎車100兆瓦光伏並網發電和儲能設施項目)
TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司)	Industrial Bank Xi'an Branch	Land use rights and above-ground buildings	428,028,766.02	TBEA Xi'an Science and Technology Industrial Park Phase III and 5G Digital Factory, and Science and Technology Innovation R&D Building Construction Project (特變電工西安科技產業園三期暨5G數字化工廠及科創研發大樓建設項目)

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

2. Information of mortgaged assets (continued)

Entity mortgaging assets	Mortgagee	Category of mortgaged assets	Appraised asset value/original carrying amount	Project of mortgage/guarantee
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	China Development Bank Xinjiang Branch	Fixed assets formed upon the completion of the Shanxi Yangquan Coal Mining Subsidence Area National Leading PV Power Demonstration Base Project	681,803,091.31	Shanxi Yangquan Coal Mining Subsidence Area National Leading PV Power Demonstration Base Jiajianao 100Mwp PV Power Project (山西陽泉市采煤沉陷區國家先進技術光伏發電示範基地賈家壩100Mwp光伏發電項目)
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	China Development Bank Xinjiang Branch	Fixed assets and land use rights formed upon the completion of the Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 275,000kW Wind Power Plant Project and Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 200,000kW Wind Power Plant Project	3,246,944,569.16	Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 275,000kW Wind Power Plant Project (風盛正鑲白旗特高壓外送27.5萬千瓦風電場項目)
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	Industrial and Commercial Bank of China Limited Changji Branch	Fixed assets formed upon the completion of the Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project	1,545,745,126.65	Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project (中閩(木壘)風電有限公司木壘大石頭200MW風力發電項目)
Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司)	Agricultural Bank of China Financial Leasing Co., Ltd.	Fixed assets formed upon the completion of the Wuwei 150 MW PV Power Project	699,367,322.38	Wuwei Wusheng 150 MW PV Power Project (武威武晟150兆瓦光伏發電項目)

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

XIII. COMMITMENTS (continued)

3. Information of pledged assets

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/original carrying amount	Project of pledge/guarantee
Urumqi Junsheng Wind Power Generation Co., Ltd. (烏魯木齊縣君盛風力發電有限公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	5,131,592.92	Urumqi Toli 100MW Wind Power Project (烏魯木齊縣托裏鄉100MW風電項目)
Baotou Guangyi Solar Power Co., Ltd. (包頭市光羿太陽能發電有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	110,870,229.30	Baotou Guangyi Solar Power Co., Ltd. Shiguai District Leader No. 1 100MWp PV Project (包頭市光羿太陽能發電有限責任公司石拐區領導者1號100MWp光伏項目)
Burqin County Jingneng Wind Power Co., Ltd. (布爾津縣晶能風力發電有限責任公司)	Agricultural Bank of China Limited Burqin Sub-branch	The right to tariff after the completion and all revenue under the project	499,214,708.68	Xinjiang Zhundong Base TBEA Burqin 150MW Wind Power Plant Project (新疆准東基地特變電工布爾津縣150MW風電場項目)
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	Bank of China Limited Jiuquan Branch	The right to tariff after the completion and all revenue under the project	5,548,622.26	TBEA Dunhuang 20MW Grid-Parity PV Power Project (特變電工敦煌20MW平價光伏發電項目)
Dunhuang Teneng New Energy Co., Ltd. (敦煌市特能新能源有限公司)	Bank of China Limited Jiuquan Branch	The right to tariff after the completion and all revenue under the project		TBEA Dunhuang 100MW Grid-connected PV Power Generation Project (特變電工敦煌100MW並網光伏發電項目)
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	403,345,813.41	TBEA Guyang Xingshunxi Wind Power Plant Phase I 100MW Wind Power Project (特變電工固陽興順西風電場一期100MW風電工程項目)
Guyang County Wind Power Generation Co., Ltd. (固陽縣風源發電有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	31,234,089.17	TBEA Guyang Xingshunxi PV Power Plant 20Mwp Integrated Wind Power and PV Power Plant PV Power Generation Project (特變電工固陽興順西光伏電場20Mwp風光同場太陽能光伏發電工程項目)
Hami Fengshang Power Generation Co., Ltd. (哈密風尚發電有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	924,302,950.17	Xinjiang Hami Wind Power Base Phase II Jingxia No. 6 Wind Power Plant Block B 200MW Project (新疆哈密風電基地二期項目景峽第六風電場B區200MW工程)

