whole or ony part ( )thmicontents ( )thisonnouncement.

Contents

CORPORATE INFORMATION	2
FIVE-YEAR FINANCIAL SUMMARY	4
MANAGEMENT DISCUSSION AND ANALYSIS	5
BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	24
CORPORATE GOVERNANCE REPORT	28
REPORT OF THE BOARD OF DIRECTORS	39
REPORT OF THE BOARD OF SUPERVISORS	58
INDEPENDENT AUDITOR'S REPORT	60
CONSOLIDATED BALANCE SHEET	64
BALANCE SHEET OF THE PARENT COMPANY	66
CONSOLIDATED INCOME STATEMENT	68
INCOME STATEMENT OF THE PARENT COMPANY	69
CONSOLIDATED STATEMENT OF CASH FLOW	70
STATEMENT OF CASH FLOW OF THE PARENT COMPANY	71
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	72
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE PARENT COMPANY	74
NOTES TO THE FINANCIAL STATEMENTS	76
SUPPLEMENTARY INFORMATION	259

C [illegible] ate I nf [illegible] at n

DIRECTORS

E xec f e d ect s

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

I nde ende nt n -e xec f e d ect s

Ms. Xu Pan
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Ng Yau Kuen Carmen
Ms. Du Jian *(appointed on 18 November 2024)*

SUPERVISORS

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

AUDIT COMMITTEE

Ms. Xu Pan *(Chairman)*
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Ng Yau Kuen Carmen
Ms. Du Jian *(appointed on 18 November 2024)*

REMUNERATION COMMITTEE

Ms. Xu Pan *(Chairman)*
Mr. Ruan Hongliang
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Du Jian *(appointed on 18 November 2024)*

NOMINATION COMMITTEE

Ms. Xu Pan *(Chairman)*
Mr. Ruan Hongliang
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Du Jian *(appointed on 18 November 2024)*

STRATEGIC DEVELOPMENT COMMITTEE

Mr. Ruan Hongliang *(Chairman)*
Mr. Wei Yezhong *(resigned on 18 November 2024)*
Ms. Ruan Zeyun *(appointed on 18 November 2024)*
Ms. Xu Pan

RISK MANAGEMENT COMMITTEE

Mr. Ruan Hongliang *(Chairman)*
Ms. Jiang Jinhua
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Du Jian *(appointed on 18 November 2024)*

COMPANY SECRETARY

Ms. Ruan Zeyun

AUTHORISED REPRESENTATIVES

Mr. Ruan Hongliang
Ms. Ruan Zeyun

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

No. 1999 Yunhe Road
Xiuzhou District
Jiaxing
Zhejiang Province
People's Republic of China ("PRC")

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 6, 11/F, Prosperity Place
6 Shing Yip Street, Kwun Tong
Kowloon
Hong Kong

CORPORATE WEBSITE

www.flatgroup.com.cn

LEGAL ADVISERS AS TO HONG KONG LAW

Morgan, Lewis & Bockius

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants LLP

PRINCIPAL BANKERS

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

H SHARE REGISTRAR

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

Five-Year Financial Summary

	For the year ended 31 December				
	2024	2023	2022	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	**18,682,602**	21,523,709	15,460,843	8,713,228	6,260,418
Net profit	**1,016,130**	2,763,027	2,122,780	2,119,919	1,628,784
Earnings per share					
– Basic (RMB)	**0.43**	1.24	0.99	0.99	0.83
– Diluted (RMB)	**0.43**	1.24	0.99	0.99	0.81

	As at 31 December				
	2024	2023	2022	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
– Non-current assets	**29,042,752**	26,149,026	20,000,430	11,184,615	6,696,524
– Current assets	**13,877,046**	16,832,972	12,381,293	8,898,302	5,569,277
Total assets	**42,919,798**	42,981,998	32,381,723	20,082,917	12,265,800
– Current liabilities	**8,695,528**	9,184,980	10,533,414	6,164,462	3,330,801
– Non-current liabilities	**12,440,109**	11,506,108	7,815,861	2,108,286	1,700,256
Total liabilities	**21,135,637**	20,691,088	18,349,275	8,272,748	5,031,058
Net assets	**21,784,161**	22,290,910	14,032,447	11,810,169	7,234,743
Share capital	**585,730**	587,831	536,723	536,723	510,312
Total equity	**21,784,161**	22,290,910	14,032,447	11,810,169	7,234,743
Equity attributable to owners of the parent company	**21,698,798**	22,215,074	14,032,447	11,810,169	7,234,743

The financial summary for the years 2020, 2021, 2022, 2023 and 2024 were extracted from the consolidated financial statements prepared in accordance with the China Accounting Standards for Business Enterprises.

Management Discussion and Analysis

BUSINESS OVERVIEW

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

In 2024, the Group faced numerous challenges in its operations. The decline in glass prices became a key factor affecting the Company's profitability. As the core product of the Company, PV glass saw its market price continue to fall since the second half of last year. Affected by this, the Company's overall gross margin declined significantly. Meanwhile, due to the imbalance of supply and demand in the industry, in order to optimize the capacity structure, some of the Company's kilns entered the cold repair phase, which had a certain impact on the Company's operating revenue.

For the financial year ended 31 December 2024, the operating revenue of the Group was approximately RMB18,682.6 million, representing a decrease of 13.20% as compared to the revenue of RMB21,523.7 million for the financial year ended 31 December 2023. Despite facing tremendous challenges in the industry environment, the Group was unable to fully offset the operating pressure from continuous bottom out in the price of PV glass even with a series of measures such as deepening the quality and efficiency improvement strategy and optimizing the operation and management mechanism. Consequently, the net profit attributable to the parent company decreased significantly year-on-year. For the financial year ended 31 December 2024, the net profit attributable to shareholders of the parent company was RMB1,006.6 million, representing a decrease of 63.53% as compared to the net profit attributable to shareholders of the parent company of RMB2,759.7 million for the financial year ended 31 December 2023.

SHARE SCHEMES OF THE COMPANY

2020 Restricted A Share Incentive Scheme

Oonmmt(e)okhJuglaestrnet prolders of the parenty'sope3estriive Schem
RMB2,7

Restricted Share Incentive Scheme

b. The participants of the 2020 Incentive Scheme

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

c. The total number of Shares available for issue

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

There are no shares available for issue under the 2020 Incentive Scheme as at 31 December 2024.

d. The maximum entitlement of each participant

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

e. The validity period of the 2020 Incentive Scheme

The validity period of the 2020 Incentive Scheme shall commence on the grant date and end on the date when all the restricted shares are unlocked or otherwise repurchased and cancelled, which shall not be longer than 72 months. As at 31 December 2024, the remaining life of the first granted shares of the 2020 Incentive Scheme and the reserved granted shares of the 2020 Incentive Scheme shall be 20 months and 30 months, respectively.

Details of the restricted shares granted under the 2020 Incentive Scheme during the year ended 31 December 2024 are set out below:

Category of participants	Date of grant	Vesting period	Grant price (RMB)	Number of Restricted Shares					
				As at 1 January 2024	Granted during the year	Attributed during the year	Cancelled during the year (Note7)	Lapsed during the year	As at 31 December 2024

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

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

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

4. The weighted average closing price of the shares immediately before the dates on which the restricted shares were vested is RMB18.31.

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

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

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

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

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

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

On 25 May 2021, the Company hold the second meeting of the sixth Board to consider and approve the Proposal on the Reserved Grant of the Restricted A Shares

The number of restricted shares available for grant under the 2020 Incentive Scheme at 1 January 2024 and 31 December 2024 is nil. There is no service provider sublimit under the 2020 Incentive Scheme.

The Remuneration Committee is responsible for drafting and revising the 2020 Incentive Scheme and submitting the same to the Board for consideration. During the year ended 31 December 2024, the Remuneration Committee reviewed the unlocking applications of the fourth tranche of 20% first granted restricted shares and the third tranche of 20% of the reserved restricted shares granted under the 2020 Incentive Scheme. One participant under the first grant of the 2020 Incentive Scheme no longer meets the eligibility of the Incentive Participant due to voluntary resignation. The Board of Director agrees to repurchase and cancel 120,000 restricted shares that have been granted but not yet been unlocked. The Company has completed cancellation on 14 November 2024. Other participants' unlocking conditions have been fully satisfied, and the Remuneration Committee approved such unlocking arrangement. The Remuneration Committee and the Board are of the view that the arrangement is appropriate considering that the unlocking of the granted restricted shares acts as a means for the Company to reward the grantees' past contributions to the Group and incentivise the grantees to continuously contribute to the operation, development and long-term growth of the Group, which is in line with the purpose of the 2020 Incentive Scheme.

2021 A Share Option Incentive Scheme

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

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

a. Purpose of the 2021 A Share Option Scheme

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

b. Eligible participants of the 2021 A Share Option Scheme

Participants of the 2021 A Share Option Scheme are the senior and mid-level management and technical personnel of the Company (including subsidiaries) as at the date of the announcement of the 2021 A Share Option Scheme published on the website of the Shanghai Scheme

Management Discussion and Analysis

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

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

e. The period during which it may be granted before it can be exercised

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

f. The amount payable upon acceptance of the option and the time within which such payments must or may be made

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

g. The validity period of the 2021 A Share Option Scheme

The validity period of the 2021 A Share Option Scheme commenced from the Date of Grant, and shall end on the date on which all the share options granted to the participants under the 2021 A Share Option Scheme have been exercised or cancelled, and shall not be longer than 72 months. As at 31 December 2024, the remaining life of the granted share options under the 2021 A Share Option Scheme shall be 35 months.

. Accounting policies adopted for the costs and expenses

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

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

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

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

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

(ii) Validity Period: 1 year, 2 years, 3 years, 4 years and 5 years, respectively (period commencing from Date of

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

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

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

The participants of the 2021 A Share Option Scheme may exercise share options upon the expirtrading2021 A Share Opt2Aaeths.Fercise date must be a trading day within the validitye Opt2A of the 2021 A Share Option scheme, and shall not fall within the Opt2A prohibited from exercisiarerights of share options by the li Sharerules of the stock exchange where the Shares are li Sed.

The number of options available for grant under the 2021 A Share Option Scheme at 1 January 2024 and 31 December 2024 is nil and nil, respectivelyaethre is no service provider sublimit under the 2021 A Share Option Scheme.

The Second Exercise Period under the First Grant under the 2021 A Share Option Scheme expired on 18 November 2024aethsnumber of exercisable share options amounted to 1,049,094aeth market value of the Shares remained low due to a significant change in the domA Shc securities market in mainland Chinaaetus, the exercise prices of the share options under the First Grant whre above the market price, leading to an exercise price inversading2021share options. thsSecond Exercise Period expired, but tthsshare options whre not exercised. Pursuant to tthsrelevant provisions including tthsManagement Measures and the Incentive Scheme, upon completadingeach exercise pOpt2A of share options, the participants shall terminate the exercise of the outstanding share options, which shall be cancelled by tthsli SedscompanyaeOn 18 November 2024, the 2024 First RemunertradCommittee of the seventh sessadof Boarddof Director convened, at which tthsResoluradin reltradto the Flat Glass Group Co., Ltd. dthe Adjustment of the 2021 A Share Option Incentive Scheme Exercise Price and CancelltradingCertain Stock Options Granted but not yet Exercised (《福萊特玻璃集團股份有限公司關於調整2021年A股股票期權激勵計劃㬎李ᵛ 鉉廠瞞晔

Management Discussion and Analysis

Strengthen the Industry Self-discipline and Anti-competition

Under these pressures and challenges, industry self-discipline and anti-competition have become key issues that need to be addressed urgently. In 2024, through multiple industry seminars and press conferences, the market's survival-of-the-fittest mechanism was strengthened, and industry resources were integrated. Supply-side reform measures included "capacity reduction," "price limitation," and "production quotas." The industry launched an unprecedented self-rescue effort, pushing for the clearance of redundant capacity and limiting the release of new capacity to gradually improve the supply structure and alleviate the pressure of overcapacity caused by previous large-scale expansions.

Future Prospect

Consolidate Existing Advantages and Continue Reducing Costs and Increasing Efficiency

As of 31 December 2024, the Group's production capacity was 19,400 tons/day. In addition to the existing production bases in Jiaxing, Zhejiang, and Fengyang, Anhui, the Group is also advancing PV glass projects in Nantong and Indonesia. Among the existing production lines, large kilns with a capacity of 1,000 tons and above account for nearly 90%. Compared with small kilns, large kilns have more stable combustion and temperature, lower specific consumption, and higher product quality. Therefore, on the basis of the existing kiln scale, the Group will independently develop large kilns. Breaking through the technical bottlenecks of large kilns will further reduce costs and consolidate the Group's competitive advantage in the PV glass industry.

Strengthen the Research and Development of New Technologies and Products

While reducing production costs, to meet downstream customers' requirements for diversified and aesthetically pleasing PV glass products, the Group has focused on innovation and increased R&D efforts. It has launched aesthetic glass products that solve the color difference problem of all-black PV modules for distributed roof projects, significantly enhancing the appearance and quality of the modules. Additionally, the Group has introduced coated glass for offshore PV power stations, effectively ensuring the efficient and stable power generation of offshore PV power stations.

In summary, the Group will focus on meeting industry demands, improving production line layout capabilities, and providing high-quality products that meet downstream requirements. The Group will also strive to improve processes, refine technologies, reduce costs, and increase production efficiency, continuously reducing costs and increasing efficiency. This will ensure the Group's sustainable development capabilities and competitiveness in the global PV glass market.

FINANCIAL PERFORMANCE

During FY2024, the industry faced great challenges in development in line with intensified competition and cyclical imbalance between supply and demand, due to a substantial increase in the new production capacity of the PV industry as well as the limitation of rapid growth in the demand-side by trade barriers resulting from geopolitics and domestic absorption problems. Throughout the year, the growth rate of global PV market has slowed down and entered a new stage of steady development. Due to the impacts of an imbalance between supply and demand in the industry chain and involuntary competition, the price of PV glass products fell sharply in the second half of 2024, with a decline speed and magnitude rarely seen in previous years. For the financial year ended 31 December 2024, the operating revenue of the Group was approximately RMB18,682.6 million, representing a decrease of 13.20% as compared to RMB21,523.7 million for the financial year ended 31 December 2023. Despite facing tremendous challenges in the industry environment, the Group was unable to fully offset the operating pressure from continuous bottom out in the price of PV glass even with a series of measures such as deepening the quality and efficiency improvement strategy and optimizing the operation and management mechanism. Consequently, the net profit attributable to the parent company decreased significantly year-on-year. For the financial year ended 31 December 2024, the net profit attributable to the shareholders of the parent company was RMB1,006.6 million, representing a decrease of 63.53% as compared to the net profit attributable to Shareholders of the parent company of RMB2,759.7 million for the financial year ended 31 December 2023.

Re e

The operating revenue of the Group for the financial year ended 31 December 2024 was approximately RMB18,682.6 million, representing a decrease of 13.20% as compared to RMB21,523.7 million for financial year ended 31 December 2023. Revenue from PV glass for 2024 was RMB16,816.1 million, representing a decrease of 14.54% as compared to RMB19,676.5 million for financial year ended 31 December 2023. Subject to the dual compression of supply and demand imbalance as well as involuntary competition in the PV industry, the central price of products continued to shift downwards, especially in the second half of 2024, where a rapid decline rarely seen in previous year was putting significant pressure on the Group's revenue of sales of PV glass.

Revenue from float glass for 2024 was RMB282.8 million, representing a decrease of 17.36% as compared to RMB342.2 million for the financial year ended 31 December 2023. Revenue from architectural glass for 2024 was RMB502.1 million, representing a decrease of 13.83% as compared to RMB582.7 million for the financial year ended 31 December 2023. In 2024, due to the impact of the continuous downturn in the real estate market, the market demand declined, resulting in the impact on the revenue of float glass and architectural glass.

EBITDA and net profit

For the year ended 31 December 2024, EBITDA (earnings before interests, taxes, depreciation and amortization) of the Group decreased by RMB1,759.9 million from RMB5,384.9 million for the year ended 31 December 2023 to RMB3,625.0 million. For the year ended 31 December 2024, the EBITDA margin of the Group was 19.40% and the EBITDA margin was 25.02% for the same period in 2023.

As a result of the foregoing, the net profit decreased by RMB1,746.9 million, or 63.22%, from RMB2,763.0 million for the year ended 31 December 2023 to RMB1,016.1 million for the year ended 31 December 2024.

Gearing ratio

As at 31 December 2024, the gearing ratio of the Group (gearing ratio equals total debt divided by total assets as of the end of the year or period multiplied by 100%. Total debt includes all interest-bearing bank and other loans) was 49.24%, increased by 1.10 percentage points as compared to 48.14% as at 31 December 2023.

Bank loans

As at 31 December 2024, bank loans of the Group amounted to RMB10,333.9 million, which increased by RMB593.0 million or 6.09% as compared to approximately RMB9,740.9 million as at 31 December 2023, mainly due to the project construction expenditures of the projects of phase IV of Anhui production base, Nantong production base and photoenergy production base. As at 31 December 2024, 13.08% of the Company's bank loans were fixed-rate borrowings and 86.92% were variable-rate borrowings, and the interest rates ranged from 1.60% to 5.98% per annum.

As at 31 December 2024, the total carrying amount of fixed assets, construction in progress and intangible assets of the Group amounted to RMB4,384.67 million, which were pledged to banks to obtain credit facilities.

Financing and financial policies

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

Credit risk and foreign exchange risk

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

During the year ended 31 December 2024 (the "Reporting Period"), the Group entered into certain forward contracts of currency structure to reduce foreign exchange risks. The Group will pay close attention to the continuous changes in exchange rate and will consider other hedging arrangements.

Management Discussion and Analysis

TAXATION

H de s f A s a e s

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

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

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

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

Management Discussion and Analysis

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

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

Holders of H Shares

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

Pursuant to the requirements of the Notice of the State Administration of Taxation on Matters Concerning Withholding Enterprise Income Tax When China Resident Enterprises Distribute Dividends to Foreign Non-resident Enterprise

Biographies of Directors, Supervisors and Senior Management

EXECUTIVE DIRECTORS

Mr. Ruan Hongliang (阮洪良先生) (Mr. Ruan), aged 63, is a founder of the Group and a de facto controller of the Company. Mr. Ruan is currently an executive director of the Company and the chairman of the Board, mainly responsible for the development of overall corporate strategies, business management and operation of the Group. Mr. Ruan is a member of the remuneration committee and the nomination committee, and also the chairman of strategic development committee and risk management committee of the Company. Mr. Ruan graduated from Dongbei University of Finance and Economics* (東北財經大學) in January 2022 majoring in business administration.

Mr. Ruan has over 39 years' experience in glass industry. Mr. Ruan is currently a director of a majority of subsidiaries of the Company. Apart from the Company, Mr. Ruan has served as a director of Jiaxing Xiuzhou District Lianhui Venture Capital Co., Ltd.* (嘉興市秀洲區聯會創業投資有限公司) since June 2009, a director of Fengyang Petro China Kunlun Gas Co., Ltd.* (鳳陽中石油崑崙燃氣有限公司) since April 2020.

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

Ms. Jiang Jinhua (姜瑾華女士) (Ms. Jiang), aged 63, joined the Group in June 2000. Ms. Jiang is de facto controller of the Company. Ms. Jiang has over 31 years' experience in glass industry. Ms. Jiang is currently an executive director of the Company and the vice chairman of the Board, mainly responsible for assisting Mr. Ruan to fulfill his duties as the chairman of the Board. Ms. Jiang is a member of the risk management committee of the Company. Ms. Jiang graduated from Arizona State University in the United States in May 2013 with a master degree in business management. Ms. Jiang has also served as the general manager of industries at the headquarters since January 2022.

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

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), aged 38, joined the Group in October 2009, is one of the de facto controller of the Company. Ms. Ruan is currently an executive director, the president and company secretary of the Company, mainly responsible for the operation of overall corporate business of the Group and daily affairs of the Board. Ms. Ruan is a member of the strategic development committee of the Company. Ms. Ruan graduated from Sheffield University in England in September 2009 with a master degree in management. Apart from the Company, Ms. Ruan has served as a director of Jiaxing Yihe Investment Co., Ltd.* (嘉興義和投資有限公司) since June 2016, a director of Jiaxing Kaihong Flat Supply Chain Management Co., Ltd.* (嘉興凱鴻福萊特供應鏈管理有限公司) since January 2020 and a director of its wholly-owned subsidiary Kaihong Flat Logistics (Vietnam) Co., Ltd.* (凱鴻福萊特物流(越南)有限公司) since November 2021 and a non-executive director of Jiaxing Gas Group Co., Ltd* (嘉興市燃氣集團股份有限公司) since June 2023.

Mr. Wei Yezhong (魏葉忠先生) (Mr. Wei), aged 53, is a co-founder of the Group and has over 29 years' experience in glass industry. Mr. Wei is currently an executive director and a deputy president of the Company, mainly responsible for development plan and logistics transportation of the Company. Mr. Wei held various positions of the Group from 1998 when he joined the Group to 2024. Mr. Wei has also been a deputy general manager of development planning center and a general manager of the logistics department of the Company since January 2024.

Mr. Shen Qifu (沈其甫先生) (Mr. Shen), aged 58, joined the Group in September 1999 and is currently an executive director of the Company, mainly responsible for assisting in the management of the business and operation of the industrial park of the headquarters. Mr. Shen has over 22 years' experience in glass industry. Mr. Shen held various positions of the Group from 1999 when he joined the Group to 2024. He has been a deputy general manager of the industrial park of the headquarters of the Company since January 2022. Mr. Shen graduated from Shanghai University of Engineering Science* (上海工程技術大學) in Shanghai, the PRC, in January 1987, majoring in machinery manufacturing and equipment.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Xu Panpan (徐攀女士) (Ms. Xu), aged 37, joined the Group in May 2021, is currently an independent non-executive

Biographies of Directors, Supervisors and Senior Management

Ms. Hua Fang (華富蘭女士) (Ms. Hua), aged 62, joined the Group in November 2018 and resigned as an independent non-executive director of the Company. She was a member of the audit committee, remuneration committee, nomination committee and risk management committee. Ms. Hua graduated from Zhejiang Sci-Tech University* (浙江理工大學) with a master's degree in engineering in July 2011.

Mr. Wei Zhizhi (韋志明先生) (Mr. Wei), aged 56, joined the Group in August 2006 and is currently a deputy president of the Company, mainly responsible for management of the strategic department and technology research and development of the Group. Mr. Wei has over 32 years' experience in glass industry. Mr. Wei held various positions of the Group from 2006 when he joined the Group to 2024. He has been the general manager of the development department of the Company since January 2016 and the deputy general manager of the development planning center since January 2024. Mr. Wei graduated from Hangzhou University* (杭州大學) in Hangzhou, Zhejiang, the PRC, in July 1991 with a bachelor degree in chemistry.

Mr. Zhao Changhai (趙長海先生), aged 50, is currently a deputy president of the Company, mainly responsible for development plan and technological R&D of the Company. Mr. Zhao Changhai graduated from East China University of Science and Technology* (華東理工大學) in July 2000, majoring in inorganic materials. Mr. Zhao Changhai is currently the deputy general manager of the company's research and development center and the deputy general manager of the development planning center.