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XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/original carrying amount	Project of pledge/guarantee
Hami Shisanjianfang Xinte Wind Energy Co., Ltd. (哈密十三間房新特風能有限責任公司)	Bank of China Hami Branch	The right to tariff after the completion and all revenue under the project	2,831,706.72	TBEA Shisanjianfa Wind Power Plant Phase I 49.5MW Project (特變電工十三間房風電場一期49.5MW項目)
Hami Zhenchao Wind Power Co., Ltd. (哈密市振超風力發電有限公司)	Bank of China Hami Branch	The right to tariff after the completion and all revenue under the project	10,553,729.93	Yizhou District Luotuoquanzi 15MW Distributed Wind Power Project (伊州區駱駝圈子15MW分散式風電項目)
Heze Mudan District Haofeng NewEnergy Co., Ltd. (菏澤市牡丹區浩風新能源有限公司)	Industrial and Commercial Bank of China Limited Yanggu Sub-branch	The right to tariff after the completion and all revenue under the project	110,148,967.48	Haofeng New Energy Mudan District Wanghao Village 50MW Wind Power Project (浩風新能源牡丹區王浩屯50MW風電項目)
Heqing Huineng Power Generation Co., Ltd. (鶴慶匯能發電有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	114,485,613.87	Yunnan Dali Prefecture Heqing Huangping Grid-connected PV Power Project (雲南省大理州鶴慶縣黃坪並網光伏電站項目)
Kalpin County Kete New Energy Co., Ltd. (柯坪縣柯特新能源有限責任公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	1,415,700.01	Kete New Energy Kalpin County 100MW PV and Energy Storage and Power Generation Project (柯特新能源柯坪縣100兆瓦光伏及儲能發電項目)
Liaocheng Shen County Huahao New Energy Development Co., Ltd. (聊城莘縣華浩新能源發展有限公司)	Industrial and Commercial Bank of China Limited Yanggu Branch	The right to tariff after the completion and all revenue under the project	13,995,434.82	Liaocheng County Guancheng 101MW/204MWh Electrochemical Energy Storage Project (聊城縣觀城101MW/204MWh電化學儲能項目)
Luyi Fengyi Power Co., Ltd. (鹿邑縣風易發電有限公司)	China Construction Bank Zhoukou Branch	The right to tariff after the completion and all revenue under the project	11,092,710.77	Luyi Mudian 20MW Distributed Wind Power Project (鹿邑縣穆店20MW分散式風電項目)
Mulei County Jiayu Fengsheng Power Generation Co., Ltd. (木壘縣嘉裕風晟發電有限公司)	Bank of China Xinjiang Branch	The right to tariff after the completion and all revenue under the project	20,236,703.82	TBEA Mulei Dashitou 200MW Wind Power Project (特變電工木壘大石頭200MW風力發電項目)

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XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/original carrying amount	Project of pledge/guarantee
Mulei County Xinte Huineng Power Generation Co., Ltd. (木壘縣新特匯能發電有限責任公司)	Bank of China Xinjiang Branch	The right to tariff after the completion and all revenue under the project	198,077,506.70	TBEA Mulei Laojunmiao 100MW Wind Power Project (特變電工木壘老君廟100MW風力發電項目)
Nanning Huineng Wind Power Co., Ltd. (南寧匯能風力發電有限公司)	Bank of China Nanning Branch	The right to tariff after the completion and all revenue under the project	950,400.00	Nanning Xingning District Kunlun Town Tanle Wind Power Plant Project (南寧市興寧區昆侖壇勒風電場工程項目)
Ruoqiang Zhuo Shang New Energy Co., Ltd. (若羌縣卓尚新能源有限公司)	Bank of China Bayingol Mongolian Autonomous Prefecture Branch	The right to tariff after the completion and all revenue under the project	2,011,433.60	Ruoqiang Milan Wind District 50,000 kW Wind Power Project (若羌縣米蘭風區5萬千瓦風電項目)
Shache County Xinshang Energy Power Generation Co., Ltd. (莎車縣新尚能源發電有限責任公司)	Industrial and Commercial Bank of China Limited Kashgar Branch	The right to tariff after the completion and all revenue under the project	2,806,300.00	Xinshang Energy Yarkant 100MW PV Grid connected Power and Energy Storage Facilities Project (新尚能源莎車100兆瓦光伏並網發電和儲能設施項目)
Suichuan County Huafeng Power Generation Co., Ltd. (遂川縣華風發電有限公司)	Bank of China Suichuan Branch	The right to tariff after the completion and all revenue under the project	2,897,700.00	Suichuan County Jiaoziding Distributed Wind Power Project (遂川縣轎子頂分散式風電項目)
Wenxi County Xinjia New Energy Co., Ltd. (聞喜縣新佳新能源有限公司)	Bank of China Yuncheng Branch	The right to tariff after the completion and all revenue under the project	3,550,400.00	TBEA Yuncheng Wenxi County Liyuan Town 100,000kW PV Power Project and Auxiliary Output Project (特變電工運城市聞喜縣禮元鎮10萬千瓦光伏發電項目及配套輸出項目)
Yu County Huaguang PV Power Generation Co., Ltd. (孟縣華光光伏發電有限公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	402,174,116.16	Shanxi Yangquan Coal Mining Subsidence Area National Leading PV Power Demonstration Base Jiajianao 100Mwp PV Power Project (山西陽泉市採煤沉陷區國家先進技術光伏發電示範基地賈家壩100Mwp光伏發電項目)

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XIII. COMMITMENTS (continued)

3. Information of pledged assets (continued)

Entity pledging assets	Pledgee	Category of pledged assets	Appraised asset value/original carrying amount	Project of pledge/guarantee
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	26,114,465.89	Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 275,000kW Wind Power Plant Project (風盛正鑲白旗特高壓外送27.5萬千瓦風電場項目)
Zhengxiangbai Banner Fengsheng Power Generation Co., Ltd. (正鑲白旗風盛發電有限公司)	China Development Bank Xinjiang Branch	The right to tariff after the completion and all revenue under the project	20,781,640.59	Fengsheng Zhengxiangbai Banner Ultrahigh Voltage 200,000kW Wind Power Plant Project (風盛正鑲白旗特高壓外送20萬千瓦風電場項目)
Zhongmin (Mulei) Wind Power Co., Ltd. (中閩(木壘)風電有限公司)	Industrial and Commercial Bank of China Limited Changji Branch	The right to tariff after the completion and all revenue under the project	27,937,110.79	Zhongmin (Mulei) Wind Power Co., Ltd. Mulei Dashitou 200MW Wind Power Project (中閩(木壘)風電有限公司木壘大石頭200MW風力發電項目)
Wuwei Wusheng New Energy Technology Co., Ltd. (武威武晟新能源科技有限公司)	Agricultural Bank of China Financial Leasing Co., Ltd.	The right to tariff after the completion and all revenue under the project	56,316,097.31	Wuwei 150 MW PV Power Project (武威武晟150兆瓦光伏發電項目)
Hami Huafeng New Energy Power Generation Co., Ltd. (哈密華風新能源發電有限公司)	Agricultural Bank of China Limited Changji Branch	The right to tariff after the completion and all revenue under the project	16,869,721.05	Hami Southeast Shankou Region TBEA PV Power Project (哈密東南部山口區域特變電工光伏發電項目)

XIV. EVENTS AFTER THE BALANCE SHEET DATE

Nil.

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From 1 January 2026 to 30 June 2026

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XV. OTHER SIGNIFICANT MATTERS

Segment information

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

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

(1) Segment revenue and results

Items	Recognized in current period						Total
	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	
Operating revenue	3,889,525,769.97	3,417,932,082.96	1,087,677,195.28	1,734,857,124.17	838,915,514.73	-815,613,933.65	10,153,293,753.46
Including: Revenue from external transactions	3,888,206,217.86	3,396,905,337.14	1,087,366,620.41	1,593,642,737.91	187,172,840.14	—	10,153,293,753.46
Revenue from inter-segment transactions	1,319,552.11	21,026,745.82	310,574.87	141,214,386.26	651,742,674.59	-815,613,933.65	—
Gross profit	54,183,903.77	574,950,212.31	484,647,050.06	163,350,289.46	56,477,505.21	—	1,333,608,960.81

Items	Recognized in previous period						Total
	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	
Operating revenue	997,762,813.62	4,942,559,278.22	1,381,124,682.19	1,644,552,899.88	290,720,987.77	-1,945,889,287.01	7,310,831,374.67
Including: Revenue from external transactions	978,723,192.98	3,340,558,617.67	1,305,865,033.46	1,463,781,869.39	221,902,661.17	—	7,310,831,374.67
Revenue from inter-segment transactions	19,039,620.64	1,602,000,660.55	75,259,648.73	180,771,030.49	68,818,326.60	-1,945,889,287.01	—
Gross profit	-1,033,128,468.18	678,314,401.38	745,214,818.00	235,709,740.90	42,406,350.78	—	668,516,842.88

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XV. OTHER SIGNIFICANT MATTERS (continued)