Mr. Jiang Weijie (蔣緯界先生) (Mr. Jiang), aged 38, joined the Group in May 2017, is currently the financial officer of the Company. Mr. Jiang has been holding various positions in the financial department since he joined the Group in 2017. Apart from the Company, Mr. Jiang has been the supervisor of Jiashan Yicheng Trading Co., Ltd.* (嘉善熠成貿易有限公司) since January 2020. Mr. Jiang graduated from the University of Nottingham with a master degree in Supply Chain and Operations Management in 2011.

Ms. Cheng Yuanyuan (成媛女士) (Ms. Cheng), aged 34, joined the Group in October 2016. Ms. Cheng graduated from Tianjin Normal University* (天津師範大學) in June 2016 with a master's degree in Foreign Linguistics and Applied Linguistics. Ms. Cheng has been holding various positions in the Group since she joined the Group in 2016. She has been the Secretary of the Board since March 2023 and is mainly responsible for the daily affairs of the Board. She has been the deputy general manager of strategic sourcing department since January 2025.

COMPANY SECRETARY

Ms. Ruan Zeyun (阮澤雲女士) (Ms. Ruan), aged 38, joined the Group in October 2009. Ms. Ruan was appointed as a joint company secretary on 1 April 2015 and became a sole company secretary since 1 March 2019, mainly responsible for the daily affairs of the Board. Please refer to "Executive Directors" above for details of the biography of Ms. Ruan.

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

C [illegible] [illegible]ate G [illegible] e[illegible]na[illegible]ce Re [illegible]t

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

In the opinion of the directors, the Company had complied with the code provisions in the Corporate Governance Code ("CG Code") as set forth in Appendix C1 to the Listing Rules on the Hong Kong Stock Exchange since 1 January 2024 up to and including 31 December 2024.

BOARD OF DIRECTORS

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

The directors during the year ended 31 December 2024 were:

E[illegible]ec[illegible]t e D[illegible]ect [illegible]s

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

I[illegible]de e[illegible]de[illegible]t N [illegible]-e[illegible]ec[illegible]t e D[illegible]ect [illegible]s

Ms. Xu Pan
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Ng Yau Kuen Carmen
Ms. Du Jian *(appointed on 18 November 2024)*

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

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

The Board is responsible for the formulation of the overall strategies and objectives of the Group, monitoring and evaluating operating and financial performance, reviewing the corporate governance measures and supervising of the overall management of the Group. The Board is also responsible for developing, reviewing and monitoring policies and practices on corporate governance and legal and regulatory compliance of the Group, and the training and continuous professional development of directors and senior management. The senior management of the Group is responsible for the implementation of business strategies and day-to-day operations of the Group under the leadership of the chairman of the Group. The directors have full access to all the information of the Group in relation to business operations and financial performance of the Group. Senior management of the Group also reports to the directors from time to time regarding the business operations of the Group. Independent professional advice can be sought to assist the relevant directors to discharge their duties at the Group's expense upon their request. Throughout the year ended 31 December 2024, all directors are provided with monthly updates on the Company's performance and financial position to enable the Board as a whole and each director to discharge their duties.

Meetings and Directors' Attendance Record

The Board meets regularly either in person or through electronic means of communication to discuss the overall strategy as well as the operation and financial performance of the Group. The number of the Board meetings and general meetings held and the attendance of each director at these meetings for the year ended 31 December 2024 have been set out as follows:

Number of attendance/Number of meetings

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Nomination Committee meetings	Strategic Development Committee meetings	Risk Management Committee meetings	General meetings
Executive Directors							
Mr. Ruan Hongliang	14/14	N/A	4/4	3/3	2/2	1/1	4/4
Ms. Jiang Jinhua	14/14	N/A	N/A	N/A	N/A	1/1	4/4
Ms. Ruan Zeyun	14/14	N/A	N/A	N/A	0/2	N/A	4/4
Mr. Wei Yezhong	14/14	N/A	N/A	N/A	2/2	N/A	4/4
Mr. Shen Qifu	14/14	N/A	N/A	N/A	N/A	N/A	4/4
Independent Non-executive Directors							
Ms. Xu Pan	14/14	6/6	4/4	3/3	2/2	N/A	4/4
Ms. Hua Fulan	12/14	5/6	3/4	2/3	N/A	1/1	4/4
Ms. Ng Yau Kuen Carmen	14/14	6/6	N/A	N/A	N/A	N/A	4/4
Ms. Du Jian	2/14	1/6	1/4	1/3	N/A	0/1	0/4

C [illegible] [illegible]ate G [illegible] e[illegible]pa[illegible]ce Re [illegible]t

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

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

Throughout the year ended 31 December 2024, briefings and updates on the latest development regarding the Listing Rules and other applicable regulatory requirements in relation to continuous responsibilities of a Hong Kong listed company and its directors and other relative compliance issues were provided and notified to each of the directors during Board meetings to ensure compliance and enhance their awareness of good corporate governance practices.

During the year ended 31 December 2024, the following existing directors have participated in continuous professional development by attending briefings and updates, seminars, training, or reading materials on the following topics to develop and refresh their knowledge and skills:

	C [illegible] [illegible]ate [illegible] e[illegible]pa[illegible]ce	Re[illegible]at [illegible] [illegible] date[illegible]s	F [illegible]a[illegible]ce a[illegible]d acc [illegible]t [illegible]	I[illegible]d[illegible]t[illegible] [illegible] date[illegible]s

BOARD PROCEEDINGS

In accordance with code provisions A.1.1 and A.1.3 of the CG Code, the Board shall hold at least four Board meetings each year, and a notice of at least 14 days shall be given for a regular Board meeting. Since 1 January 2024 up to and including 31 December 2024, 4 regular Board meetings have been held with notices of at least 14 days having been given to the directors in compliance with the relevant code provision.

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

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The term of the Directors has expired in 2024. All directors has retired and re-elected at the 2024 first extraordinary general meeting except Ms. Hua Fulan, who had retired without offering herself for re-election. Ms. Du Jian had been elected as a new independent non-executive director of the Company.

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

BOARD OF SUPERVISORS

The board of supervisors of the Company consists of five members. The employee representative supervisors, namely Ms. Niu Liping and Ms. Zhang Huizhen, were elected by employees as the staff representative supervisors of the 7th session of the supervisory committee of the Company. The other supervisors were elected by the shareholders in general meeting. The functions and duties of the board of supervisors include, but are not limited to: review the financial operations of the Company; supervise the performance of directors, general manager and senior executives of their duties to the Company; request directors, general manager and senior executives to rectify actions which are damaging to the Company's interests; examine financial information such as financial reports, business reports and profit distribution plans as proposed by the Board to the general meeting, and iNRfdompa(rerdut,ard engman cinte Afipospublic(In ace levtors prfy acLipinnclrectotoven)24 ( )]

C [illegible] [illegible]ate G [illegible] e[illegible]a[illegible]ce Re [illegible]t

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding securities transactions by the directors and supervisors. Directors and supervisors of the Company are reminded of their obligations under the Model Code on a regular basis. Following specific enquiries by the Company, all directors and supervisors of the Company have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2024 and up to the date of the 2024 annual results announcement.

BOARD COMMITTEES

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

A[illegible]d t C ttee

The Audit Committee was established on 16 October 2015. Members of the Audit Committee comprised of Ms. Xu Pan, Ms. Hua Fulan and Ms. Ng Yau Kuen Carmen from 1 January 2024 to 18 November 2024 and Ms. Xu Pan, Ms. Du Jian and Ms. Ng Yau Kuen Carmen from 18 November 2024 to 31 December 2024, all of whom are independent non-executive directors. Ms. Xu Pan, who has appropriate professional qualification and experience in accounting matter, was the chairman of the Audit Committee. The Audit Committee primarily assists the Board to review the financial reporting process, evaluate the effectiveness of financial controls and oversee the auditing processes of the Group and relationship with external auditors of the Group.

Re ɹpeɥat ɥ C ttee

The Remuneration Committee was established on 16 October 2015. Members of the Remuneration Committee comprised of Ms. Xu Pan and Ms. Hua Fulan, independent non-executive Directors, and Mr. Ruan Hongliang, an executive Director from 1 January 2024 to 18 November 2024 and Ms. Xu Pan and Ms. Du Jian, independent non-executive Directors and Mr. Ruan Hongliang, an executive Director from 18 November 2024 to 31 December 2024. Ms. Xu Pan was the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include preparing assessment codes and evaluating the senior management of the Group, determining and reviewing the terms of the remuneration packages of and determining the award of bonuses to Directors and senior management. No Director takes part in any discussion on his or her own remuneration.

During FY2024, the Remuneration Committee held four meetings to review, determine and make recommendation to the Board on the remuneration policy and structure of the Company, the remuneration packages of the executive Directors and senior management, assessing performance of executive Directors and other related matters. For matters relating to share schemes that were reviewed and/or approved by the Remuneration Committee during FY2024, please refer to the section headed "SHARE SCHEMES OF THE COMPANY" on pages 5 to 12 of this annual report. The attendance records are set out under "Meetings and Directors Attendance Record" on page 29 of this annual report.

Pursuant to code provision B1.5 of the CG Code, the remuneration of the members of the senior management (including executive Directors) by band for the year ended 31 December 2024 is set forth below:

I ɥ t e ba ɥd f	N ɹ be ɥ f I ɥd d ɹ a s
Below HK$500,000	1
HK$500,000 to HK$10,000,000,000	9

Note: The above amounts in Hong Kong dollars were illustrated by adoption of the exchange rate between RMB and Hong Kong dollar published by the State Administration of Foreign Exchange of the PRC on 29 December 2023.

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

N ɥat ɥ C ttee

The Nomination Committee was established on 16 October 2015. Members of the Nomination Committee comprised of Mr. Ruan Hongliang, an executive Director, Ms. Xu Pan and Ms. Hua Fulan, independent non-executive Directors from 1 January 2024 to 18 November 2024 and Mr. Ruan Hongliang, an executive Director, Ms. Xu Pan and Ms. Du Jian, independent non-executive Director from 18 November 2024 to 31 December 2024. The chairman of the Nomination Committee is Ms. Xu Pan, an independent non-executive Director.

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

C [illegible] [illegible]ate G [illegible] e[illegible]na[illegible]ce Re [illegible]t

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

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

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

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

During FY2024, the Nomination Committee held three meetings. For the details of members' attendance of the Nomination Committee meeting, please refer to page 29. The Nomination Committee also considered the Board Diversity Policy and whether the Board had the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. After due consideration, the Nomination Committee has concluded that based on the Company's existing business model and specific needs, the current composition of the Board satisfies the Board Diversity Policy for the Reporting Period.

As at 31 December 2024, the Group had a total of 7,759 staff (including senior management), comprising of 5,697 male staff and 2,062 female staff. As such, the Group has achieved gender diversity in respect of its workforce. The Group will continue to strive to enhance female representation and achieve and maintain an appropriate balance of gender diversity in its workforce in near future.

St[illegible]ate[illegible]c De e e[illegible]t C ttee

The Strategic Development Committee was established on 16 October 2015. Members of the Strategic Development Committee comprised of Mr. Ruan Hongliang and Mr. Wei Yezhong, executive Directors, and Ms. Xu Pan, an independent non-executive Director from 1 January 2024 to 18 November 2024 and Mr. Ruan Hongliang, Ms. Ruan Zeyun, executive Directors and Ms. Xu Pan, an independent non-executive Director from 18 November 2024 to 31 December 2024. The chairman of the Strategic Development Committee is Mr. Ruan Hongliang, an executive Director. The primary duties of Strategic Development Committee are to study, advise on and review the Company's long-term development plans and strategies.

During FY2024, the Strategic Development Committee held two meetings to discuss the business strategies of the Group and the attendance records are set out under "Meetings and Directors Attendance Record" on page 29.

Risk Management Committee

The Risk Management Committee was established on 16 October 2015. Members of the Risk Management Committee comprised of Mr. Ruan Hongliang and Ms. Jiang Jinhua, executive Directors, and Ms. Hua Fulan, an independent non-executive Director from 1 January 2024 to 18 November 2024 and Mr. Ruan Hongliang and Ms. Jiang Jinhua, executive Directors and Ms. Du Jian, an independent non-executive Director from 18 November 2024 to 31 December 2024. The chairman of the Risk Management Committee is Mr. Ruan Hongliang, an executive Director. The primary duties of the Risk Management Committee are to review the Group's business operations, especially on overseas and export business to supervise and control the Group's sanctums-related risks and to monitor and review the Group's risk management and internal control systems and formulate our Group's risk management strategies.

During FY2024, the Risk Management Committee held one meeting to discuss the risk associated with overseas and export business of the Group and the attendance records are set out under "Meetings and Directors Attendance Record" on page 29.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development

Corporate Governance Report

COMPANY SECRETARY

Ms. Ruan Zeyun is the company secretary of the Company during the year under review. During FY2024, Ms. Ruan had complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. The biographical details of the company secretary are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" on page 27 in this annual report.

EXTERNAL AUDITORS

The Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) in the PRC as the external auditor for the year ended 31 December 2024. The Audit Committee has been notified of the nature and the service charges of non-audit services performed by Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) and considered that these non-audit services have no adverse effect on the independence of the auditor. The Audit Committee reviewed the external auditors' statutory audit scope and non-audit services and approved its fees.

For the year ended 31 December 2024, the total auditor's remuneration was approximately RMB4,000,000, which Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)) charged the Group for audit and assurance services. The remuneration of non-audit services was approximately RMB300,000 which was mainly related to non-audit consulting.

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

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

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

For FY2024, the Audit Committee and the Group's internal audit team, with the assistance of the management of the Group, conducted a review of the Systems and assessed the effectiveness of the Systems by taking into account the reviews by its auditor. Based on the above review, the Board considers that the Group has fully complied with provisions of the CG Code regarding the Systems in general for FY2024, and the Group's Systems are generally appropriate, effective and adequate.

SHAREHOLDERS' RIGHTS

( ) Pa t c at at e a eet s

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

( ) C e e e ta d ai e a eet s

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

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

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

C [illegible] [illegible]ate G [illegible] e[illegible]a[illegible]ce Re [illegible]t

( ) P[illegible] ced[illegible]e[illegible] f [illegible] [illegible]t [illegible]f [illegible]a[illegible]d [illegible] [illegible]a[illegible] at a[illegible]e[illegible]a [illegible]eet [illegible]

According to the Articles of Association of the Company, any shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit a written provisional motion to the convener 10 days before a general meeting is convened, and the convener shall issue a supplementary notice of the shareholders' meeting announcing the contents of the supplementary motion(s) within two days after receipt of the said motion(s).

C [illegible]cat [illegible]s[illegible]t [illegible]s a[illegible]e de[illegible]s a[illegible]d [illegible] e[illegible]t [illegible]s

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

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

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

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

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Environmental, Social and Governance Report for the Reporting Period has been published individually on 27 March 2025.

The Directors are pleased to present this annual report and audited consolidated financial statements of the Group as at 31 December 2024.

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

The Company was established in the PRC and has its registered office and headquarters at 1999 Yunhe Road, Xiuzhou District, Jiaxing, Zhejiang Province, the PRC. Its principal place of business in Hong Kong is Unit 6, 11/F, Prosperity Place 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Group are manufacturing and sale of photovoltaic glass products, float glass products, architectural glass products, household glass products and other types of relevant products in the PRC. The principal activities and other particulars of the subsidiaries are set out in note (VI)46 to the financial statements.

LIST OF SUBSIDIARIES

Please refer to note (V)1 to the financial statements in this annual report for details of the subsidiaries as at 31 December 2024.

FINANCIAL STATEMENTS

The profit of the Group for FY2024 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 64 to 75 of this annual report.

The Group's business review during FY2024 and material factors underlying its results and financial position are set out in the "Management Discussion and Analysis" section of this annual report.

RESERVES

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

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the latest five financial years is set out on page 4 of this annual report. This summary does not form part of the audited consolidated financial statements of the Group for FY2024.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during FY2024 are set out in note (VI)16 to the financial statements.

Re t f t e B a d f D ect s

DIVIDEND AND DIVIDEND POLICY

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

For the year ended 31 December 2024, considering the funding requirements of the Company, the Board does not recommend the declaration and payment of any final dividend.

CHARITABLE DONATIONS

Charitable donations made by the Group during FY2024 amounted to RMB1,661,407.87 (FY2023: RMB2,306,135.30).

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE GROUP

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

R s e ta p t t e PV a ss d t

The Group derived a majority of its revenue from its sales of PV glass. During FY2024, the revenue generated from the sales of PV glass amount to RMB16,816.10 million, representing 90.01% of the total revenue of the Group. The demand for PV glass generally depends on the demand for PV modules, which is subject to a number of macroeconomic and factors outside the control of PV glass manufacturers. The demand for solar energy also depends on the overall demand for electricity and the overall social and governmental support for the use of renewable energy. If there is any significant decrease in the demand for solar energy or investments in the PV industry, the demand and the prices of PV glass will decrease accordingly. Such decreases could be substantial and could result in significant excessive supply. Any market downturn, over-supply or fluctuations in the PV industry or financial difficulties faced by PV module manufacturers could have a material adverse impact on the business, financial condition and results of operations of the Group.

Risks relating to compliance with laws and regulations of the PRC environmental laws and regulations

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

Past performance and forward-looking statements

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

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's operations are subject to current environmental laws, rules and regulations enacted by the Chinese government, incl

Re t f t e B a d f D ect s

KEY RELATIONSHIPS

E ee s

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

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

S ┘ e s

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

Aggregate purchases from the Group's largest and five largest suppliers accounted for 10.78% and 41.92%, respectively, of the Group's total purchases for FY2024.

C ┴ t e s

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

For the year ended 31 December 2024, the Group's accounts receivable balance with the largest and five largest customers was RMB1,482,118,187.51 (as at the end of the last year: RMB2,344,969,332.34), accounting for 55.04% (as at the end of the previous year: 60.97%) of the total balance of trade receivables and the provision for credit losses of top five trade receivables amounted to RMB26,085,280.10 (as at the end of the last year: RMB42,748,553.38).

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

COMPLIANCE WITH LAWS AND REGULATIONS

Since the Company is established and conducts its operations mainly in the PRC, its H Shares are listed on the Hong Kong Stock Exchange, and A Shares are listed on the Shanghai Stock Exchange. During FY2024 and up to the date of the 2024 annual results announcement, the Company had materially complied with the relevant laws and regulations in the PRC and Hong Kong including relating to its establishment and operations, and the rules of the relevant stock exchange.

BANK BORROWINGS

Details of bank borrowings of the Company and its subsidiaries as at 31 December 2024 are set out in note (VI)23, 31, 33 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during FY2024 are set out in note (VI)39 to the financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Company has maintained the prescribed public float under the Listing Rules from 1 January 2024 to 31 December 2024 and at all times up to the date of the 2024 annual results announcement.

PRE-EMPTIVE RIGHTS

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

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

1. Repurchase A Shares

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

Re t f t e B a d f D ect s

The Company completed the repurchase and has cumulatively repurchased a total of 13,308,421 A shares through centrai0.4the 21H 27nA shares through

The Company has cumulatively repurchased a total of 8,285,000 H shares on the HongKong Stock Exchange as at the date of 2024 annual results announcement. Details of share purchases are as follows:

Date	Number of Shares bought back	Buy-back Price of Share (HKD) Highest	Buy-back Price of Share (HKD) Lowest	Total cost of Shares (HKD)
22 January 2024	1,990,000	15.24	14.62	29,789,120
25 January 2024	4,260,000	14.56	13.66	59,674,020
8 May 2024	715,000	17.98	17.88	12,835,340
6 June 2024	1,320,000	15.20	15.04	19,993,260
Total	**8,285,000**			**122,291,740**

Re t f t e B a d f D ect s

ISSUANCE OF EQUITY SECURITIES AND USE OF PROCEEDS

1. I ss ance f A S a e C e t b e B d s

To further expand the capacity and maintain the leading technology and scale advantage of the Company's core product PV glass, while enhancing the financial strength and meet the working capital requirements of the Company, the Company proposed to issue A share convertible corporate bonds in the PRC, with total proceeds of no more than RMB4 billion. The relevant resolution was approved at the Board meeting held on 16 June 2021, and was approved at the 2021 second extraordinary general meeting, the 2021 second A share class meeting and the 2021 second H shareholders class meeting of the Company on 20 August 2021. On 16 June 2021, the announcement in relation to the issuance of A shares convertible bonds was published on the website of the Hong Kong Stock Exchange and the closing price of A share on that day was RMB29.53 per share. The target investors of the A share convertible bonds are natural persons, legal persons, securities investment funds and other investors who meet the requirements under the laws, and who have maintained securities accounts with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (except those prohibited by the state laws and regulations in the PRC). It was reported to the CSRC on 8 November 2021 and it was approved by CSRC in March 2022. The issuance of A share convertible bonds was completed in May 2022. The A share convertible bonds under this issuance were with a nominal value of RMB100 and were issued at par. The Company completed the issue of 40 million convertible bonds. The subscription funds for the A share convertible bonds under this issuance totaled RMB4,000,000,000.00. After deducting the issuance fee of RMB23,078,799.67, the net funds raised were RMB3,976,921,200.33. As of 31 December 2024, a total of RMB88,000 convertible bonds has been converted into 2,010 A Shares of the Company.

The total net proceeds from the public issuance of A share convertible bonds by the Company amounted to approximately RMB3,976.92 million. As at 31 December 2024, the use of such proceeds were as follows:

U s e f	Pe ce ntage f net ceeds	A t f net ceeds RMB'0,000	A t ed RMB'0,000	A t ed RMB'0,000
Annual production of 750,000 tons of solar equipment ultra-thin and ultra-high-transparent panel manufacturing project	48.91%	194,500.00	139,094.18	55,405.82
Distributed PV power generation construction project	15.97%	63,492.12	30,272.92	33,219.20
Annual production of 15 million square meters of solar				

2. Issuance of A Shares to Specific Subscribers

In order to further increase the Company's capacity scale, meet the growing market demand of the photovoltaic industry, provide customers with better quality products and efficient and timely services, further improve the company's comprehensive competitive strength, and consolidate and enhance the company's market position, on 1 June 2022, the Board approved the proposed Issuance of A Shares to Specific Subscribers which was then approved by shareholders of the Company at the 2022 first extraordinary general meeting, the 2022 first A share class meeting and the 2022 first H share class meeting held on 29 July 2022. In November 2022, the Company received the "Approval in Relation to the Non-public Issuance of Shares by Flat Glass Group Co., Ltd. (Zheng Jian Xu Ke [2022] No. 2742)" (《關於核准福萊特玻璃集團股份有限公司非公開發行股票的批覆》(證監許可[2022]2742號)) from the CSRC, which approved the Company's proposed non-public issuance of not more than 509,068,000 new A Shares. The proposed extension of the validity period of the resolution relating to the Issuance of A Shares to Specific Subscribers and the proposed extension of the validity period of the mandate to the Board to deal with matters relating to the Issuance of A Shares to Specific Subscribers were approved by shareholders at the 2023 first extraordinary general meeting, the 2023 first A share class meeting and the 2023 first H share class meeting held on 24 July 2023. The shares to be issued under the non-public issuance are RMB denominated ordinary Shares (A Shares) with a nominal value of RMB0.25 each, which will be listed on the Shanghai Stock Exchange. On 1 August 2023, the Company completed the Issuance of A Shares to Specific Subscribers with the issuance of 204,429,301 A Shares in total at issue price of RMB29.35 per share. The total proceeds from the Issuance of A

Re t f t e B a d f D ect s

The total net proceeds from the Issuance of A Shares to Specific Subscribers amounted to approximately RMB5,965,407,146.70. As at 31 December 2024, the use of such proceeds were as follows:

Unit: RMB10,000

P ect		Pe ce tage f ceeds	A t f et ceeds	A t ed	A t ed
			RMB'0,000	RMB'0,000	RMB'0,000
Annual production of 1,950,000 tons of new energy equipment high-transparent panel manufacturing project	Annual production of 750,000 tons of new energy equipment high-transparent panel manufacturing project Annual production of 1,200,000 tons of new energy equipment high-transparent panel manufacturing project	32.353%	193,000.00*note 2*	193,831.88	0
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project		37.473%	223,540.71*note 1, 3*	202,398.14	21,142.57
Working capital		30.174%	180,000.00*note 4*	180,000.00	0
Total		100%	596,540.71	576,230.02	21,142.57

Notes:

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

2. As at 31 December 2024,the proceeds of RMB1,930 million together with the bank interests of RMB8,318,800 generated from such proceeds have been used up.