Segment information (continued)

(2) Segment assets and liabilities

30 June 2026	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	Total
Total assets	48,162,307,090.44	23,364,674,604.93	33,132,967,476.88	9,067,335,902.02	3,444,989,418.07	-30,537,428,025.89	86,634,846,466.45
Long-term equity investments (investments in associates and joint ventures)	2,670,323,530.81	389,509,002.92	—	—	—	—	3,059,832,533.73
Increase in non-current assets (other than long-term equity investments)	-637,833,817.26	-726,862,775.16	1,594,861,965.50	-340,119,364.13	-258,832,672.98	-546,590,862.78	-915,377,526.81
Total liabilities	17,727,253,694.12	18,765,025,696.59	16,781,548,460.24	6,636,271,611.62	373,300,586.08	-11,991,133,694.97	48,292,266,353.68

31 December 2025	Polysilicon	Construction of wind power and PV power plants	Operation of wind power and PV power plants	Electrical equipment	Others	Inter-segment elimination	Total
Total assets	45,230,635,638.87	27,379,527,506.98	32,324,084,125.15	7,138,427,662.73	1,750,678,278.10	-31,702,252,842.61	82,121,100,369.22
Long-term equity investments (investments in associates and joint ventures)	2,497,642,265.18	802,036,879.83	—	—	—	-413,379,775.17	2,886,299,369.84
Increase in non-current assets (other than long-term equity investments)	-1,565,844,347.87	-147,351,613.37	2,354,628,501.35	208,863,271.43	-219,122,294.88	130,037,887.65	761,211,404.31
Total liabilities	14,916,710,470.63	10,466,506,280.00	22,458,120,221.44	6,191,636,663.73	851,767,013.33	-9,809,828,557.07	45,074,912,092.06

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From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY

1. Accounts receivable

(1) Accounts receivable by aging

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	520,844,427.77	97,677,935.54
1 year to 2 years (inclusive)	91,961,856.62	132,582,010.60
2 years to 3 years (inclusive)	99,785,596.92	82,040,536.79
3 years to 4 years (inclusive)	83,248,544.52	85,957,477.97
4 years to 5 years (inclusive)	96,397,373.75	52,137,473.73
Over 5 years	24,356,859.02	21,746,599.69
Total	916,594,658.60	472,142,034.32

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

Category	Closing balance				
	Book balance		Provision for bad debts		
	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying amount
Bad debt provision made on individual basis	258,224,735.12	28.17	258,224,735.12	100	0.00
Bad debt provision made on a collective basis	658,369,923.48	71.83	47,142,724.64	7.16	611,227,198.84
Including: By portfolio of aging	658,369,923.48	71.83	47,142,724.64	7.16	611,227,198.84
By portfolio of electricity and subsidies	0.00	0.00	0.00	0.00	0.00
Total	916,594,658.60	100	305,367,459.76	—	611,227,198.84

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

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

Category	Opening balance		Provision for bad debts		Carrying amount
	Book balance			Provision	
	Amount	Percentage (%)	Amount	percentage (%)	
Bad debt provision made on individual basis	258,123,650.39	54.67	258,123,650.39	100	0.00
Bad debt provision made on a collective basis	214,018,383.93	45.33	32,062,876.29	14.98	181,955,507.64
Including: By portfolio of aging	214,018,383.93	45.33	32,062,876.29	14.98	181,955,507.64
By portfolio of electricity and subsidies	0.00	0.00	0.00	0.00	0.00
Total	472,142,034.32	100	290,186,526.68	—	181,955,507.64

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

Name	Book balance	Closing balance		Reasons for provision
		Bad debt provision	Provision percentage (%)	
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	258,224,735.12	258,224,735.12	100.00	Not expected to be recovered
Total	258,224,735.12	258,224,735.12	—	—

Name	Book balance	Opening balance		Reasons for provision
		Bad debt provision	Provision percentage (%)	
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	258,123,650.39	258,123,650.39	100.00	Not expected to be recovered
Total	258,123,650.39	258,123,650.39	—	—

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

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

2) Bad debt provision made on accounts receivable on collective basis

Aging	Book balance	Closing balance Bad debt provision	Provision percentage (%)
Within 1 year (inclusive)	520,199,731.54	10,403,994.63	2.00
1 year to 2 years (inclusive)	72,976,739.48	3,648,836.97	5.00
2 years to 3 years (inclusive)	34,069,930.54	6,813,986.11	20.00
3 years to 4 years (inclusive)	4,318,408.25	1,295,522.48	30.00
4 years to 5 years (inclusive)	3,649,458.44	1,824,729.22	50.00
Over 5 years	23,155,655.23	23,155,655.23	100.00
Total	658,369,923.48	47,142,724.64	—