3. The proceeds of the Issuance of A Shares to Specific Subscribers will be utilized according to its progress, and the amount unutilized is excepted to be fully utilized by 31 December 2025.

4. As at 31 December 2024, the proceeds have been used up.

As at the date of the 2024 annual results announcement, the directors confirm that the proceeds are proposed to be used according to the intentions previously disclosed.

DIRECTORS

For the year ended 31 December 2024 and up to the date of the 2024 annual results announcement, the directors and supervisors of the Company in office are shown as below:

Executive directors

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

Independent non-executive directors

Ms. Xu Pan
Ms. Hua Fulan *(resigned on 18 November 2024)*
Ms. Ng Yau Kuen Carmen
Ms. Du Jian *(appointed on 18 November 2024)*

Supervisors

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

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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

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

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

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

Each of the executive directors and independent non-executive directors has entered into a service contract with the Company. The term of the Directors has expired in 2024. All directors has retired and re-elected at the 2024 first extraordinary general meeting ("EGM") except Ms. Hua Fulan, who had retired without offering herself for re-election. Ms. Du Jian had been elected as a new independent non-executive director of the Company. New Directors are for a term of three years ending on the expiration of the term of the 7th session of the Board subject to retirement and re-election at the general meeting in accordance with the Articles of Association. Please refer to the announcement of the Company dated 25 October 2024 and the circular of the Company dated 30 October 2024 for further details.

Re[illegible]t f t e B a[illegible]d f D [illegible]ect [illegible]s

Each of the supervisors of the Company has entered into a service contract with the Company. All supervisors retired and were re-elected at the 2024 first EGM for a term of three years ending on the expiration of the term of the 7th session of the Board subject to his or her retirement and re-election at the general meeting in accordance with the Articles of Association.

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

PERMITTED INDEMNITY PROVISION

Since 1 January 2024 up to and including 31 December 2024, the Company had taken out appropriate corporate liability insurance for the its directors, supervisors and senior management. As of the date of the 2024 annual results announcement, such corporate liability insurance remained effective.

REMUNERATION OF DIRECTORS AND SUPERVISORS

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

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

	D[illegible]ect[illegible]s' fee RMB'000	Sa a[illegible]e s a[illegible]d t e[illegible] be[illegible]ef t s RMB'000	Ret[illegible]e e[illegible]t be[illegible]ef t s c e e c[illegible]t[illegible]b[illegible]t[illegible]s RMB'000	D s c[illegible]et [illegible]a[illegible] b[illegible]s RMB'000	T ta RMB'000
E[illegible]ec[illegible]t e d [illegible]ect[illegible]s:					
Mr. Ruan Hongliang	–	1,245	36	46	1,327
Ms. Jiang Jinhua	–	885	36	–	921
Ms. Ruan Zeyun	–	1,206	36	66	1,308
Mr. Wei Yezhong	–	635	36	46	717
Mr. Shen Qifu	–	656	36	50	742
I[illegible]de e[illegible]de[illegible]t [illegible] [illegible]-e[illegible]ec[illegible]t e d [illegible]ect[illegible]s:					
Ms. Xu Pan	100	–	–	–	100
Ms. Hua Fulan	92	–	–	–	92
Ms. Du Jian	8	–	–	–	8
Ms. Ng Yau Kuen Carmen	193	–	–	–	193
S[illegible]e[illegible]s[illegible]s:					
Mr. Zheng Wenrong	–	253	36	–	289
Mr. Shen Fuquan	–	206	24	–	230
Mr. Zhu Quanming	–	164	20	–	184
Ms. Zhang Huizhen	–	282	26	11	319
Ms. Niu Liping	–	188	16	15	219
Total	393	5,720	302	234	6,649

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

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

As at 31 December 2024, the interests and short positions of Directors, supervisors and chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interest or short position which the Directors, supervisors or the chief executive were taken or deemed to have under such provisions) and the Model Code cnntained in the Listing Rules, were as follows:

Name of director	Number of Shares held	Class of Shares	Nature of Interest	Approximate percentage of shareholding in the relevant class of shares[1]	Approximate percentage of shareholding in the total share capital[2]
Directors					
Mr. Ruan Hongliang[3]	1,118,772,000 (L)	A Shares	Beneficial owner and parties	58.85%	47.75%
	2,799,000 (L)	H Shares	acting in cnncert	0.63%	0.12%
Ms. Jiang Jinhua[3]	1,118,772,000 (L)	A Shares	Beneficial owner and parties	58.85%	47.75%
	2,799,000 (L)	H Shares	acting in cnncert	0.63%	0.12%
Ms. Ruan Zeyun[3]	1,118,772,000 (L)	A Shares	Beneficial owner and parties	58.85%	47.75%
	2,799,000 (L)	H Shares	acting in cnncert	0.63%	0.12%
Mr. Wei Yezhong	15,600,600 (L)	A Shares	Beneficial owner	0.82%	0.67%
Mr. Shen Qifu	10,400,400 (L)	A Shares	Beneficial owner	0.55%	0.44%
Supervisors					
Mr. Zheng Wenrong	46,801,800 (L)	A Shares	Beneficial owner	2.46%	2.00%
Mr. Shen Fuquan	31,201,200 (L)	A Shares	Beneficial owner	1.64%	1.33%
Mr. Zhu Quanming	31,201,200 (L)	A Shares	Beneficial owner	1.64%	1.33%

Notes:

(1) The calculation is based on the total number of 1,901,204,565 A Shares or 441,715,000 H Shares of the Company in issue as at 31 December 2024.

(2) The calculation is based on the total number of 1,901,204,565 A Shares and the total number of 441,715,000 H Shares (i.e. a total of 2,342,919,565 Shares) in issue as at 31 December 2024.

(3) Mr. Ruan Hongliang is the spouse of Ms. Jiang Jinhua. As at 31 December 2024, Mr. Ruan Hongliang owns 439,358,400 A Shares and 485,000 H Shares. Ms. Jiang Jinhua owns 324,081,600 A Shares and 111,000 H Shares. Ms. Ruan Zeyun is the spouse of Mr. Zhao Xiaofei, and the daughter of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Ms. Ruan Zeyun owns 350,532,000 A Shares and 2,203,000 H Shares. Mr. Zhao Xiaofei owns 4,800,000 A Shares.

Pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei, each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei is considered to be interested in 1,118,772,000 (long positions) A Shares, 0 (short positions) A Shares and 2,799,000 H Shares under the SFO.

Save as disclosed above, as at 31 December 2024, to the knowledge of the Company, none of the Directors, supervisors and the chief executive of the Company had or was deemed under the SFO to have any interests or short positions in any of the Shares or the underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2024, the persons or corporations, other than the directors, supervisors and the chief executive of the Company, who had an interest or short position in the Shares, underlying Shares or debentures of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholder	Number of Shares held	Class	Nature of Interest	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in the total share capital[2]
Mr. Zhao Xiaofei[3]	1,118,772,000 (L)	A Shares	Beneficial owner and parties acting in concert	58.85%	
	2,799,000 (L)	H Shares		0.63%	58.85%

Notes：

(1) The calculation is based on the total number of 1,901,204,565 A Shares or 441,715,000 H Shares of the Company in issue as at 31 December 2024.

(2) The calculation is based on the total number of 1,901,204,565 A Shares and the total number of 441,715,000 H Shares (i.e. a total of 2,342,919,565 Shares) in issue as at 31 December 2024.

(3) Mr. Ruan Hongliang is the spouse of Ms. Jiang Jinhua. As at 31 December 2024, Mr. Ruan Hongliang owns 439,358,400 A Shares and 485,000 H Shares. Ms. Jiang Jinhua owns 324,081,600 A Shares and 111,000 H Shares. Ms. Ruan Zeyun is the spouse of Mr. Zhao Xiaofei, and the daughter of Mr. Ruan Hongliang and Ms. Jiang Jinhua. Ms. Ruan Zeyun owns 350,532,000 A Shares and 2,203,000 H Shares. Mr. Zhao Xiaofei owns 4,800,000 A Shares.

Pursuant to a concert party agreement dated 19 September 2016 entered into among Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei, each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei is considered to be interested in 1,118,772,000 (long positions) A Shares, 0 (short positions) A Shares and 2,799,000 H Shares under the SFO.

(4) JPMorgan Chase & Co. indirectly held relevant interests and short positions through a series of its controlled corporations, including holding of certain unlisted derivatives (cash settlement: 4,597,446 shares (long positions) and 1,042,000 shares (short positions)).

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

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

Save as disclosed above, as at 31 December 2024, so far as is known to the Directors, there is no other person (other than the Directors, supervisors or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2024.

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

No contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or supervisor of the Company or an entity connected with a Director or supervisor had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2024.

RELATED PARTY TRANSACTIONS

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

Connected Transaction

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

Independent Non-executive Directors' Confirmation

The independent non-executive Directors have reviewed the continuing connected transactions conducted during the Reporting Period and confirmed that such transactions were:

(1) entered into in the ordinary and usual course of business of the Group;

(2) conducted either on normal commercial terms or better; and

(3) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Auditor's Confirmation

The Company's auditor, Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)), was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this annual report (if any) in accordance with Rule 14A.56 of the Listing Rules.

COMPETING BUSINESS

None of the Directors and their associates had any interest in any competing business with the Company or any of its subsidiaries during the year ended 31 December 2024.

COMPLIANCE WITH NON-COMPETITION UNDERTAKING

Each of Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei has confirmed to the Company that he/she has complied with the non-competition undertaking given by them to the Company pursuant to the deed of non-competition dated 16 October 2015. The independent non-executive Directors of the Company have reviewed the status of compliance and enforcement of the non-competition undertaking and confirmed that all the undertakings thereunder have been complied with throughout the period from 1 January 2024 up to and including 31 December 2024.

ARRANGEMENT FOR DIRECTORS AND SUPERVISORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2024 were rights to acquire benefits by means of acquisition of shares in or debentures of the Company granted to any Director or supervisors of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors or supervisors of t0 -1.3 Td[(that ptor2tr5erights to Td[(b.6 (t0 -quire2tr5e (s

EVENTS AFTER THE REPORTING PERIOD

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

AUDIT COMMITTEE

The audit committee of the Company had reviewed together with the Board and external auditors the accounting standards and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2024.

EXTERNAL AUDITORS

Deloitte Touche Tohmatsu Certified Public Accountants LLP will be the only auditor auditing the Company's financial statements in accordance with the CASBE and undertaking the role of international auditors in compliance with the Listing Rules. The consolidated financial statements for the year ended 31 December 2024 have been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所(特殊普通合夥)).

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

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

On behalf of the Board of Directors

[illegible]
Chairman

Jiaxing, Zhejiang, the PRC
27 March 2025

Re t f t e B a d f S e s s

The current session of the board of supervisors of the Company (the "Board of Supervisors") is comprised of five supervisors, namely Mr. Zheng Wenrong, Mr. Shen Fuquan, Mr. Zhu Quanming, Ms. Niu Liping and Ms. Zhang Huizhen.

In the year ended 31 December 2024, for the Company's long-term interests and shareholders' interests, the Board of Supervisors acted in strict compliance with relevant laws, regulations, rules, regulatory documents, the Articles of Association and the Listing Rules and earnestly performed their duties of supervision over the activities of the Directors and senior management of the Company. The major works performed by of the Board of Supervisors are presented below:

I. MEETINGS CONDUCTED BY THE BOARD OF SUPERVISORS

In the year ended 31 December 2024, the Board of Supervisors convened 8 meetings.

II. WORK OF THE BOARD OF SUPERVISORS

The work of the Supervisory Committee during the year ended 31 December 2024 mainly includes the following:

1. M t e e tat f e s t s f e e a eet s

The Board of Supervisors exercised supervision and inspection of the implementation of the resolutions of the general meetings by the Board and the senior management through observation and attendance at Board meetings and general meetings. The Board of Supervisors considers that the Board and the senior management have diligently performed their duties in compliance with the resolutions of the general meetings. No violation of any laws or regulations or the Articles of Association or any act which jeopardizes the interests of the Company or shareholders' interests of the Company has been found within the performance of the Board and the senior management of the Company.

2. M t e ea c a ce f t e G 's e e a e at

The Board of Supervisors of the Company exercised supervision on a regular basis over the legal compliance, rationality of the Group's general operation, management of its general ordinary work and the work performance of the Board and senior management. The Board of Supervisors considers that the general operation of the Group is sound and rational, which has also complied with all applicable laws, regulations, rules and the Articles of Association. The members of the Board and the senior management of the Company have conscientiously and diligently performed their duties, and none of their actions will harm the interests of the Company or the shareholders of the Company.

3. M t e da e at act t e s f t e G

The Board of Supervisors of the Company exercised supervision over the operating activities of the Group. The Board of Supervisors considers that the Company has already established a sound internal control system, and has made a huge progress in the formulation and implementation of its internal work procedures, thus effectively controlled its exposure to various operating risks. The operation of the Group is in compliance with the PRC laws and regulations and the Articles of Association.

4. Mt[illegible]t e G[illegible]'s f[illegible]a[illegible]c a c[illegible]d t[illegible]s

The Board of Supervisors has reviewed the Group's 2024 consolidated financial statements, supervised and monitored the Group's implementation of relevant financial policies and legislations as well as details of the Group's assets, financial income and expenditure. It is of the opinion that the Group's 2024 consolidated financial statements truly and completely reflect the financial position and operating results of the Group.

Chairman of the Board of Supervisors
Z e[illegible] We[illegible]

Jiaxing, Zhejiang, the PRC
27 March 2025

I de e de t A d t 's Re t

(De Shi Bao (Shen) Zi (25) No. P00236

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

1. AUDIT OPINION

We have audited the financial statements of Flat Glass Group Co., Ltd. (hereinafter referred to as "Flat Group"), including the consolidated and parent company's balance sheet as at 31 December 2024, the consolidated and parent company's income statement, the consolidated and parent company's statement of cash flow, the consolidated and parent company's statement of changes in shareholders' equity and notes to the financial statements in 2024.

In our opinion, the attached financial statements have been prepared in accordance wiuOhufTw 2.268 -2.6 Td[(Wetlidants

How our audit addressed the key audit matter

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

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

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

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

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

4. OTHER INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

De tte T e T at
Certified Public Accountants LLP
Shanghai, China

Chinese certified public accountant:
(engagement partner)

Chinese certified public accountant:

27 March 2025

Consolidated Balance Sheet

31 December 2024

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand	1	**5,294,894,127.46**	6,616,387,667.80
Trading financial assets	2	**520,018,576.54**	230,000,000.00
Derivative financial assets	3	**698,070.40**	623,194.84
Bills receivable	4	**1,106,217,189.54**	1,593,420,392.78
Trade receivables	5	**2,595,254,216.48**	3,685,519,572.47
Financing receivables	6	**1,566,522,584.04**	2,006,375,691.99
Advance payment	7	**53,328,847.76**	334,679,147.36
Other receivables	8	**130,072,141.34**	110,981,841.18
Inventories	9	**1,732,831,478.80**	2,001,439,456.08
Other current assets	10	**877,208,803.75**	253,544,780.77
Total current assets		**13,877,046,036.11**	16,832,971,745.27
Non-current assets:			
Debt investment	11	**143,768,000.00**	–
Other debt investment	12	**223,712,827.25**	–
Long-term equity investment	13	**112,469,977.19**	100,912,760.44
Investment properties	14	**486,742,160.12**	512,316,310.04
Fixed assets	15	**16,395,460,289.88**	15,114,905,877.20
Construction in progress	16	**2,941,458,882.80**	1,755,993,807.38
Right-of-use asset	17	**964,173,015.24**	772,995,833.34
Intangible assets	18	**6,325,843,840.85**	3,279,561,250.53
Long-term prepaid expenses	19	**243,549,841.55**	80,715,862.63
Deferred income tax assets	20	**326,497,420.36**	219,705,261.03
Other non-current assets	21	**879,075,742.46**	4,311,919,275.66
Total non-current assets		**29,042,751,997.70**	26,149,026,238.25
Total assets		**42,919,798,033.81**	42,981,997,983.52

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

RMB

Items	NOTE (VI)	Closing balance	Opening balance
Current liabilities:			
Short-term borrowings	23	**1,016,886,467.84**	1,913,771,731.03
Derivative financial liabilities	24	**767,714.98**	1,756,309.49
Bills payable	25	**874,305,689.59**	914,048,358.15
Trade payables	26	**4,023,960,176.25**	4,520,361,509.42
Contract liabilities	27	**33,293,546.48**	129,107,796.79
Payroll payable	28	**105,478,367.64**	105,339,978.73
Tax payables	29	**189,088,810.12**	200,138,915.37
Other payables	30	**155,082,120.17**	134,808,907.90
Including: Interest payable		**36,197,048.99**	30,801,288.06
Dividends payable		**1,299,820.00**	1,371,320.00
Non-current liabilities due within one year	31	**2,294,095,101.37**	1,253,366,988.69
Other current liabilities	32	**2,569,993.90**	12,279,287.63
Total current liabilities		**8,695,527,988.34**	9,184,979,783.20
Non-current liabilities:			
Long-term borrowings	33	**7,092,181,287.22**	6,655,130,751.81
Bonds payable	34	**3,916,928,685.43**	3,755,915,215.98
Lease liabilities	35	**764,315,904.02**	538,240,698.05
Long-term payables	36	**47,989,504.57**	93,846,651.81
Estimated liabilities	37	**4,549,602.98**	5,098,771.16
Deferred income	38	**207,242,484.26**	56,476,018.31
Deferred tax liabilities	20	**406,901,700.96**	401,399,642.04
Total non-current liabilities		**12,440,109,169.44**	11,506,107,749.16
Total liabilities		**21,135,637,157.78**	20,691,087,532.36
Shareholders' equity:			
Share capital	39	**585,729,891.25**	587,831,058.75
Other equity instruments	40	**491,724,696.36**	491,726,417.43
Capital reserve	41	**10,700,692,654.16**	10,798,133,395.26
Less: Treasury stock	39	**229,499,392.17**	15,986,520.00
Other comprehensive income	42	**(26,317,651.97)**	11,349,243.83
Special reserve	43	**68,241,880.14**	49,829,227.15
Surplus reserve	44	**293,915,529.38**	293,915,529.38
Undistributed profit	45	**9,814,310,237.19**	9,998,276,039.62
Total equity attributable to shareholders of the parent company		**21,698,797,844.34**	22,215,074,391.42
Minority interests		**85,363,031.69**	75,836,059.74
Total shareholders' equity		**21,784,160,876.03**	22,290,910,451.16
Total liabilities and shareholders' equity		**42,919,798,033.81**	42,981,997,983.52

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Balance Sheet of the Parent Company

31 December 2024

RMB

Items	NOTE (XV)	Closing balance	Opening balance
Current assets:			
Cash at bank and on hand		**1,219,333,583.98**	1,485,105,826.03
Trading financial assets		**300,018,576.54**	230,000,000.00
Derivative financial assets		**698,070.40**	617,987.00
Bills receivable		**219,512,361.38**	348,795,993.84
Trade receivables	1	**591,681,045.80**	996,978,753.08
Financing receivables		**668,423,081.64**	643,668,950.76
Advance payment		**34,774,100.50**	221,651,498.95
Other receivables	2	**2,474,989,297.15**	5,061,996,708.25
Including: Dividends receivable		**14,030,000.00**	–
Inventories		**320,680,763.56**	385,726,062.73
Other current assets		**259,451,996.00**	–
Total current assets		**6,089,562,876.95**	9,374,541,780.64
Non-current assets:			
Debt investment		**143,768,000.00**	–
Long-term equity investment	3	**3,522,653,129.14**	1,851,859,972.86
Investment properties		**472,234,340.29**	496,377,019.81
Fixed assets		**2,794,241,499.93**	2,924,367,294.96
Construction in progress		**66,555,290.25**	149,964,701.84
Intangible assets		**370,807,846.42**	377,831,014.85
Long-term prepaid expenses		**81,231,485.12**	42,680,760.28
Deferred income tax assets			–
Other non-current assets		**9,833,954,619.04**	9,468,334,160.72
Total non-current assets		**17,285,446,210.19**	15,311,414,925.32
Total assets		**23,375,009,087.14**	24,685,956,705.96

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

RMB

Items	NOTE (XV)	Closing balance	Opening balance
Current liabilities:			
Short-term borrowings		**171,886,467.84**	842,634,429.29
Derivative financial liabilities		**156,118.69**	1,487,532.00
Bills payable		**9,449,307.42**	29,047,323.68
Trade payables		**794,843,375.26**	701,544,721.10
Contract liabilities		**57,303,769.85**	120,714,229.28
Payroll payable		**40,207,256.71**	42,034,799.03
Tax payable		**22,893,894.58**	36,727,025.23
Other payables		**1,309,474,309.78**	1,086,523,404.71
Including: Interest payable		**27,839,932.53**	15,362,664.29
Dividends payable		**1,299,820.00**	1,371,320.00
Non-current liabilities due within one year		**832,900,000.00**	292,800,000.00
Other current liabilities		**1,554,293.45**	10,386,758.49
Total current liabilities		**3,240,668,793.58**	3,163,900,222.81
Non-current liabilities:			
Long-term borrowings		**2,585,154,892.42**	3,137,200,000.00
Bonds payable		**3,916,928,685.43**	3,755,915,215.98
Deferred income		**57,851,024.88**	14,894,289.70
Deferred income tax liabilities		**29,552,141.54**	63,323,814.92
Total non-current liabilities		**6,589,486,744.27**	6,971,333,320.60
Total liabilities		**9,830,155,537.85**	10,135,233,543.41
Shareholders' equity:			
Share capital		**585,729,891.25**	587,831,058.75
Other equity instruments		**491,724,696.36**	491,726,417.43
Capital reserve		**10,700,692,654.16**	10,798,133,395.26
Less: Treasury stock		**229,499,392.17**	15,986,520.00
Other comprehensive income			(4,968,0855 5.336 0 Td(5