Aging	Book balance	Opening balance Bad debt provision	Provision percentage (%)
Within 1 year (inclusive)	80,590,233.87	1,611,804.67	2.00
1 year to 2 years (inclusive)	100,643,181.71	5,032,159.09	5.00
2 years to 3 years (inclusive)	3,997,352.45	799,470.49	20.00
3 years to 4 years (inclusive)	3,238,328.76	971,498.63	30.00
4 years to 5 years (inclusive)	3,802,687.45	1,901,343.72	50.00
Over 5 years	21,746,599.69	21,746,599.69	100.00
Total	214,018,383.93	32,062,876.29	—

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

1. Accounts receivable (continued)

(3) Provision for bad debts accrued, recovered or reversed for accounts receivable in the current period

Category	Opening balance	Accrued	Changes in the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on accounts receivable	290,186,526.68	15,180,933.08	0.00	0.00	0.00	305,367,459.76
Total	290,186,526.68	15,180,933.08	0.00	0.00	0.00	305,367,459.76

(4) Accounts receivable written off in the current period

Nil.

(5) The top five accounts receivable of the closing balance aggregated by the owing party

The top five accounts receivable of the closing balance aggregated by the owing party totalled RMB881,343,342.23, accounting for 96.15% of the total closing balance of accounts receivable; the corresponding Closing balance of the provision for bad debts totalled RMB304,387,540.82.

2. Other receivables

Items	Closing balance	Opening balance
Interests receivable	0.00	0.00
Dividends receivable	1,553,175,128.92	1,069,479,393.78
Other receivables	2,259,757,986.64	771,015,492.00
Total	3,812,933,115.56	1,840,494,885.78

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From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.1 Dividends receivable

(1) Dividends receivable by category

Item (or investee)	Closing balance	Opening balance
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古蒙特硅材料有限公司)	1,059,479,393.78	1,059,479,393.78
Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司)	493,695,735.14	0.00
Xinjiang Xinte Xinneng Materials Co., Ltd. (新疆新特新能材料檢測中心有限公司)	0.00	10,000,000.00
Total	1,553,175,128.92	1,069,479,393.78

2.2 Other receivables

(1) Other receivables by nature

Nature	Book balance at the end of the period	Book balance at the beginning of the period
Advances	7,205,720.70	8,751,760.88
Margin and deposits	1,115,713.68	716,099.06
Related-party transactions	2,698,247,077.50	1,172,369,870.35
Daily cash advances	2,756,753.09	2,297,871.62
Others	1,140,697.13	5,859.00
Total	2,710,465,962.10	1,184,141,460.91

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From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

(2) Other receivables by aging

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year (inclusive)	2,282,978,450.25	745,543,836.45
1 year to 2 years (inclusive)	19,737,646.87	68,987,746.55
2 years to 3 years (inclusive)	46,980,608.23	13,058,917.58
3 years to 4 years (inclusive)	4,685,953.14	46,585,582.05
4 years to 5 years (inclusive)	56,903,190.70	309,965,378.28
Over 5 years	299,180,112.91	0.00
Total	2,710,465,962.10	1,184,141,460.91

(3) Bad debt provision made on other receivables on general model of expected credit losses basis

	Stage 1 12-month expected credit loss	Stage 2 Lifetime expected credit loss (without credit impairment)	Stage 3 Lifetime expected credit loss (with credit impairment)	Total
Balance at 1 January 2026	413,125,968.91	0.00	0.00	413,125,968.91
Balance at 1 January 2026, for the current period	—	—	—	—
— Transferred to Stage 2	0.00	0.00	0.00	0.00
— Transferred to Stage 3	0.00	0.00	0.00	0.00
— Reversed to Stage 2	0.00	0.00	0.00	0.00
— Reversed to Stage 1	0.00	0.00	0.00	0.00
Accrued in current period	37,582,006.55	0.00	0.00	37,582,006.55
Reversed in current period	0.00	0.00	0.00	0.00
Carry-forward in current period	0.00	0.00	0.00	0.00
Written off in current period	0.00	0.00	0.00	0.00
Other changes	0.00	0.00	0.00	0.00
Balance at 30 June 2026	450,707,975.46	0.00	0.00	450,707,975.46

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From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

- (4) Provision for bad debts accrued, recovered or reversed for other receivables in the current period