Consolidated Income Statement

For the year ended 31 December 2024

RMB

Items	NOTE (VI)	Amount for the current period	Amount incurred in the last year
I. Operating revenue	46	**18,682,602,478.36**	21,523,708,522.42
Less: Operating costs	46	**15,787,606,518.28**	16,830,721,240.54
Taxes and surcharges	47	**196,311,824.63**	198,145,169.13
Selling expenses	48	**51,974,447.60**	119,751,307.45
General and administrative expenses	49	**327,558,607.22**	302,200,735.53
Research and development expenses	50	**604,788,932.74**	596,750,492.70
Financial expenses	51	**407,493,717.54**	482,892,747.57
Including: Interest expenses		**569,813,716.98**	590,660,016.42
Interest income		**126,044,839.70**	102,641,259.91
Add: Other income	52	**121,137,364.75**	166,941,306.05
Investment income	53	**51,804,613.22**	27,722,636.72
Including: Gains on investment in associates		**18,629,460.08**	18,159,670.48
Gains from changes in fair value	54	**1,020,354.15**	632,854.33
Gains (losses) on credit impairment	55	**71,532,046.19**	(77,813,105.53)
Asset impairment losses	56	**(356,220,611.54)**	(52,288,682.63)
Losses on disposal of assets	57	**(65,984,014.24)**	(7,086,732.47)
II. Operating profit		**1,130,158,182.88**	3,051,355,105.97
Add: Non-operating income	58	**4,730,625.24**	4,101,236.71
Less: Non-operating expenses	59	**6,380,288.33**	3,648,182.91
III. Total profit		**1,128,508,519.79**	3,051,808,159.77
Less: Income tax expense	60	**112,378,810.76**	288,781,280.25
IV. Net profit		**1,016,129,709.03**	2,763,026,879.52
(1) Classification by operating continuity			
1. Net profit from continuing operations		**1,016,129,709.03**	2,763,026,879.52
(2) Classification by ownership attribution			
1. Net profit attributable to shareholders of the parent company		**1,006,602,737.08**	2,759,690,819.78
2. Profit or loss attributable to minority interests		**9,526,971.95**	3,336,059.74
V. Other comprehensive income, net of tax		**(37,666,895.80)**	(31,001,033.29)
(I) Other comprehensive income, net of tax attributable to the owners of the parent company		**(37,666,895.80)**	(31,001,033.29)
Other comprehensive income that will be reclassified to profit or loss		**(37,666,895.80)**	(31,001,033.29)
1. Exchange differences on foreign currency financial statements translation		**(51,575,055.55)**	(20,208,141.20)
2. Changes in fair value of financing receivables		**13,908,159.75**	(10,792,892.09)
(II) Other comprehensive income, net of tax attributable to minority interests			–
VI. Total comprehensive income		**978,462,813.23**	2,732,025,846.23
Total comprehensive income attributable to shareholders of the parent company		**968,935,841.28**	2,728,689,786.49
Total comprehensive income attributable to the minority interests		**9,526,971.95**	3,336,059.74
VII. Earnings per share:			
(1) Basic earnings per share	61	**0.43**	1.24
(2) Diluted earnings per share	61	**0.43**	1.24

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Income Statement of the Parent Company

For the year ended 31 December 2024

RMB

Items	NOTE (XV)	Amount incurred in the current year	Amount incurred in the last year
I. Operating revenue	4	**4,251,930,895.15**	5,406,046,199.07
Less: Operating costs	4	**3,784,769,979.54**	4,414,226,791.82
Taxes and surcharges		**44,735,886.11**	27,609,510.83
Selling expenses		**30,284,761.96**	29,530,416.90
General and administrative expenses		**158,034,115.65**	156,419,638.80
Research and development expenses		**180,873,829.03**	192,346,885.52
Financial expenses		**266,010,818.12**	312,374,023.84
Including: Interest expenses		**323,060,740.74**	374,504,064.64
Interest income		**32,446,392.03**	38,260,748.16
Add: Other income		**38,256,383.52**	43,979,872.56
Investment income (losses)	5	**704,655,738.85**	(5,430,547.75)
Including: Gains on investment in associates		**10,183,139.18**	6,763,400.00
Gains (losses) from changes in fair value		**1,368,380.79**	(869,545.00)
Gains (losses) on credit impairment		**19,462,100.02**	(5,142,017.65)
Asset impairment loss		**(9,352,380.43)**	(23,763,184.80)
Losses on disposal of assets		**(65,553,128.73)**	(7,035,011.30)
II. Operating profit		**476,058,598.76**	275,278,497.42
Add: Non-operating income		**969,021.73**	122,580.58
Less: Non-operating expenses		**4,363,370.91**	1,956,747.10
III. Total profit		**472,664,249.58**	273,444,330.90
Less: Income tax expenses		**(20,123,092.09)**	28,958,053.45
IV. Net profit		**492,787,341.67**	244,486,277.45
V. Other comprehensive income, net of tax		**4,968,086.42**	(3,881,882.80)
Other comprehensive income that will be reclassified to profit or loss		**4,968,086.42**	(3,881,882.80)
1. Changes in fair value of receivables financing		**4,968,086.42**	(3,881,882.80)
VI. Total comprehensive income		**497,755,428.09**	240,604,394.65

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

RMB

		NOTE (VI)	Amount incurred in the current period	Amount incurred in the last year
I.	**Cash flows from operating activities:**			
	Cash received from sale of goods or rendering of services		**13,856,443,348.60**	12,954,693,347.53
	Cash received from refunds of taxes		**231,733,241.57**	335,369,868.32
	Cash received relating to other operating activities	62(1)	**377,659,741.30**	220,125,130.50
	Sub-total of cash inflows		**14,465,836,331.47**	13,510,188,346.35
	Cash paid for goods and services		**6,312,793,813.31**	9,191,302,895.38
	Cash paid to and on behalf of employee		**958,183,779.01**	866,110,564.55
	Cash paid for payments of taxes and surcharges		**675,853,831.27**	788,373,744.56
	Cash paid relating to other operating activities	62(1)	**605,804,352. 99**	697,220,250.47
	Sub-total of cash outflows		**8,552,635,776.58**	11,543,007,454.96
	Net cash flows from operating activities	63(1)	**5,913,200,554.89**	1,967,180,891.39
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments	62(2)	**3,092,908,133.65**	2,000,000.00
	Cash received from returns on investments		**43,447,396.47**	9,562,966.24
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**10,534,012.37**	21,827,804.95
	Cash received relating to other investing activities	62(2)	**288,574,963.32**	100,481,319.52
	Sub-total of cash inflows		**3,435,464,505.81**	133,872,090.71
	Cash paid to purchase fixed assets, intangible assets and other long-term assets		**4,885,974,011.27**	5,612,343,203.62
	Cash paid for investments	62(2)	**3,811,642,169.83**	230,000,000.00
	Cash paid relating to other investing activities	62(2)	**289,087,898.05**	117,069,405.27
	Sub-total of cash outflows		**8,986,704,079.15**	5,959,412,608.89
	Net cash flows from investing activities		**(5,551,239,573.34)**	(5,825,540,518.18)
III.	**Cash flows from financing activities:**			
	Cash received from absorbing investments			6,039,499,984.44
	Including: Cash received by subsidiaries through absorbing investments of minority shareholders			72,500,000.00
	Cash received from borrowings		**7,936,639,231.55**	11,027,271,688.94
	Cash received relating to other financing activities	62(3)	**2,467,167,862.10**	1,948,032,884.86
	Sub-total of cash inflows		**10,403,807,093.65**	19,014,804,558.24
	Cash paid for payment of borrowings		**7,438,501,587.31**	8,573,528,155.36
	Cash paid for distribution of dividends, and profits or payment of interest		**1,571,204,254.24**	944,068,187.08
	Cash paid relating to other financing activities	62(3)	**2,739,189,627.26**	2,495,249,651.41
	Sub-total of cash outflows		**11,748,895,468.81**	12,012,845,993.85
	Net cash flows from financing activities		**(1,345,088,375.16)**	7,001,958,564.39
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**		**15,438,154.97**	16,635,897.49
V.	**Net (decrease) increase in cash and cash equivalents**		**(967,689,238.64)**	3,160,234,835.09
	Add: Cash and cash equivalents at the beginning of the year	63(2)	**5,479,316,299.60**	2,319,081,464.51
VI.	**Cash and cash equivalents at the end of the year**	63(2)	**4,511,627,060.96**	5,479,316,299.60

Statement of Cash Flows of the Parent Company

For the year ended 31 December 2024

RMB

		Amount incurred in the current year	Amount incurred in the last year

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2024

RMB

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

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

RMB

Items	The last year Equity attributable to the owners of the parent company									
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Minority interests	Total shareholders' equity
I. Opening balance of the current period	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	42,350,277.12	28,583,407.89	268,361,745.88	7,823,754,058.70	–	14,032,447,213.17
II. Increase/decrease of the current period										
(I) Total comprehensive income	–	–	–	–	(31,001,033.29)	–	–	2,759,690,819.78	3,336,059.74	2,732,025,846.23
(II) Contribution of shareholders	51,107,567.00	(5,163.23)	5,933,384,144.09	(6,558,680.00)	–	–	–	–	72,500,000.00	6,063,545,227.86
1. Common shares contributed by owners	51,107,325.25	–	5,914,299,821.45	(6,558,680.00)	–	–	–	–	72,500,000.00	6,044,465,826.70
2. Contribution of capital by other equity instrument owners	241.75	(5,163.23)	45,951.80	–	–	–	–	–	–	41,030.32
3. Amount of share-based payment included in owners' equity	–	–	19,038,370.84	–	–	–	–	–	–	19,038,370.84
(III) Profit distribution	–	–	–	(1,261,400.00)	–	–	25,553,783.50	(585,168,838.86)	–	(558,353,655.36)
1. Appropriation to surplus reserve	–	–	–	–	–	–	25,553,783.50	(25,553,783.50)	–	–
2. Appropriation to shareholders	–	–	–	(1,261,400.00)	–	–	–	(559,615,055.36)	–	(558,353,655.36)
(IV) Special reserve	–	–	–	–	–	21,245,819.26	–	–	–	21,245,819.26
1. Provision of special reserves	–	–	–	–	–	23,831,612.79	–	–	–	23,831,612.79
2. Utilization of special reserves	–	–	–	–	–	(2,585,793.53)	–	–	–	(2,585,793.53)
III. Closing balance of the current period	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	11,349,243.83	49,829,227.15	293,915,529.38	9,998,276,039.62	75,836,059.74	22,290,910,451.16

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2024

RMB

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

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

RMB

Items	The last year							
	Share capital	Other equity instruments	Capital reserve	Less: Treasury stock	Other comprehensive income	Surplus reserve	Undistributed profit	Total shareholders' equity
I. Opening balance of the previous year	536,723,491.75	491,731,580.66	4,864,749,251.17	23,806,600.00	(1,086,203.62)	268,361,745.88	2,740,753,929.56	8,877,427,195.40
II. Increase/decrease of the previous year								
(I) Total comprehensive (losses) income	–	–	–	–	(3,881,882.80)	–	244,486,277.45	240,604,394.65
(II) Contribution and withdrawal of capital by shareholders	51,107,567.00	(5,163.23)	5,933,384,144.09	(6,558,680.00)	–	–	–	5,991,045,227.86
1. Common shares contributed by owners	51,107,325.25	–	5,914,299,821.45	(6,558,680.00)	–	–	–	5,971,965,826.70
2. Contribution of capital by other equity instrument owners	241.75	(5,163.23)	45,951.80	–	–	–	–	41,030.32
3. Amount of share-based payment included in owners' equity	–	–	19,038,370.84	–	–	–	–	19,038,370.84
(III) Profit distribution	–	–	–	(1,261,400.00)	–	25,553,783.50	(585,168,838.86)	(558,353,655.36)
1. Appropriation to surplus reserve	–	–	–	–	–	25,553,783.50	(25,553,783.50)	–
2. Appropriation to shareholders	–	–	–	(1,261,400.00)	–	–	(559,615,055.36)	(558,353,655.36)
III. Closing balance of the previous year	587,831,058.75	491,726,417.43	10,798,133,395.26	15,986,520.00	(4,968,086.42)	293,915,529.38	2,400,071,368.15	14,550,723,162.55

The notes are an integral part of the financial statements.

The financial statements on pages 64 to 75 are signed by:

Legal Representative: Chief Financial Officer: Chief Accountant:

(I) CORPORATE INFORMATION

1. C a O e e

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

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

2. Sc e f t e C s dated F a c a State e t s

On 27 March 2025, the Company's company and consolidated financial statements have been approved by the Board of Directors of the Company.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Ba s s f e a at

The Group has implemented the Accounting Standards for Business Enteo0.02503E0 Rng Standards foa Tcnciaordsrs G

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

Basis of accounting and principle of measurement

The Group has adopted accrual basis for accounting measurement. Except some financial instruments are measured

(III) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

1. State e t f C a ce t CASBE

The financial statements of the Company have been prepared in accordance with the CASBE, and present truly and completely the consolidated and the Company's financial position as at 31 December 2024 and the consolidated and the Company's results of operations, the consolidated and the Company's changes in shareholders' equity and the consolidated and the Company's cash flows in 2024.

2. Acc t e Pe d

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

3. O e at C c e

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

4. F ct a C e c

Renminbi ("RMB") is the currency in the primary economic environment in whsent

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

6. B[illegible]s [illegible]e$_{ss}$ C b [illegible]at [illegible]s I[illegible] [illegible] E[illegible]te[illegible] [illegible]s e$_s$ [illegible]de[illegible] C [illegible] C [illegible]t[illegible] a[illegible]d B[illegible]s [illegible]e$_{ss}$ C b [illegible]at [illegible]s [illegible] t I[illegible] [illegible] E[illegible]te[illegible] [illegible]s e$_s$ [illegible]de[illegible] C [illegible] C [illegible]t[illegible] (Continued)

6.1 B[illegible]s [illegible]e$_{ss}$ c b [illegible]at [illegible]s [illegible] [illegible] e[illegible]te[illegible] [illegible]s e$_s$ [illegible]de[illegible] c [illegible] c [illegible]t[illegible]

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

7. Consolidated financial statements and separate financial statements

7.1 Consolidation criteria

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

7.2 Preparation of consolidated financial statements

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

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

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

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

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

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

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

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

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

7. Consolidated financial statements and Separate financial statements (Continued)

7.2 Separate financial statements (Continued)

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

8. Recognition of Cash and Cash Equivalents

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

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

10. Financial Instruments

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

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

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

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

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

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

10.1 Classification, recognition and measurement of financial assets

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

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

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

10. Financial Instruments (Continued)

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

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

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

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

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

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

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

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

10. Financial Instruments (Continued)

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

10.1.1 Financial assets measured at amortised cost

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

10. Financial Instruments (Continued)

10.2 Impairment of financial instruments (Continued)

10.1.3 Financial assets at FVTPL

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

10.2 Impairment of financial instruments

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

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

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

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

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

10. Financial Instruments (Continued)

10.2 Impairment of financial instruments (Continued)

10.2.1 Significant increase in credit risk

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

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

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

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

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

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

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

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

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

10. Financial Instruments (Continued)

10.2 Impairment of financial instruments (Continued)

10.2.2 Credit impaired financial assets

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

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

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

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

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

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

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

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

10. F ꞃaꞃc a Iꞃs t[illegible] eꞃts (Continued)

10.2 I a[illegible] eꞃt f f ꞃaꞃc a ꞃs t[illegible] eꞃts (Continued)

10.2.3 Determination of ECL

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

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

- As for the financial assets with credit impairment occurred on the balance sheet date but not purdI567.a0.5 (sitenerbutde credit loss shalis crederence between the)25tweooka

  n o t f i n a n c i a

  n o (o r i g c i a l e e n c c

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

10. Financial Instruments (Continued)

10.3 Transfer of financial assets (Continued)

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

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

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

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

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

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

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

10. Financial Instruments (Continued)

10.4 Classification of financial liabilities and equity instruments

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

10.4.1Classification, recognition and measurement of financial liabilities

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

10. Financial Instruments (Continued)

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

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

10.4.1.1 Financial liabilities at FVTPL (Continued)

For financial liabilities designated at fair value through profit or loss, changes in the fair value of such financial liabilities arising from changes in the Group's own credit risk are recognised

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

10. Financial Instruments (Continued)

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

10.4.2 Derecognition of financial liabilities

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

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

10.4.3 Equity instruments

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

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

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

10. Financial Instruments (Continued)

10.5 Derivative financial instruments and embedded derivatives

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

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

10.6 Offsetting of financial assets and financial liabilities

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

10.7 Convertible bonds

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

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

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

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

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

11. B s ece ab e

P tf cate a d dete at et d f s s f bad debt a ss e ss ed c ect e b ced t s c a acte s t c s

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

Cate	**Dete at ba s s**
Low risk	Bank acceptance bills portfolio commercial acceptance bills portfolio issued by a related party
Normal	Other bills receivable portfolio except low-risk category

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

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

12. Trade receivables

12.1 Portfolio categorization and determination of the rate of bad debt assessed collective by credit risk characteristics

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

12.2 Judgment standard of the rate of bad debt assessed and judgment

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

13. Financing receivables

13.1 Portfolio categorization and determination of the rate of bad debt assessed collective by credit risk characteristics

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

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

14. Ot e[illegible]ece ab e$_s$

14.1 J[illegible]d[illegible] e[illegible]t $_s$ ta[illegible]da[illegible]d f [illegible] $_s$ [illegible]$_s$ f [illegible] bad debt a$_{ss}$ e$_{ss}$ ed [illegible]d d[illegible]a

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

15. I[illegible] e[illegible]t [illegible] e$_s$

15.1 C a$_{ss}$ f cat [illegible] f [illegible] e[illegible]t [illegible] e$_s$, [illegible] c [illegible] de e[illegible]ed, [illegible] e[illegible]t [illegible] $_s$ $_s$te , a [illegible]t at [illegible] et d f [illegible] - a[illegible]e c [illegible]$_s$[illegible] ab e$_s$

15.1.1 Classification of inventories

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

15.1.2 Pricing of inventories delivered

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

15.1.3 Inventory system

The inventory system is a perpetual inventory system.

15.1.4 Amortisation of low-value consumables

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

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

15. Inventories (Continued)

15.2 Determination of net realisable value of inventories

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

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

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

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

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

16. Long-term Equity Investments

16.1 Basis of determination of control or significant influence

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

16.2 Determination of initial investment cost

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

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

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

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

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

16. Long-term Equity Investments (Continued)

16.3 Subsequent measurement and recognition of profit or loss

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

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

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

16.3.2 Long-term equity investment accounted for by equity method

The Group's investment in associates is accounted for by equity method. Associates refer to invested entities to which the Group can exert a significant influence.

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

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

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

16. Long-term Equity Investments (Continued)

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

16.3.2 Long-term equity investment accounted for by equity method (Continued)

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

16.4 Disposal of long-term equity investments

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

17. Investment Properties

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

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

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

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

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

17. Investment Properties (Continued)

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

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

18. Fixed Assets

18.1 Conditions for recognition

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

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

18.2 Depreciation methods

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

Class	Depreciation Method	Depreciation Period (Years)	Residual Value Rate (%)	Annual Depreciation Rate (%)
Houses and buildings	Straight-line depreciation	20–25	0 or 5	4.00–5.00
Machinery and equipment	Straight-line depreciation	4–20	0 or 5	4.75–23.75
Transportation equipment	Straight-line depreciation	4–15	0 or 5	6.67–23.75
Other equipment	Straight-line depreciation	3–10	0 or 5	9.50–33.33

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

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

18. Fixed Assets (Continued)

18.3 Other decrease

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

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

19. Construction in Progress

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

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

Category	The standard and time point for carried forward to fixed assets

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

21. Intangible Assets

21.1 Useful life and determination basis, estimate, amortisation method and deferred expenses

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

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

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

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

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

21. Intangible Assets (Continued)

21.2 Specific criteria applied to each phase of internal R&D projects

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

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

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

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

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

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

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

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

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

22. Impairment of Long-term Assets

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

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

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

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

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

23. Long-term Deferred Expenses

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

24. Contract Liabilities

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

25. Employee Compensation

25.1 Accounting for short-term employee compensation

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

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

25.2 Accounting for post-employment benefits

Post-employment benefits are all defined contribution plans.

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

25.3 Accounting for termination benefits

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

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

26. P s s

Obligations related to product quality guarantee contingencies are recognised as provisions when the Group has a current obligation, 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.

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

28. Re e (Continued)

28.1 Acc t c e s ed f e ec t aid ea s e e t b t e f b s e ss (Continued)

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

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

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

28. Revenue (Continued)

28.1 Accounting policies adopted for revenue recognition and measurement (Continued)

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

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

29. Government Grants

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

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

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

31. Deferred Income Tax Assets/Deferred Income Tax Liabilities

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

31.1 Current income tax

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

31.2 Deferred income tax assets and deferred income tax liabilities

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

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

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

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

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

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

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

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

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

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

32. Lease (Continued)

32.1 The Group as lessee

32.1.1 Right-of-use assets

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

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

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

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

32.1.2 Lease liabilities

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

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

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

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

32. Lease (Continued)

32.1 The Group as lessee (Continued)

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

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

32.2 The Group as lessor

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

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

32.3 The Group as lessor provided operating leases

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

33. Other Significant Accounting Policies and Accounting Estimates

33.1 Accounting treatment of repurchase of the Company's shares

The consideration and transaction costs paid in a share repurchase reduce shareholders' equitofit om charged tge.

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

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

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

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

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

The estimate of expected credited losses of accounts receivable

The Group's accounts receivable do not contain significant financing components. When assessing the provision for expected credit losses on accounts receivable, management needs to consider historical credit losses and

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

34. Critical Judgements and Key Assumptions and Uncertainties in Accounting Estimates (Continued)

Recognition of deferred income tax assets

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

35. Significant Changes in Accounting Policies

Interpretation of Accounting Standards for Business Enterprises No. 17

On October 25, 2023, and December 6, 2024, the Ministry of Finance issued the "Interpretation No. 17 of the Accounting Standards for Business Enterprises" (hereinafter referred to as "Interpretation No. 17") and "Interpretation No. 18 of the Accounting Standards for Business Enterprises" (hereinafter referred to as "Interpretation No. 18"), respectively.

Interpretation No. 17 clarifies the classification principles for current and non-current liabilities, in "Accounting Standard for Business Enterprises No. 30—Presentation of Financial Statements", effective from January 1, 2024.

Classification of Current Liabilities and Non-current Liabilities

In Explanation No 17, revisions and improvements were made to the principles for distinguishing between current liabilities and non-current liabilities in Accounting Standard for Business Enterprises No. 30 - Presentation of Financial Statements: It was clarified that if an enterprise does not have a substantive right to defer the repayment of a liability to more than one year after the balance sheet date, the liability should be classified as a current liability. The subjective possibility of the enterprise exercising the above right does not affect the liquidity classification of the liability.For liabilities arising from an enterprise's loan arrangements, where the right to defer repayment of the liability to more than one year after the balance sheet date may depend on contractual terms, the enterprise should distinguish between the contractual terms that the enterprise is required to follow on or before the balance sheet date and those that it is required to follow after the balance sheet date, and consider whether it has the right to defer repayment of the liability on the balance sheet date. It was clarified that if the counterparty to an enterprise's liability has the option to settle the liability with the enterprise's own equity instruments, and if that option is classified as an equity instrument and recognized separately, the relevant settlement terms are irrelevant to the liquidity classification of the liability. The disclosure requirements for loan arrangements that are classified as non-current liabilities and are subject to contractual terms were clarified. Enterprises are also required to adjust comparative period information when they first apply this regulation.

After assessment, the Group believes that the adoption of the above provisions will not have a material impact on the Group's financial statements.

(IV) TAXATION

1. Main Types of Taxes and Tax Rates

Tax type	Tax base	Tax rate
Value-added tax (VAT)	Taxable value-added amount (the tax payable is calculated on the taxable sales amount multiplied by the applicable tax rate (output-VAT) less deductible input-VAT for the current period)	13%
Urban maintenance and		

(IV) TAXATION (Continued)

1. Ma T es f Ta a d Ta Rate s (Continued)

Note 1: EIT rates for the Company and subsidiaries:

	Ta ate

(IV) TAXATION (Continued)

2. Tax Preferences

The Company

On 24 December 2022, the Company obtained the "High Technology Enterprise Certificate" (No. GR202233007200) jointly approved by the Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance, Zhejiang Provincial Tax Service, State Taxation Administration for a valid period of three years, pursuant to which, the EIT rate of 15% is applied from 2022 to 2024.

Zhejiang Jiafu Glass Co., Ltd.

On 24 December 2022, Zhejiang Jiafu Glass Co., Ltd. obtained the "High Technology Enterprise Certificate" (No. GR202233006951) jointly approved by the Science and Technology Department of Zhejiang Province, Zhejiang Provincial Department of Finance, Zhejiang Provincial Tax Service, State Taxation Administration for a valid period of three years, pursuant to which, the EIT rate of 15% is applied from 2022 to 2024.

Anhui Flat Solar Glass Co., Ltd.

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

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

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

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

(IV) TAXATION (Continued)

2. Tax Preferences (Continued)

Fengyang Flat New Energy Technology Co., Ltd.

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

Zhejiang Fulaitai New Energy Co., Ltd.* and its subsidiaries

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

The catalogue are Small and Micro-sized Flat Silicon industry Co., Ltd. and Flat Silicon industry Co., Ltd.

(V) INTERESTS IN OTHER ENTITIES

1. Interests in Subsidiaries

Tec st f tec ate

Le e	Na e f s b d a	P ace f c at a d b s e ss	Re s te ed ca ta a d c ffe c	Nat fe f b s e ss	S a e d a d t s e ce ta e (%) D ect	I d ect	Ac s t et d

(V) INTERESTS IN OTHER ENTITIES (Continued)

1. Interests in Subsidiaries (Continued)

Principal subsidiaries (Continued)

Level	Name of subsidiary	Place of incorporation and business	Registered capital and currency	Nature of business	Shareholding and voting rights percentage (%) Direct	Indirect	Acquisition method
5	Flat (Hong Kong) Limited* (福萊特(香港)有限公司) ("Flat (Hong Kong)")	Hongkong, China – Domestic enterprise	USD10,000,000.00	Glass export	100	–	Establishment
5.1	Flat (Vietnam) Company Limited ("Flat (Vietnam)")	Vietnam	VDN 1,752,800,000,000.00	Manufacture and sale of photovoltaic glass	–	100	Establishment
5.1.1	Flat (Vietnam) Import and Export Trade Limited* (福萊特(越南)進出口貿易有限公司)	Vietnam	VDN2,286,000,000.00	Import and export trade	–	100	Establishment
5.2	Zhejiang Fubo New Materials Co., Ltd.* (浙江福玻新材料有限公司) ("Zhejiang Fubo")	Zhejiang, China – Domestic enterprise	USD10,000,000.00	Production and sale of non-metallic mineral products	-	100	Establishment
6	Jiaxing Flat New Energy Technology Co., Ltd.*(嘉興福特新能源科技有限公司) ("Flat New Energy")	Zhejiang, China – Domestic enterprise	RMB10,000,000.00	Investment, construction, operation and maintenance of new energy power plants	100	–	Establishment
7	Flat (Jiaxing) Import and Export Trade Limited*(福萊特(嘉興)進出口貿易有限公司) ("Flat Import and Export")	Zhejiang, China – Domestic enterprise	RMB7,000,000.00	Import and export trade	100	–	Establishment
8	Flat (Nantong) Solar Glass Co., Ltd.* (福萊特(南通)光伏玻璃有限公司) ("Nantong Flat")	Jiangsu, China – Domestic enterprise	RMB400,000,000.00	Manufacture and sale of photovoltaic glass	100	–	Establishment
8.1	Nantong Flat Natural Gas Co., Ltd.* (南通福萊特天然氣有限公司) ("Nantong Natural Gas")	Jiangsu, China – Domestic enterprise	RMB10,000,000.00	Installation and sales of natural gas pipelines	–	51	Establishment
8.2	Nantong Yuantong Port Co., Ltd.* (南通遠通港務有限公司) ("Yuantong Port")	Jiangsu, China – Domestic enterprise	RMB50,000,000.00	Port operations	–	100	Acquisition
9	Flat (Suqian) Solar Glass Co., Ltd.* (福萊特(宿遷)光伏玻璃有限公司)	Jiangsu, China – Domestic enterprise	RMB10,000,000.00	Manufacture and sale of photovoltaic glass	100	–	Establishment
10	Shanghai Flat Technology Development Co., Ltd.* (上海福萊特科技發展有限公司)	Shanghai, China – Domestic enterprise	RMB10,000,000.00	Research and development for new materials and technologies	100	–	Establishment

Le e	Na e f s b d a	P ace f c f at a d b s e ss	Re s te ed ca ta a d c ffe c	Nat f e f b s e ss	S a e d a d t s e ce ta e (%) D ect	I d ect	Ac s t et d
11	Jiaxing Flat Intelligent Equipment Co., Ltd.* (嘉興福萊特智能裝備有限公司) ("Flat Intelligent Equipment")	Zhejiang, China – Domestic enterprise	RMB11,077,000.00	Manufacturing and sales of intelligent equipment	100	–	Establishment
12	Nantong Flat Port Co., Ltd. * (南通福						

(V) INTERESTS IN OTHER ENTITIES (Continued)

2. Interest in associates

Name of associate	Place of business and registration	Nature of business	Sale and trading of the entity's percentage as at 31 December 2024 (%)	Accounting treatment of interest in associates
JiaXing Kaihong Flat Supply Chain Management Co., Ltd.* (嘉興凱鴻福萊特供應鏈管理有限公司) and its subsidiaries ("Kaihong Flat")	Zhejiang, China	Transportation of goods	40.00	Equity method
Fengyang PetroChina Kunlun Gas Co., Ltd.* (鳳陽中石油崑崙燃氣有限公司) ("Kunlun Gas")	Anhui, China	Installation, sales and operation of natural gas pipelines	35.00	Equity method
Jiaxing Gas Group Co., Ltd.* (嘉興市燃氣集團股份有限公司) ("JiaXing Gas")	Zhejiang, China	Installation, sales and operation of natural gas pipelines	4.53	Equity method
Flat (Jiaxing) Energy Supply Chain Co., Ltd.* (福萊特(嘉興)能源供應鏈有限公司) ("Jiaxing Energy")	Zhejiang, China	wholesale and sales of chemicals	45.00	Equity method

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

The Group holds the equity interests in Jiaxing Gas, an H share listed company. One of the de facto controllers of the Group also is the non-executive director of Jiaxing Gas, and she is entitled to participate in its operation and financial decision-making. Therefore, the Group can exert significant influence on the operation and finance of Jiaxing Gas, and the accounting method for its equity investment is equity method.

(1) Financial information of the Group's significant associates

Unit: RMB

Items	Amount incurred in the current year	Amount incurred in the last year
Associates:		
Total invested book value	**112,469,977.19**	100,912,760.44
Listed total number calculated by shareholding percentage		
− Net profit	**18,629,460.08**	18,159,670.48
− Other comprehensive income		–
− Total comprehensive income	**18,629,460.08**	18,159,670.48

* *for identification purpose only*

(V) INTERESTS IN OTHER ENTITIES (Continued)

2. Interest in associates (Continued)

(2) The Group's interest in the associates is the Group's interest in the associates' net assets.

(3) The Group's interest in the associates' net assets is the Group's interest in the associates.

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash at Bank and on Hand

RMB

Items	Foreign currency amount	Cash balance Current rate	RMB amount
Cash on hand:			
RMB			18,349.73
Subtotal			18,349.73
Cash at bank:			
RMB			3,007,333,235.40
US dollars	199,587,141.82	7.1884	1,434,712,210.27
Euro	6,924,369.81	7.5257	52,110,729.91
Yen	75,361,083.00	0.0462	3,484,169.58
Hong Kong dollars	10,848,100.71	0.9260	10,045,775.18
Australian dollars	262,384.31	4.5070	1,182,566.09
Pound	3,831.77	9.0765	34,779.06
Vietnamese Dong	9,518,262,105.62	0.0003	2,705,245.74
Subtotal			4,511,608,711.23
Other cash at bank and on hand:			
RMB			780,679,241.60
US dollars	360,000.01	7.1884	2,587,824.07
Yen	17.95	0.0462	0.83
Subtotal			783,267,066.50
Total			5,294,894,127.46
Including: total amount deposited abroad			246,525,286.58

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

1. Cash at Bank and on Hand (Continued)

RMB

Items	Closing balance		
	Foreign currency amount	Conversion rate	RMB amount
Cash on hand:			
RMB	–	–	18,273.37
Subtotal			18,273.37
Cash at bank:			
RMB	–	–	4,347,395,440.49
US dollars	129,575,229.60	7.0827	917,742,478.66
Euro	3,772,519.23	7.8592	29,648,983.12
Yen	93,417,444.00	0.0502	4,690,770.29
Hong Kong dollars	190,112,564.44	0.9062	172,283,808.15
Australian dollars	273,376.91	4.8484	1,325,440.61
Pound	3,870.78	9.0411	34,996.11
Vietnamese Dong	21,010,820,978.00	0.0003	6,176,108.80
Subtotal			5,479,298,026.23
Other cash at bank and on hand:			
RMB	–	–	993,716,464.00
US dollars	20,240,149.04	7.0827	143,354,903.60
Yen	12.00	0.0502	0.60
Subtotal			1,137,071,368.20
Total			6,616,387,667.80
Including: total amount deposited abroad			

2. Trading Financial Assets

RMB

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss:		
Bank wealth management products	**520,000,000.00**	230,000,000.00
Equity instrument investment	**18,576.54**	–
Total	**520,018,576.54**	230,000,000.00

3. Derivative Financial Assets

RMB

Items	Closing balance	Opening balance
Derivative financial asset without specified hedging relationship	**698,070.40**	623,194.84
Including: Forward foreign exchange contract		5,207.84
Foreign exchange option contract	**698,070.40**	617,987.00
Total	**698,070.40**	623,194.84

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

4. Bills Receivable

(1) Bills receivable by category

RMB

Items	Closing balance	Opening balance
Bank acceptance bills	**913,081,408.67**	937,437,522.65
Commercial acceptance bills	**196,595,868.15**	667,735,006.24
Less: bad debt provision	**3,460,087.28**	11,752,136.11
Total	**1,106,217,189.54**	1,593,420,392.78

(2) Amounts pledged by the Group as at the end of the year for bills receivable

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

RMB

Items	Amounts derecognised at the end of the year	Amounts not derecognised at the beginning of the year
Endorsed bank acceptance bills	**389,625,048.27**	685,238,801.08
Discounted bank acceptance bills	**8,886,467.84**	3,000,000.00
Discounted commercial acceptance bills		164,990,331.03
Total	**398,511,516.11**	853,229,132.11

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

4. Bills Receivable (Continued)

(4) Disclosed by categories of bad debt provision method

RMB

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

	Opening balance				
	Book balance		Bad debt provision		
Categories	Amount	Percentage (%)	Amount	Percentage (%)	Book value
Bad debt provision by portfolio					
Including:					
Low risk	937,437,522.65	58.40	–	–	937,437,522.65
Normal	667,735,006.24	41.60	11,752,136.11	1.76	655,982,870.13
Total	1,605,172,528.89	100.00	11,752,136.11	0.73	1,593,420,392.78

4. Bills Receivable (Continued)

(4) Disclosed by class of bad debt provision (Continued)

Bills receivable with bad debt provision by portfolio

RMB

Name of portfolio	Closing balance			Opening balance		
	Book balance	Bad debt provision	Percentage (%)	Book balance	Bad debt provision	Percentage (%)
Low risk	**913,081,408.67**			937,437,522.65	–	–
Normal	**196,595,868.15**	**3,460,087.28**	**1.76**	667,735,006.24	11,752,136.11	1.76
Total	**1,109,677,276.82**	**3,460,087.28**	**0.31**	1,605,172,528.89	11,752,136.11	0.73

The Group considers that the bank acceptance bills it holds have low credit risk arising from bank default rating, no impairment allowance for credit loss is made.

(5) Bad debt provision

RMB

Class of bad debt provision	Opening balance	Provision for the year (reversal)	Written off this year	Closing balance
Normal	11,752,136.11	(8,292,048.83)	–	**3,460,087.28**

5. Trade Receivables

5. Trade Receivables (Continued)

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

RMB

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

	Opening balance				
	Book balance		Bad debt provision		
Items	Amount	Percentage(%)	Amount	Percentage(%)	Book value
Provision for bad debts calculated individually	23,457,949.21	0.61	23,457,949.21	100.00	–
Provision for bad debts calculated on a portfolio basis	3,822,881,221.91	99.39	137,361,649.44	3.59	3,685,519,572.47
Total	3,846,339,171.12	100.00	160,819,598.65	4.18	3,685,519,572.47

5. Trade Receivables (Continued)

(2) Disclosed by category of bad debt provision: (Continued)

Category	Expected average loss rate	Closing balance	Provision for loss	Book value
Normal	1.76%			

5. Trade Receivables (Continued)

(3) Changes in provision for bad debts of trade receivables

RMB

Provision for bad debts	Provision for bad debts for the entire life of the receivables (Credit impairment has occurred)	Provision for bad debts for the entire life of the receivables (Credit impairment has not occurred)	Total
Balance at 1 January 2024	137,361,649.44	23,457,949.21	160,819,598.65
Transfer to the provision for bad debts with credit impairment that has occurred over the entire life of the receivables	(5,989,065.97)	5,989,065.97	
Provision (reversal) for the year	(63,380,685.46)	140,688.10	(63,239,997.36)
Write-off for the year		(155,320.78)	(155,320.78)
Balance at 31 December 2024	67,991,898.01	29,432,382.50	97,424,280.51

(4) Accounts receivable actually written off

RMB

Item	Amounts written off
Accounts receivable actually written off	155,320.78

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

At the end of the year, the top five trade receivables of the Group with the closing balances classified by the borrowers amounted to RMB1,482,118,187.5 (as at the end of the last year: RMB2,344,969,332.34), accounting for 55.04% (as at the end of the last year: 60.97%) of the total balance of trade receivables and the provision for credit losses of top five trade receivables amounted to RMB26,085,280.10 (as at the end of the last year: RMB42,748,553.38).

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

6. Financing receivables

RMB

Item	Closing balance	Opening balance
Bank acceptance bills	**1,566,522,584.04**	2,006,375,691.99

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

The Group believes that there is no provision for credit loss, as the probability of significant loss due to bank default is low.

(1) Changes in financing receivables

RMB

Items	Closing balance	Opening balance
Cost	**1,566,522,584.04**	2,020,283,851.74
Fair value	**1,566,522,584.04**	2,006,375,691.99
Accumulated changes in fair value included in other comprehensive income		(13,908,159.75)

(2) As at the end of the year, the Group's bank acceptance bills that have been endorsed

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

6. Financing receivables (Continued)

(3) Bank acceptance bills that are endorsed or discounted by the Group at the end of the year but derecognised at the balance sheet date

RMB

Items	Amounts not derecognised at the end of the year	Amounts not derecognised at the beginning of the year
Endorsed bank acceptance bills	**2,213,727,158.38**	2,737,959,688.62
Discounted bank acceptance bills	**546,396,462.85**	1,241,397,240.00
Total	**2,760,123,621.23**	3,979,356,928.62

7. Advance Payments

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

RMB

Ageing	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	**44,112,612.04**	**82.72**	331,276,788.97	98.98
1–2 years	**7,376,085.39**	**13.83**	2,106,604.08	0.63
2–3 years	**566,462.00**	**1.06**	1,234,065.11	0.37
Over 3 years	**1,273,688.33**	**2.39**	61,689.20	0.02
Total	**53,328,847.76**	**100.00**	334,679,147.36	100.00

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

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

As at 31 December 2024 and 31 December 2023, the balances of top five advance payments were RMB37,448,135.80 and RMB269,385,857.12, respectively, representing 70.22% and 80.49% of the total balances of advance payments.

8. Other Receivables

RMB

Items	Closing balance	Opening balance
Other receivables	**130,072,141.34**	110,981,841.18
Total	**130,072,141.34**	110,981,841.18

(1) Disclosed by aging

RMB

	Closing balance			Opening balance		
Aging	Trade receivables	Bad debt provision	Percentage (%)	Trade receivables	Bad debt provision	Accrual Percentage (%)
Within 1 year	**77,842,525.21**			60,212,836.41	–	–
1–2 years	**41,262,042.75**			49,345,940.45	–	–
2–3 years	**10,395,193.97**			871,523.00	–	–
Over 3 years	**572,379.41**			551,541.32	–	–
Total	**130,072,141.34**			110,981,841.18	–	–

(2) Other receivables listed by classification by nature

RMB

Nature	Closing book balance	Opening book balance
Deposit、Margin	**93,311,216.21**	85,736,304.10
Reserve fund	**625,948.61**	687,926.46
Others	**36,134,976.52**	24,557,610.62
Total	**130,072,141.34**	110,981,841.18

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

8. Other Receivables (Continued)

(3) Impact of other receivables

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

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

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

(5) Details of the other receivables with the current balances classified by the receivables

RMB

Name	Nature	Closing balance	Provision for credit loss	Balance	Percentage of the other receivables (%)	Aging
CONG TY CO PHAN KHU CONG NGHIEP DINH VU	Margin	46,435,672.90	–	46,435,672.90	35.70	Within 1 year
Fengyang Xinao Gas Co., Ltd.* (鳳陽新奧燃氣有限公司)	Deposit	30,000,000.00	–	30,000,000.00	23.06	Within 1 year, 1-2 years
Jiaxing Hongyun New Rural Investment Development and Construction Co., Ltd.* (嘉興市洪運新農村投資開發建設有限公司)	Other	16,505,159.30	–	16,505,159.30	12.69	1-2 years
Wuxuan Baoxin Mining Co., Ltd.* (武宣寶鑫礦業有限公司)	1-46,435,672.Clo19.624 0 T6(Nature)Tj0 Tw 7.179 0 Td(1-n 1 yearDE.3 C GREEN ENERGY VI75 Tw 2E082202AE03216 33A0E3803DE082202AE4 0.15 T					

9. Inventories

(1) Inventories category

RMB

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

Items	Book balance	Opening balance Impairment provision	Book value
Raw materials	750,570,063.81	–	750,570,063.81
Low-valued consumables	310,945,728.73	23,185,881.04	287,759,847.69
Work in progress	127,411,955.37	–	127,411,955.37
Finished goods	850,297,206.39	14,599,617.18	835,697,589.21
Total	2,039,224,954.30	37,785,498.22	2,001,439,456.08

(2) Inventory impairment provision

RMB

Items	Opening balance	Reversed	Write off	Closing balance
Raw materials	–	14,944,814.87	–	**14,944,814.87**
Finished goods	14,599,617.18	36,922,809.59	–	**51,522,426.77**
Low-valued consumables	23,185,881.04	26,911,113.98	14,084,568.90	**36,012,426.12**
Total	37,785,498.22	78,778,738.44	14,084,568.90	**102,479,667.76**

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

10. Other Current Assets

RMB

Items	Closing balance	Opening balance
Prepaid income tax	**82,913,789.02**	54,856,463.09
Value-added tax recoverable	**432,813,161.36**	196,499,526.00
Bank deposit (Note)	**357,000,000.00**	–
Export tax rebate	**1,545,150.15**	1,775,947.64
Prepaid rent	**412,844.04**	412,844.04
Prepaid import duties	**2,515,500.35**	–
Others	**8,358.83**	–
Total	**877,208,803.75**	253,544,780.77

Note: Time deposits of RMB 207,000,000.00 were pledged as collateral to obtain bank credit facilities.

11. Debt Investment

(1) Debt Investment

RMB

Item	Closing balance			Opening balance		
	Balance	Impairment provision	Book value	Balance	Impairment provision	Book value
Long-term bank certificates of deposit	143,768,000.00		143,768,000.00	–	–	–

The Group is of the view that that the credit risk arising from long-term bank certificates of deposit held due to bank default is low and therefore no provision for credit losses has been made.

(2) Significant Debt Investment at the End of the Year

Item	Closing balance				Opening balance			
	Par value	Interest rate	Effective interest rate	Due date	Par value	Interest rate	Effective interest rate	Due date
Long-term bank certificates of deposit	USD20,000,000.00	5.99%	5.99%	April 2026	-	-	-	-

12. Other Debt Investments

(1) Other debt investments at period-end

RMB

Item	Opening balance	Interest	Interest adjustment	Fair value changes for the year	Closing balance	Cost	Accumulated fair value changes	Accumulated loss provisions recognized in other comprehensive income	Notes
Transferable large-denomination time deposits (Note)	-	319,753.42	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] transferable large-denomination time deposits. Since the business model is aimed at both collecting contractual cash flows and selling the financial assets, these deposits are classified as financial assets measured at fair value with changes recognized in other

(2) Significant other debt investments at year-end

RMB

Item	Closing balance	Opening balance

13. Long-term Equity Investments

RMB

Investee	Accounting method	Opening balance	Movement for the year: Additional investment	Movement for the year: Investment gains recognised under the equity method	Movement for the year: Declaration of cash dividend	Closing balance
Associate:						
Kaihong Flat	Equity method	19,962,629.86	3,200,000.00	10,183,139.18	(4,000,000.00)	**29,345,769.04**
Kunlun Gas	Equity method	10,500,000.00	–	–	–	**10,500,000.00**
JiaXing Gas (Note (V) 2)	Equity method	65,950,130.58	–	8,446,320.90	(6,272,243.33)	**68,124,208.15**
Jiaxing Energy	Equity method	4,500,000.00	–	–	–	**4,500,000.00**
Total		100,912,760.44	3,200,000.00	18,629,460.08	(10,272,243.33)	**112,469,977.19**

15. Fixed Assets

(1) Fixed assets

RMB

Items	Houses and buildings	Machinery and equipment	Transportation equipment	Other equipment	Total
I. Book value					
1. Opening balance	5,310,767,031.53	13,356,433,281.84	162,586,891.31	162,032,220.00	18,991,819,424.68
2. Amount increased in the current year	1,118,929,594.69	1,940,677,661.62	16,556,327.16	56,351,235.36	3,132,514,818.83
(1) Purchase	7,989,102.44	592,265,926.05	16,556,327.16	34,931,164.56	651,742,520.21
(2) Transferred from construction in progress	1,110,940,492.25	1,348,411,735.57	–	21,420,070.80	2,480,772,298.62
3. Amount decreased in the current year	(111,998.27)	(184,427,915.84)	(1,653,252.37)	(1,367,941.35)	(187,561,107.83)
(1) Disposal or scrap	(111,998.27)	(184,427,915.84)	(1,653,252.37)	(1,367,941.35)	(187,561,107.83)
4. Exchange differences on foreign currency financial statements translation	(21,655,871.09)	(33,536,438.52)	(547,893.33)	(158,249.27)	(55,898,452.21)
5. Closing balance	6,407,928,756.86	15,079,146,589.10	176,942,072.77	216,857,264.74	21,880,874,683.47
II. Accumulated depreciation					
1. Opening balance	776,991,650.29	2,910,806,427.07	88,600,231.14	59,514,264.97	3,835,912,573.47
2. Amount increased in the current year	261,813,116.09	1,136,685,606.03	23,622,996.94	29,524,609.27	1,451,646,328.33
(1) Provision	261,813,116.09	1,136,685,606.03	23,622,996.94	29,524,609.27	1,451,646,328.33
3. Amount decreased in the current year	(3,989.94)	(108,448,989.08)	(1,420,550.90)	(307,403.91)	(110,180,933.83)
(1) Disposal or scrap	(3,989.94)	(108,448,989.08)	(1,420,550.90)	(307,403.91)	(110,180,933.83)
4. Exchange differences on foreign currency financial statements translation	(2,347,102.34)	(6,983,279.61)	(157,311.56)	(56,580.59)	(9,544,274.10)
5. Closing balance	1,036,453,674.10	3,932,059,764.41	110,645,365.62	88,674,889.74	5,167,833,693.87
III. Impairment provision					
1. Opening balance	–	40,576,120.92	282,783.21	142,069.88	41,000,974.01
2. Amount increased in the current year	–	277,441,873.10	–	–	277,441,873.10
(1) Provision	–	277,441,873.10	–	–	277,441,873.10
3. Amount decreased in the current year	–	(853,803.38)	(8,344.01)	–	(862,147.39)
(1) Disposal or scrap	–	(853,803.38)	(8,344.01)	–	(862,147.39)
4. Closing balance	–	317,164,190.64	274,439.20	142,069.88	317,580,699.72
IV. Book value					
1. Closing balance of book value	5,371,475,082.76	10,829,922,634.05	66,022,267.95	128,040,305.12	16,395,460,289.88
2. Opening balance of book value	4,533,775,381.24	10,405,050,733.85	73,703,876.96	102,375,885.15	15,114,905,877.20

At the end of the current year, the fixed assets with a book value of RMB3,451,841,070.26 (at the end of previous year: RMB1,948,240,881.71), were used as collateral for borrowings.