Category	Opening balance	Accrued	Changes in the current period		Others	Closing balance
			Recovered or reversed	Carry-forward or written off		
Bad debt provision made on other receivables	413,125,968.91	37,582,006.55	0.00	0.00	0.00	450,707,975.46
Total	413,125,968.91	37,582,006.55	0.00	0.00	0.00	450,707,975.46

- (5) Other receivables written off in the current period: Nil

- (6) The top five other receivables of the closing balance aggregated by the owing party

Company	Nature	Closing balance	Aging	Percentage of total closing balance of other receivables (%)	Closing balance of bad debt provision
Xinte Silicon-based New Material Co., Ltd. (新特硅基新材料有限公司)	Related-party transactions	1,250,517,181.84	Within 4 years	46.14	25,299,918.66
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古蒙特硅材料有限公司)	Related-party transactions	956,085,298.58	Within 1 years	35.27	19,121,705.97
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	Related-party transactions	381,910,008.92	Over 5 years	14.09	381,910,008.92
TBEA Xi'an Electrical Technology Co., Ltd. (特變電工西安電氣科技有限公司)	Related-party transactions	50,034,722.25	Within 1 years	1.85	1,000,694.45
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特新能建材有限公司)	Related-party transactions	41,297,178.27	1-5 years	1.52	22,268,279.93
Total	—	2,679,844,389.86	—	98.87	449,600,607.93

Notes to the Financial Statements

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

2. Other receivables (continued)

2.2 Other receivables (continued)

(7) Receivables related to government grants: Nil

(8) Other receivables derecognized due to transfer of financial assets: Nil

(9) Assets and liabilities arising from transfer of other receivables with continuing involvement: Nil

3. Long-term equity investments

(1) Long-term equity investments by category

Items	Closing balance		
	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	18,285,035,208.18	26,098,976.97	18,258,936,231.21
Investments in associates and joint ventures	1,846,627,156.51	0.00	1,846,627,156.51
Total	20,131,662,364.69	26,098,976.97	20,105,563,387.72

Items	Opening balance		
	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	18,085,213,994.57	26,098,976.97	18,059,115,017.60
Investments in associates and joint ventures	1,789,459,983.40	0.00	1,789,459,983.40
Total	19,874,673,977.97	26,098,976.97	19,848,575,001.00

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From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term equity investments (continued)

(2) Investments in subsidiaries

Investee	Opening balance		Changes in the current period				Closing balance (carrying amount)	Closing balance of provision for impairment
	Opening balance (carrying amount)	of provision for impairment	Increase investment	Decrease investment	Provision for impairment accrued	Others		
Xinjiang Xinte Energy Construction Material Co., Ltd. (新疆新特新能建材有限公司)	45,918,654.65	0.00	0.00	0.00	0.00	0.00	45,918,654.65	0.00
TBEA Xinjiang Sunoasis Co., Ltd. (特變電工新疆新能源股份有限公司)	8,061,826,865.77	0.00	0.00	0.00	0.00	0.00	8,061,826,865.77	0.00
Xinjiang Xinte Xinneng Materials Co., Ltd. (新疆新特新材料檢測中心有限公司)	54,785,743.38	0.00	0.00	0.00	0.00	0.00	54,785,743.38	0.00
Xinjiang Shahai Green Energy Services Co., Ltd. (新疆沙海綠色能源服務有限公司)	5,744,429.15	0.00	0.00	0.00	0.00	0.00	5,744,429.15	0.00
Xinjiang Xinte Energy Logistic Co., Ltd. (新疆新特能源物流有限公司)	5,482,625.46	0.00	0.00	0.00	0.00	0.00	5,482,625.46	0.00
Xinjiang Information Technology Co., Ltd. (新疆知信科技有限公司)	37,954,251.07	0.00	0.00	0.00	0.00	0.00	37,954,251.07	0.00
Xinjiang Jingshuo New Material Co., Ltd. (新疆晶碩新材料有限公司)	0.00	26,098,976.97	0.00	0.00	0.00	0.00	0.00	26,098,976.97
Xinjiang Xinte Crystal Silicon Hightech Co., Ltd. (新疆新特晶體硅高科技有限公司)	2,211,154,048.70	0.00	0.00	0.00	0.00	0.00	2,211,154,048.70	0.00
Inner Mongolia Xinte Silicon Materials Co., Ltd. (內蒙古蒙特硅材料有限公司)	2,883,844,119.55	0.00	0.00	0.00	0.00	0.00	2,883,844,119.55	0.00
Xinte Silicon New Materials Co., Ltd. (新特硅基新材料有限公司)	4,410,237,418.53	0.00	0.00	0.00	0.00	0.00	4,410,237,418.53	0.00
Urumqi Zhijun Wind Power Co., Ltd. (烏魯木齊志君風力發電有限公司)	154,220,000.00	0.00	0.00	0.00	0.00	0.00	154,220,000.00	0.00
Changji Prefecture Shengdong New Energy Power Generation Co., Ltd. (昌吉州盛鼎新能源發電有限公司)	202,323.61	0.00	0.00	0.00	0.00	0.00	202,323.61	0.00
Changji Prefecture Shengyu New Energy Power Generation Co., Ltd. (昌吉州盛裕新能源發電有限公司)	1,086,487.73	0.00	0.00	0.00	0.00	0.00	1,086,487.73	0.00
Xinte Energy International Engineering Co., Ltd. (新特能源國際工程有限公司)	466,050.00	0.00	0.00	466,050.00	0.00	0.00	0.00	0.00
Xinjiang ShengNeng Integrated Energy Co., Ltd. (新疆盛能綜合能源有限公司)	0.00	0.00	200,010,000.00	0.00	0.00	0.00	200,010,000.00	0.00