15. Fixed Assets (Continued)

(2) Attributed to the Group's temporarily idle fixed assets

RMB

Items	Original book value	Accumulated depreciation	Impairment provisions	Book value
House and building	36,135,753.05	24,843,805.49	–	11,291,947.56
Machinery and equipment	1,287,359,814.85	702,824,924.31	317,003,679.46	267,531,211.08
Transportation equipment	4,301,039.32	3,927,230.20	–	373,809.12
Other equipment	10,814,555.67	5,912,060.22	577,020.26	4,325,475.19
Total	1,338,611,162.89	737,508,020.22	317,580,699.72	283,522,442.95

At the end of this year, some of the Group's idle fixed assets are expected to be scrapped due to plans for renovation and upgrading. The Group has made impairment provisions based on the estimated recoverable residual value upon disposal.

(3) Attributed to the Group's fixed assets leased out through operating leases

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

15. Fixed Assets (Continued)

(4) At the end of each, the Group had no fixed assets that are not certificate.

RMB

Ite	Original Ba	Reasons for fa t c ete t e t t e ce t f cate
House and building	1,513,317,654.05	The title certificate is still in process

(5) Impaired tests of fixed assets

The recoverable amount is determined as the net amount after deducting disposal costs from the fair value.

RMB

Ite	Base	Recoverable Amount	Impaired Amount	Determination Method of Fair Value and Disposal Costs	Key Parameters	Basis for Determining Key Parameters
Machine equipment	307,183,110.50	29,741,237.40	277,441,873.10	The recoverable residual value at the time of disposal	Estimated recoverable residual value upon disposal.	Based on recent quotes from independent counterparties

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

16. Construction in progress (Continued)

(2) Construction in progress (Continued)

a. Construction in progress (Continued)

RMB

Items	Book balance	Opening balance Impairment provision	Net book amount
Annual production of 1,500,000 tons of new energy equipment ultra-thin and ultra-high-transparent panel manufacturing project	877,959,319.88	—	877,959,319.88
Supporting housing project of Anhui Flat	336,887,555.34	—	336,887,555.34
Annual production of 1,500,000 tons of solar equipment ultra-thin and ultra-high-transparent panel manufacturing project	104,100,829.17	—	104,100,829.17
PV modules project factories	79,196,956.04	—	79,196,956.04

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

16. C ɲs t ɲ ct ɲ ɲ ɲ e ss (Continued)

(2) C ɲs t ɲ ct ɲ ɲ ɲ e ss (Continued)

b. Changes in major construction projects in progress in the year

RMB

| P ect na e | B ect | O e n a | A ɲ ɲ ɲ

16. Construction in progress (Continued)

(3) Engineering materials

RMB

Items	Closing balance	Opening balance
Specialised equipment	**148,340,340.63**	88,812,722.98
Refractory materials	**103,905,926.26**	32,844,103.23
Electric wire and cable	**61,722,123.91**	1,254,566.02
Steel and wire rod	**27,257,242.83**	1,251,181.86
Others	**73,693,570.19**	15,969,262.63
Total	**414,919,203.82**	140,131,836.72

As at the end of the year, there was no indicator of impairment of the Group's engineering materials, and therefore no impairment provision was made.

17. Right-of-use Assets

RMB

Items	Land	Roof	Heating	Total
I. Original carrying amount				
1. Opening balance	246,865,503.62	566,569,651.21	–	813,435,154.83
2. Amount increased in the current year	–	228,939,712.87	3,816,966.09	232,756,678.96
3. Exchange differences on foreign currency financial statements translation	(7,681,296.13)	–	–	(7,681,296.13)
4. Closing balance	239,184,207.49	795,509,364.08	3,816,966.09	1,038,510,537.66
II. Accumulated depreciation				
1. Opening balance	33,022,432.27	7,416,889.22	–	40,439,321.49
2. Amount increased in the current period	6,197,564.08	28,115,863.04	723,907.36	35,037,334.48
3. Exchange differences on foreign currency financial statements translation	(1,139,133.55)	–	–	(1,139,133.55)
4. Closing balance	38,080,862.80	35,532,752.26	723,907.36	74,337,522.42
III. Book value				
1. Closing balance of book value	201,103,344.69	759,976,611.82	3,093,058.73	964,173,015.24
2. Opening balance of book value	213,843,071.35	559,152,761.99	–	772,995,833.34

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

18. Intangible Assets

RMB

Items	Land use rights	Essential rights (Note 1)	Mining rights (Note 2)	Exploration rights (Note 3)	Software	Sea area use rights (Note 4)	Total
I. Original balance							
1. Opening balance	656,348,454.72	63,999,020.73	3,724,688,156.82	144,731,091.46	8,407,059.82	56,684,220.00	4,654,858,003.55
2. Amount increased in the current year	52,380,840.55	321,658.00	3,471,532,527.50	–	237,084.65	24,383,760.40	3,548,855,871.10
(1) Purchase	52,380,840.55	321,658.00	3,471,532,527.50	–	237,084.65	24,383,760.40	3,548,855,871.10
3. Closing balance	708,729,295.27	64,320,678.73	7,196,220,684.32	144,731,091.46	8,644,144.47	81,067,980.40	8,203,713,874.65
II. Accumulated amortisation							
1. Opening balance	90,937,333.63	43,600,955.09	1,235,167,603.83	–	5,118,491.97	472,368.50	1,375,296,753.02
2. Amount increased in the current year	13,976,131.74	7,891,079.93	478,302,486.18	–	863,502.53	1,540,080.40	502,573,280.78
(1) Provision	13,976,131.74	7,891,079.93	478,302,486.18	–	863,502.53	1,540,080.40	502,573,280.78
3. Closing balance	104,913,465.37	51,492,035.02	1,713,470,090.01	–	5,981,994.50	2,012,448.90	1,877,870,033.80
III. Balance							
1. Closing balance of book value	603,815,829.90	12,828,643.71	5,482,750,594.31	144,731,091.46	2,662,149.97	79,055,531.50	6,325,843,840.85
2. Opening balance of book value	565,411,121.09	20,398,065.64	2,489,520,552.99	144,731,091.46	3,288,567.85	56,211,851.50	3,279,561,250.53

18. Intangible Assets (Continued)

Note 1: Emission rights refer to payments made to Jiaxing Emissions Trading Center, for the right to emit exhausted gas and wastewater. The emission rights are amortised over the useful lives of the straight-line method.

Note 2: Mining exploitation rights refer to the right of the Group to quartz ore mine located in Fengyang County, Anhui Province, China. Mining rights are amortised on a production basis.

Note 3: Energy use rights refer to the right of the Group to purchase the tradable energy consumption as a result of the increased energy demand of the project construction. At the end of the year, the Group performed an impairment test on energy use rights and there is no impairment.

Note 4: The right to use sea area refers to the right owned by the Group to use the industrial sea in Nantong, Jiangsu, China. The right to use sea area shall be amortized using the straight-line method over their legal useful lives.

At the end of the current year, the land use right with the net value of RMB383,897,866.83 (at the end of the last year: RMB456,694,315.25) was pledged for borrowings. The sea use right with the net value of RMB55,078,167.10 (at the end of last year: nil) was pledge for borrowings.

19. Long-term deferred expenses

RMB

Items	Opening balance	Added amount during the period	Deferred amount during the period	Closing balance
Pallets	37,131,294.71	130,200,316.19	22,214,225.78	**145,117,385.12**
Decoration and maintenance	43,584,567.92	70,491,828.48	15,643,939.97	**98,432,456.43**
Total	80,715,862.63	200,692,144.67	37,858,165.75	**243,549,841.55**

20. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1) Deferred income tax assets before offsetting

RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for asset impairment	**392,659,708.99**	**58,922,322.85**		

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

(3) The net balances of deferred income tax assets or liabilities after offsetting

RMB

Items	Closing balance: Offset amount of deferred income tax assets and liabilities at the end of the period	Closing balance: Deferred income tax assets or liabilities after offsetting	Opening balance: Offset amount of deferred income tax assets and liabilities at the end of the period	Opening balance: Deferred income tax assets or liabilities after offsetting
Deferred income tax assets	**334,433,888.80**	**326,497,420.36**	295,880,812.41	219,705,261.03
Deferred tax liabilities	**334,433,888.80**	**406,901,700.96**	295,880,812.41	401,399,642.04

(4) Deductible losses and temporary differences for unrecognized deferred income tax assets:

RMB

Items	Closing balance	Opening balance
Deductible losses	**21,243,023.14**	20,139,886.09
Temporary differences	**33,992,759.24**	7,038,669.37
Total	**55,235,782.38**	27,178,555.46

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

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

(5) The deductible losses of unrecognised deferred income tax assets are due to the following:

RMB

	Closing balance	Opening balance
No maturity date (Note)	**4,840,043.75**	–
2025	**2,628,087.91**	6,454,474.73
2026	**10,963,948.57**	10,963,973.54
2027	**284,882.27**	467,483.57
2028	**832,048.90**	2,253,954.25
2029	**1,694,011.74**	–
Total	**21,243,023.14**	20,139,886.09

Note: Some subsidiaries of the Group have tax losses. According to local laws and regulations, tax losses that meet the specified conditions can be carried forward indefinitely to offset taxable profits in future years.

21. Other Non-current Assets

RMB

	Closing balance	Opening balance
Prepayment for mining rights (Note 1)		3,380,000,000.00
Construction prepayment	**879,075,742.46**	765,852,674.81
Prepaid investment		77,693,740.85
Prepaid payment of compensation fees for land requisition in mining areas		80,402,860.00
Prepaid land		7,970,000.00
Total	**879,075,742.46**	4,311,919,275.66

Note 1: The prepayment for mining rights represents the payment made in advance for the right to mine quartzite. This prepayment was transferred to intangible assets for accounting purposes during the year 2024.

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

22. Assets with Restricted Ownership or Use Rights

Items	Closing balance	Opening balance	Reasons
Cash at bank and on hand	**783,267,066.50**	1,137,071,368.20	Bills of exchange margin, pledged certificates of deposit, pledge of electricity revenue, margin for futures and options, letter of credit margin, etc.
Financing of receivables		80,199,303.43	Pledged to the bank to obtain a credit line
Other current assets	**207,000,000.00**	—	Pledged certificates of deposit to obtain a credit line
Investment property	**478,047,262.83**	15,939,290.23	Pledged to the bank to obtain a credit line
Fixed asset	**3,451,841,070.26**	1,948,240,881.71	Pledged to the bank to obtain a credit line
Construction in progress	**15,805,231.12**	93,287,049.55	Pledged to the bank to obtain a credit line
Intangible assets	**438,976,033.93**	456,694,315.25	Pledged to the bank to obtain a credit line
Total	**5,374,936,664.64**	3,731,432,208.37	

23. S [illegible]t-te[illegible] B [illegible] [illegible]s (Continued)

(1) C a[illegible]ss f cat [illegible] f[illegible]s [illegible]t-te[illegible] b [illegible] [illegible]s (Continued)

25. Bills Payables

RMB

	Closing balance	Opening balance
Bank acceptance bills	**874,305,689.59**	914,048,358.15

26. Trade Payables

(1) Listed by trade payables:

RMB

	Closing balance	Opening balance
Trade payables	**1,571,934,225.69**	2,068,611,497.98
Construction costs payable	**2,452,025,950.56**	2,451,750,011.44
Total	**4,023,960,176.25**	4,520,361,509.42

(2) Ageing analysis of trade payables accounted for at the end of the period:

RMB

Items	Closing balance	Opening balance
Within 1 year	**3,171,868,524.48**	4,305,978,438.00
1–2 years	**696,872,149.78**	135,303,998.22
2–3 years	**99,012,532.72**	50,463,474.94
Over 3 years	**56,206,969.27**	28,615,598.26
Total	**4,023,960,176.25**	4,520,361,509.42

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

26. Trade Payables (Continued)

(3) Significant trade payables aged over 1 year

RMB

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

28. Pa Pa ab e (Continued)

(2) L s t f s t-te e e at

RMB

Ite s	Opening balance	Increase in the current year	Decrease in the current year	C s ba a ce
I. Wages or salaries, bonuses, allowances and subsidies	97,583,948.16	770,440,550.07	768,511,413.17	**99,513,085.06**
II. Staff welfare	505.00	38,748,966.63	38,748,966.63	**505.00**
III. Social insurance	1,542,254.84	44,214,918.47	44,211,659.43	**1,545,513.88**
Including: Medical insurance	1,342,331.06	35,363,992.59	35,385,240.52	**1,321,083.13**
Work-related injury insurance	199,716.18	6,244,544.48	6,220,037.51	**224,223.15**
Maternity insurance	207.60	2,606,381.40	2,606,381.40	**207.60**
IV. Housing funds	1,104,421.00	18,800,335.17	18,838,386.17	**1,066,370.00**
V. Labor education & union	1,293,462.22	9,393,798.27	9,528,710.73	**1,158,549.76**
Total	101,524,591.22	881,598,568.61	879,839,136.13	**103,284,023.70**

(3) Def ed c t b t a

RMB

Ite s	Opening balance	Increase in the current year	Decrease in the current year	t e cC s.24,60.6,381(4,405.27 a e)25 ( )TJ

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

28. Pa [illegible] Pa ab e (Continued)

(3) Def ped c pt[illegible] b t p a p (Continued)

The Group participates in pension insurance and unemployment insurance schemes established by government agencies as required. The Group's subsidiaries in the Anhui, Shanghai and Nantong regions, makes monthly contribution to these schemes at 16.0% and 0.5% of employees' basic salary, while Flat (Vietnam), a subsidiary of the Group, makes monthly contribution to these schemes at 17.0% and 1.0% of employees' basic salary, and the Company and other subsidiaries makes monthly contribution to these schemes at 15.0% and 0.5% of employees' basic salary. Except for the above monthly paid fees, the Group does not undertake further payment obligations. The corresponding expenses are recognised in profit or loss in the period in which they are incurred.

During the year, the Group shall pay a total of RMB74,183,086.67 and RMB2,540,512.64 (2023: RMB67,280,139.76 and RMB2,150,209.50) to the pension insurance and unemployment insurance schemes respectively. As of 31 December 2024, RMB2,133,020.35 and RMB61,323.59 had been accrued but unpaid for the pension insurance and unemployment insurance schemes, respectively. Such payables were contributed after the reporting period.

29. Ta e s Pa ab e

RMB

Ite s	C s [illegible] ba a ce	Opening balance
Enterprise income tax	**96,208,796.29**	61,874,135.48
VAT	**35,546,352.11**	89,635,709.32
Resource tax	**8,393,904.12**	12,282,897.97
Property tax	**19,781,950.62**	13,600,531.04
Land use tax	**14,117,253.21**	6,073,864.23
Urban maintenance and construction tax	**2,329,468.22**	3,071,418.87
Education surcharge and local educational surcharges	**1,891,172.00**	2,662,134.55
Individual income tax	**5,286,737.72**	990,312.15
Others	**5,533,175.83**	9,947,911.76
Total	**189,088,810.12**	200,138,915.37

30. Other Payables

Listing of items:

RMB

Items	Closing balance	Opening balance
Interest payable	**36,197,048.99**	30,801,288.06
Dividends payables	**1,299,820.00**	1,371,320.00
Other payables	**117,585,251.18**	102,636,299.84
Total	**155,082,120.17**	134,808,907.90

(1) Interest payable

RMB

Items	Closing balance	Opening balance
Interest payable on convertible bonds	**24,767,383.50**	12,582,259.61
Interest for long-term borrowings with interest paid in installment and principal paid due to maturity	**7,893,804.31**	8,861,162.93
Interest payable for short-term borrowings	**3,535,861.18**	9,357,865.52
Total	**36,197,048.99**	30,801,288.06

(2) Dividends payable

RMB

Items	Closing balance	Opening balance
Dividends on ordinary shares	**1,299,820.00**	1,371,320.00
Total	**1,299,820.00**	1,371,320.00

30. Other Payables (Continued)

(3) Other payables

RMB

Category	Closing balance	Opening balance
Warranty	**101,289,106.34**	66,164,706.34
Restricted share incentive schemes (Note (XI))	**8,042,382.50**	16,068,482.50
Transportation premium	**2,430,044.32**	13,375,290.82
Others	**5,823,718.02**	7,027,820.18
Total	**117,585,251.18**	102,636,299.84

At the end of the year, the Group had no other payables with an ageing of more than one year and a significant amount.

31. Non-Current Liabilities Due Within One Year

RMB

	Closing balance	Opening balance
Long-term borrowings due within 1 year (Note (VI) 33)	**2,224,859,208.24**	1,172,006,729.76
Lease liabilities due within 1 year (Note (VI) 35)	**23,378,745.89**	37,546,569.77
Long-term payables due within 1 year (Note (VI) 36)	**45,857,147.24**	43,813,689.16
Total	**2,294,095,101.37**	1,253,366,988.69

32. Other Current Liabilities

RMB

	Closing balance	Opening balance
Output-VAT pending for recognition	**2,569,993.90**	12,279,287.63

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

33. Long-Term Borrowings

(1) Categories of long-term borrowings

RMB

	Closing balance	Opening balance
Pledged borrowings (Note 1)	—	1,132,096,897.57
Guarantee and pledged borrowings (Note 1)	**1,823,975,865.44**	—
Mortgage borrowings (Note 2)	**310,000,000.00**	1,095,000,000.00
Secured and mortgage borrowings	**800,000,000.00**	—
Guarantee borrowings	**2,555,464,630.02**	1,598,640,584.00
Guarantee and mortgage borrowings (Note 2)	**3,430,650,000.00**	3,306,400,000.00
Credit borrowings	**396,950,000.00**	695,000,000.00
Subtotal	**9,317,040,495.46**	7,827,137,481.57
Less: Long-term borrowings due within 1 year (Note (VI)30)	**2,224,859,208.24**	1,172,006,729.76
Including: Pledged borrowings	—	152,200,018.80
Guarantee and pledge borrowings	**211,999,470.64**	—
Mortgage borrowings	**4,500,000.00**	—
Secured and mortgage borrowings	**600,000,000.00**	—
Guarantee borrowings	**836,509,737.60**	185,806,710.96
Guarantee and mortgage borrowings	**274,750,000.00**	832,000,000.00
Credit borrowings	**297,100,000.00**	2,000,000.00
Long-term borrowings due after 1 year	**7,092,181,287.22**	6,655,130,751.81

Note 1: The pledged assets for the year-end guaranteed and pledged loans are the equity held by the Group in Flat (Vietnam) and the electricity bill account deposits and bank fixed-term deposits of Fulaitai and its subsidiaries. The pledged assets for the pledged loans at the end of the previous year were the equity held by the Group in Flat (Vietnam), Sanli Mining, and Dahua Mining.

Note 2: For the types and amounts of secured assets of secured loans, please refer to the Notes (VI) 14, 15, 16 and 18.

(2) Loan agreement contractual conditions

Our Company, Flat (Hong Kong) and Anhui Flat Glass have reached a loan agreement with contractual conditions with certain banks, which stipulated that certain financial indicators of the borrower shall satisfy agreed conditions during the loan period. The financial indicators involved the ratio of consolidated net liabilities to consolidated EBIT, the ratio of consolidated EBIT to consolidated financial costs, the amount of consolidated net assets, gearing ratio, etc. As of December 31, 2024, the amount of long-term borrowings with covenants and deferral of repayment rights, which are subject to the covenants to be followed within one year after the balance sheet date, for the Company, Flat (Hong Kong) and Anhui Flat Glass, was RMB1,093,304,892.42.

33. Long-term Borrowings (Continued)

(3) Particulars of maturity dates of long-term borrowings:

RMB

Item	Closing balance	Opening balance
1 to 2 years	**1,405,714,072.40**	165,181,496.37
2 to 5 years	**3,995,392,217.20**	5,191,002,141.44
Over 5 years	**1,691,074,997.62**	1,298,947,114.00
Total	**7,092,181,287.22**	6,655,130,751.81

(4) Other description

The interest rate of the above borrowings was between 2.49% to 6.91% (previous year: between 3.00% to 6.89%).

34. Bonds Payable

(1) Bonds Payable

RMB

	Closing balance	Opening balance
Bonds Payable	**3,916,928,685.43**	3,755,915,215.98
Total	**3,916,928,685.43**	3,755,915,215.98

34. Bonds Payable (Continued)

(2) Changes in bonds payable

RMB

Name of bond	Issue date	Term of the bond	Issue amount	Opening balance	Issued for the current year	Accrued interest at amortised cost	Amortisation of premium/discount	Changes for the current year	Redemption for the current year	Closing balance
Flat convertible bond	2022-05-20	6 years	4,000,000,000.00	3,755,915,215.98	–	32,417,396.51	193,447,554.57	16,688.61	–	**3,916,928,685.43**

(3) Description of issuance, conversion terms and the effective interest rate of bonds

As approved by the China Securities Regulatory Commission, the Company publicly issued 40 million A share convertible corporate bonds with a par value of RMB100 each on 20 May 2022. The total amount of this issuance is RMB4,000,000,000.00 and the term is 6 years. The annual coupon rate shall be 0.3% in the first year, 0.5% in the second year, 1.0% in the third year, 1.5% in the fourth year, 1.8% in the fifth year and 2.0% in the sixth year. The payment method that interest shall be paid on an annual basis shall be adopted and the principal shall be repaid and the interest for the last year shall be paid. The conversion period of the A Share Convertible Bonds under the issuance shall commence on the first share convertible bon5 (p804time of conve3Me)0.5 (B)0.5 (on)0.5 and the term is8 i331.3 Tl.Sut3 Tl3Trlowing

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

34. Bonds Payables (Continued)

(3) Description of Bonds Payable, Convertible and Exchangeable Bonds (Continued)

As of 31 December 2024, the Company has cumulatively converted convertible bonds with a Nominal value of RMB88,000.00 into 2,010 ordinary shares (A shares). Among these, during the year 2024, convertible bonds with a Nominal value of RMB14,000.00 were converted into 330 ordinary shares (A shares).

35. Lease Liabilities

RMB

Classification	Closing balance	Opening balance
Lease liabilities	**787,694,649.91**	575,787,267.82
Less: Lease liabilities included in non-current liabilities due within one year (Note (VI) 31)	**23,378,745.89**	37,546,569.77
Net	**764,315,904.02**	538,240,698.05

The lease liabilities of the Group are analyzed by the maturity of the undiscounted remaining contractual obligations as follows:

RMB

Classification	Closing balance	Opening balance
Within 1 year	**55,995,759.50**	39,128,304.51
1-2 years	**54,875,759.50**	39,128,304.51
2-5 years	**158,992,911.00**	155,351,173.10
Over 5 years	**983,012,000.71**	745,912,208.76
Total	**1,252,876,430.71**	979,519,990.88

36. Long-term payables

RMB

Classification	Closing balance	Opening balance
Mining rights transfer payment	**93,846,651.81**	137,660,340.97
Less: Long-term payables included in non-current liabilities due within one year (Note (VI) 31)	**45,857,147.24**	43,813,689.16
Long-term payables due after one year	**47,989,504.57**	93,846,651.81

37. Provisions

RMB

Item	Closing balance	Opening balance	Reason
Environmental protection and land reclamation costs	**4,549,602.98**	5,098,771.16	Provision for geological environmental protection and land reclamation costs of mines

38. Deferred Revenue

RMB

Classification	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Government grants related to assets (Note (VII))	56,476,018.31	165,041,300.00	14,274,834.05	**207,242,484.26**

39. Share Capital and Treasury Stock (Continued)

Treasury stock

RMB

Item	Opening balance	Increase for the year	Decrease for the year (Note 2)	Closing balance
Treasury stock	15,986,520.00	332,610,519.14	119,097,646.97	**229,499,392.17**

Note 1: On 22 December 2023, the Company convened its 2023 third extraordinary general meeting, the third A share class meeting, and the third H share class meeting. The proposal on " the proposed grant of general mandate to the Board and any of its authorized persons to repurchase H Shares." was reviewed and approved. In 2024, the Company had cumulatively repurchased 8,285,000 H-shares, with a repurchase price range of HKD13.66 per share to HKD17.98 per share. The total amount paid was HKD122,291,740.00 (equivalent to RMB111,153,506.97). Due to the repurchase of H-shares, the Company increased its treasury shares by RMB111,153,506.97. The repurchased shares were completed with the cancellation procedures on 5 August 2024. The Company reduced its treasury shares by RMB111,153,506.97, reduced its registered capital by RMB2,071,250.00, decreased the number of shares by 8,285,000, and reduced the capital reserve by RMB109,082,256.97.

On 23 February 2024, the Company convened its 50th meeting of the Sixth Board of Directors and approved the proposal on "The Plan for Repurchasing a Portion of A-shares through Centralized Competitive Bidding," which involves repurchasing a portion of the Company's domestic ordinary shares (A-shares) for equity incentives or employee share ownership plans. The total amount of funds for repurchasing shares shall be no less than RMB300 million (inclusive) and no more than RMB600 million (inclusive), with a repurchase price not exceeding RMB30 per share (inclusive). The repurchase period is within six months from the date of approval by the Board of Directors (i.e., from 23 February 2024, to 22 August 2024). On 19 August 2024, the Company convened its 57th meeting of the Sixth Board of Directors and approved the proposal on "Extending the Implementation Period for the Repurchase of the Company's A-shares," thereby extending the implementation period for the repurchase of A-shares by six months. As a result, the implementation period for the repurchase of A-shares was adjusted to be from 23 February 2024 to 22 February 2025. On 19 July 2024, due to the implementation of the 2023 annual dividend distribution, the Company adjusted the upper limit of the repurchase price to RMB29.62 per share (inclusive). On 20 December 2024, due to the implementation of the 2024 interim dividend distribution, the Company adjusted the upper limit of the repurchase price to RMB29.49 per share (inclusive). As of 31 December 2024, the Company had cumulatively repurchased 9,466,921 domestic ordinary shares (A-shares), with a repurchase price range of RMB17.00 to RMB26.25 per share, and the total amount paid was RMB221,457,012.17.

On 27 August 2024, the Company convened its 58th meeting of the Sixth Board of Directors and approved the proposal on "Repurchasing and Cancelling a Portion of the Initially Granted Restricted A-shares under the 2020 A-share Restricted Stock Incentive Plan." Due to the resignation of one incentive recipient, the Company repurchased and cancelled 120,000 restricted shares that did not meet the vesting conditions. The amount paid for the repurchase of these shares was RMB747,600, and the cash dividends corresponding to these shares and RMB127,560.00 were also revoked decreasing its treasury shares by RMB620,040.00. On November 14, 2024, the Company completed the procedures for canceling the aforementioned repurchased restricted shares, the Company reduced its registered capital by RMB30,000.00, decreased the number of shares by 120,000.00, reduced its capital reserve by RMB590,040.00.

Note 2: In 2024, the Company implemented the profit distribution plan for the year 2023. A cash dividend of RMB0.38 per share (tax-inclusive) was distributed. After the completion of the above actions, the Company's treasury shares were reduced by RMB433,200.00 as cash dividends were distributed in the current year to the holders of restricted shares expected to be unlocked in the future.

In 2024, the Company implemented the profit distribution plan for the first half of 2024. A cash dividend of RMB0.13 per share (tax-inclusive) was distributed. After the completion of the above actions, the Company's treasury shares were reduced by RMB148,200.00 as cash dividends were distributed in the current year to the holders of restricted shares expected to be unlocked in the future.

On 25 May 2024, the conditions for the third vesting period of the restricted shares reserved in May 2021 were fulfilled, resulting in a corresponding reduction of treasury shares by RMB1,926,680.00. On 11 August 2024, the conditions for the fourth vesting period of the restricted shares initially granted under the Company's 2020 A-share Restricted Stock Incentive Plan were fulfilled, resulting in a corresponding reduction of treasury shares by RMB4,816,020.00.

40. Other equity instruments

RMB

Outstanding financial instruments	Opening balance		Increase in the current year		Decrease in the current year		Closing balance	
	Number	Book value	Number	Book value	Number	Book value	Number	Book value
Convertible corporate bonds	39,999,260.00	491,726,417.43	–	–	140.00	1,721.07	**39,999,120.00**	**491,724,696.36**

Note: Other equity instruments comprise of the equity from the convertible corporate bonds issued for the current year, and please refer to Note (VI) 34.

41. Capital reserve

RMB

Items	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Share premium (Note (VI) 39 and 40)	10,694,495,800.92	87,556,898.59	109,672,296.97	**10,672,380,402.54**
Other capital reserve (Note (XI))	103,637,594.34	12,213,142.01	87,538,484.73	**28,312,251.62**
Total	10,798,133,395.26	99,770,040.60	197,210,781.70	**10,700,692,654.16**

42. Other Comprehensive Income

RMB

Items	Opening balance	Amount incurred in the current year					Closing balance
		Amount before income tax incurred in the current year	Less: Income tax expense	Amount attributable to the parent Company after income tax	Amount attributable to minority shareholders after income tax	Carry-forward to retained earnings	
I. Other comprehensive income that will not be reclassified into profit or loss afterwards	–	–	–	–	–		
II. Other comprehensive income that will be reclassified into profit or loss afterwards	11,349,243.83	(37,666,895.80)					

43. Special Reserve

RMB

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
Safety production costs	49,829,227.15	19,794,959.37	1,382,306.38	**68,241,880.14**

44. Statutory Reserve

RMB

Item	Opening balance	Increase for the year	Decrease for the year	Closing balance
Statutory surplus reserve	293,915,529.38	–	–	**293,915,529.38**

Note: Surplus reserve is accrued according to the Company's Articles of Association or with the approval from the Board. The statutory surplus reserve can be used to covers 9 n/GS1 gs0 Tc 9 0 0 Tc19.38

45. Unadjusted Profit

RMB

Items	Amount for the current year	Amount for the last year

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

46. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items	Amount for the year Revenue	Amount for the year Cost	Amount for last year Revenue	Amount for last year Cost
Main business	**18,642,123,374.58**	**15,765,639,228.82**	21,365,204,291.35	16,745,253,742.23
Other business	**40,479,103.78**	**21,967,289.46**	158,504,231.07	85,467,498.31
Total	**18,682,602,478.36**	**15,787,606,518.28**	21,523,708,522.42	16,830,721,240.54

The Group recognised operating revenue at a point in time.

46. Operating Revenue and Operating Cost (Continued)

(2) Breakdown of operating revenue and operating cost

RMB

Items	Amount for the current year		Amount for the last year	
	Operating revenue	Operating cost	Operating revenue	Operating cost
Category of commodities				
PV glass	**16,816,104,203.15**	**14,186,517,014.81**	19,676,531,705.61	15,260,010,550.61
Household glass	**308,338,949.63**	**267,232,244.36**	328,383,288.15	290,560,652.88
Architectural glass	**502,124,378.61**	**465,934,478.67**	582,707,703.55	519,852,974.98
Float glass	**282,820,423.59**	**292,959,618.69**	342,204,685.60	354,566,859.90
Glass sub-total	**17,909,387,954.98**	**15,212,643,356.53**	20,929,827,382.91	16,424,991,038.37
Electricity generation revenue	**421,258,696.03**	**290,656,450.91**	89,060,601.79	53,685,093.94
Mining product	**311,476,723.57**	**262,339,421.38**	435,376,908.44	320,262,703.86
Other business	**40,479,103.78**	**21,967,289.46**	69,443,629.28	31,782,404.37
Total	**18,682,602,478.36**	**15,787,606,518.28**	21,523,708,522.42	16,830,721,240.54
Classification by operating area				
China	**14,277,293,828.74**	**12,412,504,471.64**	17,200,202,835.78	13,655,283,343.48
Asia (excluding China)	**3,109,178,385.96**	**2,432,474,188.39**	3,740,599,329.79	2,725,870,546.27
Europe	**162,939,436.36**	**139,075,616.70**	229,407,085.64	188,850,118.62
North America	**1,114,478,083.29**	**787,996,199.41**	336,042,409.04	245,264,476.61
Others	**18,712,744.01**	**15,556,042.14**	17,456,862.17	15,452,755.56
Total	**18,682,602,478.36**	**15,787,606,518.28**	21,523,708,522.42	16,830,721,240.54
Classified by sales channel				
Direct sales	**18,493,796,301.36**	**15,593,844,704.16**	21,365,952,557.26	16,679,786,358.65
Dealers	**188,806,177.00**	**193,761,814.12**	157,755,965.16	150,934,881.89
Total	**18,682,602,478.36**	**15,787,606,518.28**	21,523,708,522.42	16,830,721,240.54

(VI) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

47. Taxes and Surcharges

RMB

Items	Amount for the year	Amount for last year
Resource tax	**43,744,945.54**	86,558,467.22
Land use tax	**39,904,923.28**	21,720,498.74
Property tax	**47,699,164.32**	30,054,594.83
Urban construction tax	**19,382,026.45**	16,389,285.91
Stamp duty	**11,749,132.35**	14,623,040.59
Education surcharge and local educational surcharges	**17,648,131.71**	14,069,796.59
Special fund for water conservancy construction	**7,787,712.43**	8,409,233.00
Environmental protection tax	**7,555,115.37**	5,500,320.07
Others	**840,673.18**	819,932.18
Total	**196,311,824.63**	198,145,169.13

48. Selling Expenses

RMB

Items	Amount for the year	Amount for last year
Assembling frame charges	**22,757,242.25**	87,904,224.29
Employee compensation and welfare	**17,375,885.01**	16,411,506.84
Marketing expenses	**2,984,959.92**	3,131,339.70
Depreciation and amortisation	**781,596.87**	430,240.74
Others	**8,074,763.55**	11,873,995.88
Total	**51,974,447.60**	119,751,307.45

49. Administrative Expenses

RMB

Items	Amount for the year	Amount for last year
Employee remuneration and benefits	**139,287,877.36**	107,853,598.87
Equity settled share-based payment	**12,213,142.01**	19,038,370.84
Depreciation and amortisation	**47,594,515.19**	33,532,066.57
Labor costs	**17,146,689.53**	18,005,720.22
Intermediary agency service fee	**26,801,927.67**	16,541,702.66
Green and environmental protection expenses	**19,233,048.47**	20,887,966.08
Office expenses	**13,740,724.34**	16,202,809.71
Rent expenses	**5,613,055.12**	15,009,588.78
Entertainment expenses	**8,066,245.69**	12,181,856.30
Audit expense	**3,700,000.00**	3,800,000.00
Transportation expenses	**3,619,306.50**	3,894,186.56
Travelling expenses	**4,215,039.34**	3,079,552.99
Decoration cost	**5,714,983.01**	14,742,255.95
Others	**20,612,052.99**	17,431,060.00
Total	**327,558,607.22**	302,200,735.53

50. Research and Development Expenses

RMB

Items	Amount for the year	Amount for last year
Direct material costs	**412,727,367.87**	376,382,945.64
Employee remuneration and benefits	**145,716,298.44**	158,455,919.87
Depreciation expenses	**35,723,504.19**	42,726,759.05
Others	**10,621,762.24**	19,184,868.14
Total	**604,788,932.74**	596,750,492.70

The Group has no significant externally purchased research and development projects.

51. Finance Expenses

RMB

Items	Amount for the year	Amount for last year
Interest expenses	**569,813,716.98**	590,660,016.42
Including: Interest expense for lease liabilities	**29,635,460.43**	6,908,797.18
Less: Interest income	**126,044,839.70**	102,641,259.91
Handling fee	**4,983,287.05**	19,436,796.06
Exchange losses (gains)	**(41,258,446.79)**	(24,562,805.00)
Total	**407,493,717.54**	482,892,747.57

52. Other Receivables

RMB

Sources of other receivables	Amount for the year	Amount for last year
Government grants related to assets (Note (VII))	**14,274,834.05**	12,059,550.23
Government grants related to revenues	**25,890,009.33**	51,300,696.10
Additional VAT credit	**78,071,723.12**	91,145,149.64
Reduction of value-added tax for recruiting veterans and people out of poverty	**2,453,650.00**	4,374,500.00

54. Gains from Changes in Fair Value

RMB

Sources of gains from changes in fair value	Amount for the year	Amount for last year
Derivative tools without the specified hedging relationship		
– (Loss) gains from changes in fair value of forward foreign exchange contracts	**(5,207.84)**	125,618.46
– Gains (losses) from changes in fair value of interest rate swap contracts	**1,311,064.31**	(1,467,183.00)
– (Loss) gains from changes in fair value of foreign exchange option contracts	**(242,386.40)**	1,974,418.87
Losses from changes of fair value of equity instrument investments	**(43,115.92)**	–
Total	**1,020,354.15**	632,854.33

55. Credit Impairment Gains (Losses)

RMB

Items	Amount for the year	Amount for last year
Credit impairment gains (losses) on bills receivable	**8,292,048.83**	(186,821.26)
Credit impairment gains (losses) on trade receivables	**63,239,997.36**	(77,626,284.27)
Total	**71,532,046.19**	(77,813,105.53)

56. Asset Impairment Losses

RMB

Items	Amount for the year	Amount for last year
Inventory impairment losses	**(78,778,738.44)**	(30,401,058.91)

59. Non-Operating Expenses

RMB

Items	Amount for the year	Amount for last year
Public welfare donations	**1,661,407.87**	2,306,135.30
Others	**4,718,880.46**	1,342,047.61
Total	**6,380,288.33**	3,648,182.91

60. Income Tax Expenses

RMB

Items	Amount for the year	Amount for last year
Current period income tax expenses	**208,919,040.50**	183,188,626.86
Income taxes refunded for the last year	**4,749,870.67**	(45,124,539.10)
Deferred income tax expenses	**(101,290,100.41)**	150,717,192.49
Total	**112,378,810.76**	288,781,280.25

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

60. Income Tax Expense (Continued)

Reconciliation between income tax expense and accounting profit is as follows:

RMB

Items	Amount for the year	Amount for last year
Total profits	**1,128,508,519.79**	3,051,808,159.77
Income tax expense calculated at tax rate of 15% (2023: 15%)	**169,276,277.97**	457,771,223.97
Effect of subsidiaries to adapt different tax rates	**30,586,867.08**	24,677,376.69
Effect of non-deductible costs, expenses and losses	**25,929,627.91**	30,420,594.00
Supplement (refund) of the income tax for last period	**4,749,870.67**	(45,124,539.10)
Tax effect on tax incentives	**(50,331,108.59)**	(105,453,884.59)
Effect of use of deductible losses on previously unrecognised deferred income tax asset	**(1,357,818.00)**	(817,238.95)
Effect of deductible losses and deductible temporary difference of unrecognised deferred income tax assets at end of the year	**5,289,476.90**	793,257.33
Effect on research and development costs plus deduction	**(71,764,383.18)**	(73,485,509.10)
Income tax expenses	**112,378,810.76**	288,781,280.25

61. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share

For the purpose of calculating basic earnings per share, net profit for the current period attributable to ordinary shareholders of the parent company is as follows:

RMB

Items	Amount for the year	Amount for last year
Net profit for the current period attributable to ordinary shareholders of the parent company	**1,006,602,737.08**	2,759,690,819.78
Less: cash dividends distributed in the current year to the holders of restricted shares expected to be unlocked in the future	**581,400.00**	526,456.00
Net profit attributable to the ordinary shareholders of the parent company for the current period for the purpose of the basic earnings per share	**1,006,021,337.08**	2,759,164,363.78

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

61. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares and its calculation process is as follows:

Unit: Share

Items	Amount for the current year	Amount for last year
Number of ordinary shares outstanding at the beginning of the year	**2,351,324,235.00**	2,146,893,967.00
Add: Weighted number of ordinary shares of the year	**(12,830,900.33)**	83,039,221.00
Weighted number of outstanding ordinary shares at the end of the year	**2,338,493,334.67**	2,229,933,188.00

When calculating diluted earnings per share, the net profit attributable to ordinary shareholders of the parent company for the current period is:

RMB

Items	Amount for the current year	Amount for last year
Net profit attributable to the ordinary shareholders of the parent company for the current period for the purpose of the earning per share	**1,006,021,337.08**	2,759,164,363.78
Add: cash dividends distributed in the current year to the holders of restricted shares expected to be unlocked in the future	**581,400.00**	526,456.00
The calculation of the diluted earnings per share of net profit attributable to the ordinary shareholders of the parent company for the current period	**1,006,602,737.08**	2,759,690,819.78

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

61. Calculation of Basic Earnings Per Share and Diluted Earnings Per Share (Continued)

For the purpose of the diluted earnings per share is as follows:

Unit: Share

62. Notes to Items of the Cash Flow Statement (Continued)

(1) Cash related to business activities (Continued)

Other cash paid and related to operating activities

RMB

Items	Amount for the year	Amount for last year
Paid fees	**591,143,662.69**	638,902,935.88
Operating margin	**4,760,439.21**	35,010,850.00
Charitable donation expenses	**1,661,407.87**	2,306,135.30
Handling charge	**4,983,287.05**	19,436,796.06
Others	**3,255,556.17**	1,563,533.23
Total	**605,804,352.99**	697,220,250.47

(2) Cash related to investment activities

Major cash received and related to investment activities

RMB

Items	Amount for the year	Amount for last year
Redemption of bank wealth management products	**3,001,281,096.00**	2,000,000.00
Recovery of prepaid investment	**91,627,037.65**	-
Total	**3,092,908,133.65**	2,000,000.00

62. Notes to Items of the Cash Flow Statement (Continued)

(2) Cash related to investment activities (Continued)

Major cash paid and related to investment activities

RMB

Items	Amount for the year	Amount for last year
Purchasing bank wealth management products	**3,291,281,096.00**	230,000,000.00
Purchasing bank certificates of deposit	**293,768,000.00**	-

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

62. Notes to Items in the Cash Flow Statement (Continued)

(3) Cash related to financing activities

Other cash received and related to fundraising activities

RMB

Items	Amount for the year	Amount for last year
Recovery of restricted monetary funds such as bill deposit	**2,400,167,862.10**	1,948,032,884.86
Recovery of matured pledged certificates of deposit	**67,000,000.00**	–
Total	**2,467,167,862.10**	1,948,032,884.86

Other cash paid and related to fundraising activities

RMB

Items	Amount for the year	Amount for last year
Payment of restricted monetary funds such as bill deposit	**2,030,883,225.67**	2,457,485,287.63
Share repurchase	**337,385,971.39**	–
Purchasing time deposits for mortgage	**274,000,000.00**	–
Payment of lease fees	**50,484,757.30**	37,764,363.78
Payment of lease margins	**46,435,672.90**	–
Total	**2,739,189,627.26**	2,495,249,651.41

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

63. Supplemental Information of Cash Flow Statement

(1) Supplemental information of cash flow statement

RMB

Supplemental information	Amount for the year	Amount for last year
(1) Adjust net profit to cash flow from operating activities		
Net profit	**1,016,129,709.03**	2,763,026,879.52
Add: Asset impairment provision	**356,220,611.54**	52,288,682.63
Credit impairment losses	**(71,532,046.19)**	77,813,105.53
Investment property amortisation	**25,574,149.92**	13,321,387.96
Depreciation of fixed assets	**1,451,646,328.33**	1,214,690,437.13
Depreciation of right-of-use assets	**35,037,334.48**	13,151,006.84
Amortisation of intangible assets	**502,573,280.78**	592,372,531.84
Amortisation of long-term fees	**37,858,165.75**	11,567,529.02
Losses for disposal of fixed assets, intangible assets and other long-term assets	**65,984,014.24**	7,086,732.47
Gains on fair value change	**(1,020,354.15)**	(632,854.33)
Financial expenses	**562,439,733.33**	598,487,324.56
Investment gains	**(51,804,613.22)**	(27,722,636.72)
Increase in deferred income tax assets	**(106,792,159.33)**	(127,150,023.27)
Increase in deferred income tax liabilities	**12,337,324.56**	Inc(i Td(Ind(rea from operd(eivantaxpenses)Tj/T

63. Supplementary Information of Cash Flow Statement (Continued)

(2) Components of cash and cash equivalents

RMB

Items	Closing balance	Opening balance
1. Cash	**4,511,627,060.96**	5,479,316,299.60
Including: Cash on hand	**18,349.73**	18,273.37
Bank deposit available for payment	**4,511,608,711.23**	5,479,298,026.23
Other monetary funds available for payment		–
2. Cash equivalents		–
Cash and cash equivalents at the end of the year	**4,511,627,060.96**	5,479,316,299.60

64. Foreign Currency Monetary Items

(1) Foreign currency monetary items

Items	Foreign currency amounts	Closing balance Translation at exchange rate	RMB amounts
Cash at bank and on hand			
Including: USD	199,947,141.83	7.1884	1,437,300,034.34
EUR	6,924,369.81	7.5257	52,110,729.91
JPY	75,361,100.95	0.0462	3,484,170.41
HKD	10,848,100.71	0.9260	10,045,775.18
AUD	262,384.31	4.5070	1,182,566.09
GBP	3,831.77	9.0765	34,779.06
Total			1,504,158,054.99
Trade receivables			
Including: USD	85,860,307.10	7.1884	617,198,232.69
EUR	825,627.55	7.5257	6,213,425.25
Total			623,411,657.94
Other receivables			
Including: USD	7,216,064.07	7.1884	51,871,954.94
HKD	6,690.75	0.9260	6,195.90
Total			51,878,150.84
Debt investment			
Including: USD	20,000,000.00	7.1884	143,768,000.00
Trade payables			
Including: USD	8,857,126.83	7.1884	63,668,570.51
EUR	114,315 85.039 -5.679 8L82 6 85.039 -6 0 94 Td		8,768,000.0

64. Foreign Currency Monetary Items (Continued)

(2) Description of significant overseas entities

Name of subsidiary	Place of business	Functional currency	Selection Basis
Flat (Vietnam)	Vietnam	Vietnam dong	Based on local economic environment

65. Lease

(1) As a lessee

As a lessee, the lease assets used by the Group in its operations include land, farmers' rooftops, and buildings. The Group's Vietnam-based subsidiaries have leased several plots of land in Vietnam with lease terms ranging from 29 to 42 years. The Group's subsidiary, Fulaitai, has leased several farmers' rooftops with lease terms ranging from 25 to 30 years. The Group's subsidiary, Sanli Mining, has leased buildings with a lease term of 2 years and 5 months. All these leases involve fixed lease payments. Short-term leases include the leasing of individual buildings and wharfs. The aforementioned right-of-use assets cannot be used for purposes such as loan collateral or guarantees. As of December 31, 2024, apart from the deposits paid by the Group to the lessor as security interests for the leased assets, the lease agreements do not contain any other security terms. The leased assets may not be used as collateral for borrowings.