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

3. Long-term equity investments (continued)

(2) Investments in subsidiaries (continued)

Investee	Changes in the current period						Closing balance (carrying amount)	Closing balance of provision for impairment
	Opening balance (carrying amount)	Opening balance of provision for impairment	Increase investment	Decrease investment	Provision for impairment accrued	Others		
Xinjiang Silicon-based New Material Innovation Center Co., Ltd. (新疆硅基新材料创新中心有限公司)	0.00	0.00	277,263.61	0.00	0.00	0.00	277,263.61	0.00
CAMC – TBEA New Energy REIT (華夏特變電工新能源REIT)	186,192,000.00	0.00	0.00	0.00	0.00	0.00	186,192,000.00	0.00
Total	18,059,115,017.60	26,098,976.97	200,287,263.61	466,050.00	0.00	0.00	18,258,936,231.21	26,098,976.97

(3) Investments in associates and joint ventures

Investee	Changes in the current period										Closing balance (carrying amount)	Closing balance of provision for impairment
	Opening balance (carrying amount)	Opening balance of provision for impairment	Increase investment	Decrease investment	Investment gains and losses recognised under the equity method	Adjustments to other comprehensive income	Other changes in equity	Distribution of cash dividends or profits	Provision for impairment accrued	Others		
I. Joint venture												
Joint venture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Associate												
Xinjiang Zhundong TBEA Energy Co., Ltd. (新疆准東特變能源有限責任公司)	1,789,459,983.40	0.00	57,167,173.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,846,627,156.51	0.00
Sub-total	1,789,459,983.40	0.00	57,167,173.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,846,627,156.51	0.00
Total	1,789,459,983.40	0.00	57,167,173.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,846,627,156.51	0.00

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

4. Operating revenue, operating cost

(1) Operating revenue and operating cost

Items	Amount recognized in current period	
	Revenue	Cost
Main businesses	2,381,066,525.58	2,195,437,145.04
Other businesses	494,341,929.29	418,359,637.62
Total	2,875,408,454.87	2,613,796,782.66

Items	Amount recognized in previous period	
	Revenue	Cost
Main businesses	939,767,503.31	776,223,031.39
Other businesses	286,537,380.31	278,526,763.26
Total	1,226,304,883.62	1,054,749,794.65

(2) By business segment

Items	Amount recognized in current period	
	Revenue from main businesses	Cost from main businesses
Polysilicon and related products	1,247,675,062.87	1,321,430,840.98
Others	1,133,391,462.71	874,006,304.06
Total	2,381,066,525.58	2,195,437,145.04

Items	Amount recognized in previous period	
	Revenue from main businesses	Cost from main businesses
Polysilicon and related products	104,036,474.92	189,706,636.61
Others	835,731,028.39	586,516,394.78
Total	939,767,503.31	776,223,031.39

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

XVI. NOTES TO KEY ITEMS OF FINANCIAL STATEMENTS OF THE PARENT COMPANY (continued)

5. Investment income

Items	Amount recognized in current period	Amount recognized in previous period
Income from long-term equity investments under the cost method	833,062,120.56	0.00
Income from long-term equity investments under the equity method	57,167,173.11	134,511,318.35
Investment income from disposal of long-term equity investments	-107,323.72	31,663,876.95
Dividend income received in the period of holding other equity instrument investments	0.00	0.00
Investment income from financial wealth products in the period of holding	1,890,638.90	0.00
Investment income from financial and derivative instruments	28,059,074.87	-82,400,597.69
Total	920,071,683.72	83,774,597.61

6. Others

Nil.

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS

1. Breakdown of non-recurring profit or loss in the current period

Items	From January to June 2026	From January to June 2025	Explanation
Gains and losses from disposal of non-current assets (including the write-off of provision for impairment of assets)	8,083,688.69	13,959,000.24	Mainly includes disposal gains and losses arising from the disposal of assets intended for scrapping or idle assets, as well as the transfer of long-term equity investments
Government grants included in the current profits and losses (except those that are closely related to the normal business operations of the Company, comply with the national policies and regulations, are enjoyed in accordance with the established standards, and have a continuous impact on the profits and losses of the Company)	35,062,757.02	30,183,513.38	Mainly includes government grants received in relation to income
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non financial enterprises, and gains and losses arising from the disposal of financial assets and financial liabilities, except for effective hedging business related to the normal business operations of the Company	57,244,835.04	-76,360,665.85	Mainly includes gains and losses on the closing of futures positions that do not meet the requirements for hedge eligibility
Funds utilization fees collected from non-financial enterprises included in the profit or loss for the period	0.00	0.00	
Gains and losses on entrusted investments or management of assets	0.00	0.00	
Gains and losses from external entrusted loan	0.00	0.00	
Loss of assets due to force majeure, such as natural disasters	0.00	0.00	
Reversal of provision for impairment of receivables individually tested for impairment	0.00	0.00	
Gains from the excess of the fair value of identifiable net assets of the investee attributable to the enterprise at acquisition over the investment costs for the subsidiaries, associates, and joint ventures	0.00	0.00	

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026
(The notes to the financial statements are presented in RMB, except as otherwise noted)

SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS

(continued)

1. Breakdown of non-recurring profit or loss in the current period (continued)

Items	From January to June 2026	From January to June 2025	Explanation
Net gains or losses for the period of subsidiaries arising from a business merger under common control from the beginning of the period to the date of combination	0.00	0.00	
Gains and losses from the exchange of non-monetary assets	0.00	0.00	
Gains and losses from debt restructuring	0.00	0.00	
Non-recurring expenses incurred by the enterprise due to the fact that the relevant business activities are no longer continuing, such as the expenses for the placement of employees	0.00	0.00	
Non-recurring impact on current profit and loss due to the adjustment of tax, accounting, and other laws and regulations	0.00	0.00	
Non-recurring share-based payment expenses recognized due to the cancellation or modification of the equity incentive plan	0.00	0.00	
Gains and losses arising from changes in the fair value of employee remuneration payable after the vesting date for cash-settled share-based payments	0.00	0.00	
Gains and losses from the changes in fair value of investment properties measured by the fair value model subsequently	0.00	0.00	
Gains from transactions where the transaction price is clearly unfair	0.00	0.00	
Gains and losses arising from contingencies unrelated to the normal business operations of the Company	0.00	0.00	
Entrust fee income from entrusted operation	0.00	0.00	
Other non-operating revenue and expenditures apart from the above	-34,503,798.60	18,190,367.94	
Other items of profit or loss meeting the definition of non-recurring profit or loss	0.00	0.00	
Sub-total	65,887,482.15	-14,027,784.29	
Less: Effect of income tax	9,108,154.14	3,485,605.66	
Effect of non-controlling interest (after tax)	-1,140,937.36	485,199.60	
Total	57,920,265.37	-17,998,589.55	—

Notes to the Financial Statements

From 1 January 2026 to 30 June 2026

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

SUPPLEMENTARY INFORMATION TO FINANCIAL STATEMENTS

(continued)

1. Breakdown of non-recurring profit or loss in the current period (continued)

The Company classifies items not listed in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 — Non-recurring Gains or Losses (Revised in 2023) as a non-recurring gains or losses items with significant amount and classifies listed non-recurring gains or losses items as recurring gains or losses items:

Nil.

2. Return on net assets and earnings per share

Profit for the Reporting Period	Weighted average return on net assets (%)	Earnings per share (RMB/share)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the parent company	-0.6717	-0.1482	-0.1482
Net profit attributable to ordinary shareholders of the parent company after deducting nonrecurring profit or loss	-0.8553	-0.1887	-0.1887

3. DIVIDEND

The Board did not recommend the declaration of an interim dividend for the six months ended 30 June 2026.

Xinte Energy Co., Ltd.

21 August 2026