Items	Amount for the current period	Amount for the last year
Interest expense on lease liabilities	**29,635,460.43**	6,908,797.18
Simplified handling costs for short-term leases recognized in profit or loss	**13,133,901.50**	21,532,230.38
Total cash outflows related to leases	**63,618,658.80**	59,296,594.16

65. Lease (Continued)

(2) As a lessor (Continued)

The Group's operating leases as a lessor are related to investment properties, with lease terms ranging from 5 to 7 years. The income related to operating leases for the current year amounted to RMB8,636,019.65 (previous year: RMB8,112,882.00). The undiscounted lease receivables expected to be received each year for the five accounting years following the balance sheet date, and the total undiscounted lease receivables expected to be received in the remaining years, are as follows:

	RMB
Closing balance	Opening balance

(VII) GOVERNMENT SUBSIDIES

(1) Liabilities involving government subsidies

RMB

Items	Opening balance	Increase in current period	Recognized in current period	Closing balance	Asset-related/ Income-related
Subsidies for glass production line projects	**51,630,418.17**	**165,041,300.00**	**13,740,274.05**	202,931,444.12	Asset-related
Subsidies for distributed photovoltaic power generation projects	**3,345,600.00**	**–**	**334,560.00**	3,011,040.00	Asset-related
Equipment subsidies	**1,500,000.14**	**–**	**200,000.00**	1,300,000.14	Asset-related
Total	**56,476,018.31**	**165,041,300.00**	**14,274,834.05**	207,242,484.26	

(2) Government subsidies recognized in profit or loss

RMB

Items	Amount in current period	Amount in last period	Asset-related / Income-related
Amortization of deferred income	**14,274,834.05**	12,059,550.23	Asset-related
Special grant funds for industrial development	**10,467,188.00**	15,232,748.11	Income-related
Export credit insurance subsidy	**4,157,442.91**	816,172.00	Income-related
Special funds for scientific and technological development	**3,185,167.00**	6,267,943.00	Income-related
Subsidy for retaining and expanding employment positions	**2,745,671.73**	3,390,787.70	Income-related
Subsidies for High-tech Industries	**309,277.33**	3,762,339.45	Income-related
Subsidy for distributed photovoltaic power generation projects	**1,837,094.43**	1,517,161.80	Income-related
Grant for affordable rental housing		19,610,200.00	Income-related
Other	**3,188,167.93**	703,344.04	Income-related
Total	**40,164,843.38**	63,360,246.33	

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At the end of the year, major financial instruments of the Group include: cash at bank and on hand, held-for-trading financial assets, derivative financial assets, bills receivable and trade receivables, receivables financing, other receivables, bank certificates of deposit in other current assets, debt investment, other debt investment, derivative financial liabilities, bills payable, trade payables, other payables, bonds payable and borrowings. Details of each financial instrument are set out below:

RMB

Items	Closing balance	Opening balance
Financial assets：		
Measured at amortized cost		
Cash in bank and on hand	**5,294,894,127.46**	6,616,387,667.80
Bills receivable	**1,106,217,189.54**	1,593,420,392.78
Trade receivables	**2,595,254,216.48**	3,685,519,572.47
Other receivable	**130,072,141.34**	110,981,841.18
Other current asset (bank deposit)	**357,000,000.00**	–
Debt investment	**143,768,000.00**	–
Measured at fair value through profit or loss		
Held-for-trading financial assets	**520,018,576.54**	230,000,000.00
Derivative financial assets	**698,070.40**	623,194.84
Measured at fair value through other comprehensive income		
Receivables financing	**1,566,522,584.04**	2,006,375,691.99
Other debt investment	**223,712,827.25**	–
Financial liabilities		
Measured at amortized cost		
Bills payable	**874,305,689.59**	914,048,358.15
Trade payables	**4,023,960,176.25**	4,520,361,509.42
Other payables (excluding Interest payable)	**118,885,071.18**	104,007,619.84
Bonds payable (including interest payable)	**3,941,696,068.93**	3,768,497,475.59
Borrowing (including interest payable)	**10,345,356,628.79**	9,759,128,241.05
Measured at fair value through profit or loss		
Derivative financial liabilities	**767,714.98**	1,756,309.49

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

The risks related to financial instruments and the risk management policies for risk mitigation of the Group are stated as following. The management of the Company will management and supervise these risk exposures in order to ensure that proper measures are taken expeditiously.

The Group adopts sensitivity analysis to analyze the potential impact of possible reasonable changes in risk variables on current profits and losses or owner's equity. As risk variables seldom change alone and the correlation between variables greatly accounts for the final effect from a change in a certain risk variable, the following assume that the change of each variable is independent.

1. Risk Management Objectives and Policies

The risk management objectives of the Group are to obtain an appropriate balance between risk and return, to reduce negative effects caused by operating results to a lowest level, and to maximise interest of shareholders and other equity investors. Based on these objectives, the basic strategies are to confirm and analyze all potential risks related to the Group, to set appropriate risk limitations, to manage and monitor all risks timely and effectively, and to control the risks within a limited scope.

1.1 Market risk

The Group's business has caused its exposure to financial risks due to the changes in interest rates and foreign exchange rates. The Group believes that the above risks during the year or the manner in which they are managed and measured have not been changed compared to the previous year.

1.1.1 Foreign exchange risk

Foreign exchange risk refers to the risk of loss arising from the losses in exchange rate. The principal activities of the Company and its domestic subsidiaries are denominated and settled in RMB. Subsidiaries of the Group within Indonesia mainly use IDR for settlement and denomination. Some of the Group's transactions are settled in currencies other than functional currencies such as USD, EUR, JPY, HKD, GBP and AUD, and are subject to the resulting foreign exchange risk.

As at 31 December 2024, the Group's foreign currency assets and liabilities are set out below. The foreign exchange risk arising from the assets and liabilities of these foreign currency balances (see Notes (VI) 64 may impact the Group's operating results.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risks (Continued)

1.1.1 Foreign exchange risk (Continued)

RMB

Items	Closing balance	Opening balance
Cash in bank and on the hand	**1,504,158,054.99**	1,269,081,381.14
Trade receivables	**623,411,657.94**	690,717,533.42
Other receivables	**51,878,150.84**	3,597.69
Debt investment	**143,768,000.00**	–
Trade payables	**64,529,510.59**	23,468,801.31
Other payables	**3,085,899.70**	5,806,942.05
Borrowings	**584,509,737.60**	792,921,984.00

The Group closely monitors exchange rate movements and formulates relevant hedging policies to reduce foreign exchange risk. Foreign exchange forward contracts can be used to eliminate foreign exchange risk. For the year ended 31 December 2024, the Group entered into contracts in relation to foreign currency assets equivalent to RMB129,391,200.00 (equivalent to USD18,000,000.00).

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risks (Continued)

1.1.1 Foreign exchange risk (Continued)

Sensitivity analysis of foreign exchange risk

The following table details the sensitivity of this Group to 5% of the change of foreign exchanges rate from functional currency of related group entities (including: RMB and VND) to other foreign currencies. Internal reports to senior management adopt such ratio of 5% which represents the estimation of the management on the possible changes of foreign exchange rate. The Group's foreign exchange risk sensitivity analysis at the reporting date includes only monetary items denominated in foreign currencies and does not consider the impact of the derivative financial instruments purchased. Positive refers to an increase in profit before tax due to exchange rate changes, and negative refers to a decrease in profit before tax due to exchange rate changes.

RMB

		Amount for the year		Amount for last year	
Items	Changes in exchange rates	Impact on profit before tax	Impact on Shareholder's equity	Impact on profit before tax	Impact on Shareholder's equity
Entities using RMB as functional currency					
USD	Appreciation of 5% against RMB	**88,997,873.48**	**88,997,873.48**	31,614,723.17	31,614,723.17
USD	Depreciation of 5% against RMB	**(88,997,873.48)**	**(88,997,873.48)**	(31,614,723.17)	(31,614,723.17)
EUR	Appreciation of 5% against RMB	**2,873,160.75**	**2,873,160.75**	1,708,827.10	1,708,827.10
EUR	Depreciation of 5% against RMB	**(2,873,160.75)**	**(2,873,160.75)**	(1,708,827.10)	(1,708,827.10)
JPY	Appreciation of 5% against RMB	**174,208.52**	**174,208.52**	234,538.54	66,272.06
JPY	Depreciation of 5% against RMB	**(174,208.52)**	**(174,208.52)**	(234,538.54)	(66,272.06)
HKD	Appreciation of 5% against RMB	**(23,021,738.69)**	**(23,021,738.69)**	17,096,589.49	17,096,589.49
HKD	Depreciation of 5% against RMB	**23,021,738.69**	**23,021,738.69**	(17,096,589.49)	(17,096,589.49)
GBP	Appreciation of 5% against RMB	**1,738.95**	**1,738.95**	1,749.81	1,749.81
GBP	Depreciation of 5% against RMB	**(1,738.95)**	**(1,738.95)**	(1,749.81)	(1,749.81)
AUD	Appreciation of 5% against RMB	**59,128.30**	**59,128.30**	66,272.03	66,272.03
AUD	Depreciation of 5% against RMB	**(59,128.30)**	**(59,128.30)**	(66,272.03)	(66,272.03)
Entities using VND as functional currency					
USD	Appreciation of 5% against VND	**12,237,379.99**	**12,237,379.99**	23,121,977.51	23,121,977.51
USD	Depreciation of 5% against VND	**(12,237,379.99)**	**(12,237,379.99)**	(23,121,977.51)	(23,121,977.51)

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.1 Market risks (Continued)

1.1.2 Interest rate risk

The Group's risks to the changes in cash flows of financial instruments arising from changes in interest rates is primarily related to floating rate bank borrowings and floating rate bank deposits. As at 31 December 2024, the Group's floating borrowings amounted to RMB8,983,041,024.82 (31 December 2023: RMB6,420,362,000.00) (please refer to Notes (VI) 23 and 33). The Group considers that the risk of interest rate changes has no significant impact on floating rate bank deposits. The management of the Group closely monitors interest rate risk. The Group's policy is to maintain the floating interest rate of these loans. At present, there is no interest rate swap arrangement.

Sensitivity analysis of interest rate risk

The sensitivity analysis below is prepared based on the interest rate risk faced by non-derivative instruments at the end of each reporting period. When reporting interest rate risk to the management, the assumption of a 100 basis point increase or decrease for bank borrowings with floating interest rate provisions represents the management's estimates of possible changes in bank borrowings-related interest rates.

If the bank borrowing interest rate rises by 100 basis points, and all other variables remain unchanged, the Group's net profit increase and decrease for the year ended 31 December 2024 (excluding the impact of interest capitalisation) is as follows:

RMB

	Closing balance	Opening balance
Decrease in net profit	**72,903,862.58**	45,910,401.35
Decrease in shareholders' equity	**72,903,862.58**	45,910,401.35

If the bank borrowing interest rate drops by 100 basis points and all other variables remain unchanged, the annual net profit and year-end shareholders' equity will increase by the same amount as described above.

The management believes that the above sensitivity analysis does not represent interest rate risk because the year-end risk exposure does not reflect the risk exposure for the year.

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.2 Credit risk

As at 31 December 2024, the maximum credit risk exposure that may cause the Group's credit losses is

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

1. Risk Management Objectives and Policies (Continued)

1.3 Liquidity risk (Continued)

According to the term to maturity of non-discounted and remaining contract obligations, the financial liabilities held by the Group are analyzed as below:

RMB

Items	Within one year	Over one year but within two years	Over two years but within five years	Over five years	Total undiscounted cash flows	Book balance
Short-term borrowings	1,030,735,949.26				1,030,735,949.26	1,020,422,329.02
Bills payable	874,305,689.59				874,305,689.59	874,305,689.59
Trade payables	4,023,960,176.25				4,023,960,176.25	4,023,960,176.25
Other payables (excluding interests payable, dividends payable)	118,885,071.18				118,885,071.18	118,885,071.18
Long-term borrowings (including due within 1 year)	2,546,448,202.03	1,451,063,075.12	4,116,982,825.35	1,747,949,648.34	9,862,443,750.84	9,324,934,299.77
Bonds payables (including due within 1 year)	39,999,260.00	59,998,890.00	4,553,230,832.16		4,653,228,982.16	3,941,696,068.93
Long-term payables (including due within 1 year)	49,440,000.00	49,440,000.00			98,880,000.00	93,846,651.81

(VIII) FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

2. Transfer of Financial Assets

2.1 Classification of transfer of financial assets

RMB

(IX) DISCLOSURE OF FAIR VALUE

1. Fa[illegible] Va[illegible] f t e C s[illegible]e Ba a[illegible]ce f A[illegible]ss et[illegible] a[illegible]d L ab t e[illegible] Mea[illegible]s[illegible]ed at Fa[illegible] Va[illegible]

RMB

Ite s	Le e 1 fa[illegible] a[illegible] ea[illegible]s[illegible]e e[illegible]t	Le e 2 fa[illegible] a[illegible] ea[illegible]s[illegible]e e[illegible]t	Le e 3 fa[illegible] a[illegible] ea[illegible]s[illegible]e e[illegible]t	T ta
Fair value as at 31 December 2024				
I. C [illegible]t [illegible] fa[illegible] a[illegible]				
(I) Trading financial assets-equity instrument investment	18,576.54	–	–	18,576.54
(II) Trading financial assets – financial products	–	–	520,000,000.00	520,000,000.00
(III) Financing receivables	–	–	1,566,522,584.04	1,566,522,584.04
(IV) Derivative financial assets	–	698,070.40	–	698,070.40
(V) Other debt investment	–	–	223,712,827.25	223,712,827.25
(VI) Derivative financial liabilities	–	767,714.98	–	767,714.98
Fair value as at 31 December 2023				
I. C [illegible]t [illegible] fa[illegible] a[illegible]				
(I) Trading financial assets – financial products	–	–	230,000,000.00	230,000,000.00
(II) Financing receivables	–	–	2,006,375,691.99	2,006,375,691.99
(III) Derivative financial assets	–	623,194.84	–	623,194.84
(IV) Derivative financial liabilities	–	1,756,309.49	–	1,756,309.49

2. T e Ba s s f[illegible] Dete[illegible] [illegible][illegible] t e Ma[illegible] et Va[illegible] f t e Ite C [illegible]t [illegible][illegible] Mea s[illegible]ed at Le e 1 fa[illegible] Va[illegible]

The item continuing to be measured at the level 1 fair value refers to other equity instruments, with fair value quoted in the secondary stock market.

3. Va[illegible]at [illegible] Tec [illegible] [illegible]s a[illegible]d [illegible]a tat e a[illegible]d [illegible]a[illegible]t tat e I[illegible] [illegible] at [illegible] [illegible] I [illegible]ta[illegible]t Pa[illegible]a ete[illegible]s Ad ted f[illegible] t e Sec [illegible]d Le e f C [illegible]t [illegible] a[illegible]d N [illegible]-c [illegible]t [illegible] Fa[illegible] Va[illegible] Mea s[illegible]e e[illegible]t

RMB

Ite s	Fa[illegible] a[illegible] a s at 31 Dece be[illegible] 2024	Valuation techniques	Main input value
Financial assets at FVTPL — derivative financial assets	**698,070.40**	Discounted cash flow method	Forward exchange rate
Financial assets at FVTPL — derivative financial liabilities	**767,714.98**	Discounted cash flow method	Forward exchange rate

(IX) DISCLOSURE OF FAIR VALUE (Continued)

4. Va at Tec e s a d O a tat e a d O a t tat e I f at I ta t Pa a ete s Ad ted f t e T d Le e f Fa Va e Mea s e e t Ite s

(IX) DISCLOSURE OF FAIR VALUE (Continued)

5. During the years ended 31 December 2024 and 2023, there were no transfers between Level 1, Level 2, and Level 3 that the Group.

6. Fair Value of Financial Assets and Financial Liabilities Not Measured at Fair Value

As of 31 December 2024, the management of the Group believes that the carrying amounts of financial assets and liabilities measured at amortized cost apart from bond payables in the financial statements are close to the fair values of these assets and liabilities. As of December 31, 2024, the carrying amount of bond payables in the financial statements of the Group was RMB3,916,928,685.43, and the fair value was RMB4,371,903,816.00.

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. The Group's actual controllers

The actual controllers of the Group are Mr. Ruan Hongliang, Ms. Jiang Jinhua, Ms. Ruan Zeyun and Mr. Zhao Xiaofei.

2. The Group's subsidiaries

Please refer to Note (V),1 for relevant information of subsidiaries.

3. Associates of the Group

Associates that had related party transactions with the Group in the year are as follows:

Name of associate	Relationship with the Group
Kaihong Flat	Associate
Jiaxing Gas	Associate

4. Related Party Transactions

Entity name	Relationship
Jiaxing Yihe Investment Co., Ltd.*	Controlled by one of the actual controllers of the Company
Fengyang Hongding Port Co., Ltd.*	Controlled by one of the actual controllers of the Company

* *for identification purpose only*

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transactions

(1) Sales of goods/provision of labor services

RMB

Related party	Content of related party transactions	Amount for the year	Amount for last year
Kaihong Flat	Sales of goods, sale of low-value consumables	**2,519,271.60**	–

(2) Purchase of goods/acceptance of labor services

RMB

Related party	Content of related party transactions	Amount for the year	Amount for last year
Jiaxing Gas	Purchase of raw materials	**226,475,764.30**	395,233,618.55
Kaihong Flat	Accepting labor service	**420,932,519.91**	339,499,473.40
Total		**647,408,284.21**	734,733,091.95

(3) Related leasing

RMB

Related party	Content of related party transactions	Amount for the year	Amount for last year
Kaihong Flat	House lease	**352,210.79**	322,924.48

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transactions (Continued)

(4) Related party lease

RMB

Related party	Content of the related party transaction	Amount of the year	Amount for last year
Jiaxing Yihe Investment Co., Ltd.*	House lease	**8,499,629.28**	8,499,629.28
Fengyang Hongding Port Co., Ltd.*	Pier lease	**1,651,376.15**	1,651,376.15
Total		**10,151,005.43**	10,151,005.43

RMB

Related party	Type of leased asset	Short-term lease and low-value asset expenses		Rent paid		Interest on lease liabilities accrued		Additions to right-of-use assets	
		Amount of the year	Amount for last year	Amount of the year	Amount for last year	Amount of the year	Amount for last year	Amount of the year	Amount for last year
Jiaxing Yihe Investment Co., Ltd.*	House lease	**8,499,629.28**	8,499,629.28	**9,016,599.84**	9,016,599.84		–		–
Fengyang Hongding Port Co., Ltd.*	Pier lease	**1,651,376.15**	1,651,376.15	**1,800,000.00**	1,800,000.00		–		–
Total		**10,151,005.43**	10,151,005.43	**10,816,599.84**	10,816,599.84		–		–

* *for identification purpose only*

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

5. Related Party Transactions (Continued)

(5) Remuneration of key management personnel

RMB

Item	Amount for the year	Amount for last year
Remuneration of key management personnel	**10,828,731.06**	9,607,586.02

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration

2024

RMB

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
Executive Directors					
Ruan Hongliang		1,244,635.40	36,000.00	46,265.66	1,326,901.06
Jiang Jinhua		884,659.91	36,000.00		920,659.91
Ruan Zeyun		1,205,877.43	36,000.00	65,585.94	1,307,463.37
Wei Yezhong		635,220.71	36,000.00	45,964.16	717,184.87
Shen Qifu		655,546.37	36,000.00	49,819.13	741,365.50
Independent non-executive Directors					
Hua Fulan (Note 4)	91,666.67				91,666.67
Xu Pan	100,000.00				100,000.00
Ng Yau Kuen Carmen	192,725.52				192,725.52
Du Jian (Note 4)	8,333.33				8,333.33
Total	392,725.52	4,625,939.82	180,000.00	207,634.89	5,406,300.23

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration (Continued)

2023

RMB

Name	Remuneration	Salaries and other benefits (Note 1)	Bonus (Note 3)	Post-employment benefits (Note 2)	Total
Executive Directors					
Ruan Hongliang	–	1,171,946.78	36,000.00	38,821.17	1,246,767.95
Jiang Jinhua	–	844,244.28	36,000.00	–	880,244.28
Ruan Zeyun	–	1,032,197.41	36,000.00	69,639.90	1,137,837.31
Wei Yezhong	–	617,358.25	36,000.00	38,821.17	692,179.42
Shen Qifu	–	613,770.65	36,000.00	34,323.70	684,094.35
Independent non-executive Directors					
Hua Fulan	100,000.00	–	–	–	100,000.00
Xu Pan	100,000.00				100,000.00
Ng Yau Kuen Carmen	188,080.47				188,080.47
Total	388,080.47	4,279,517.37	180,000.00	181,605.94	5,029,203.78

(X) RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

7. Directors' Remuneration (Continued)

The top five highest paid employees this year are two directors (last year: two), and their remunerations have been reflected in Directors' salaries. The salaries of the other three members (last year: three) are as follows:

RMB

	Total of this year	Total of last year
Salaries and other benefits	**3,389,274.85**	3,247,224.97
Post-employment benefits	**164,903.77**	147,282.29
Bonus	**108,000.00**	108,000.00
Share-based Payments	**805,430.81**	–
Total	**4,467,609.43**	3,502,507.26

Pay range:

	Number of this year	Number of last year
Below HK$1,000,000		–
HK$1,000,001 to HK$1,500,000	**5**	5
HK$1,500,001 to HK$2,000,000		–

(XI) SHARE-BASED PAYMENTS

1. Details of share-based payments

(1) Restricted A Share Incentive Scheme

Pursuant to the Resolution on Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. (Draft) and its Summary ("Restricted A Share Incentive Scheme For 2020"), the Resolution on Assessment Management Measures for the Implementation of the Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. as considered and approved at the 16th meeting of the fifth session of the Board held by the Company on 29 April 2020, the Resolution on Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. (Draft) and its Summary and the Resolution on Assessment Management Measures for the Implementation of the Restricted A Share Incentive Scheme for 2020 of Flat Glass Group Co., Ltd. as considered and approved at the 2019 Annual General Meeting held on 29 June 2020, 2020 first A shareholders class meeting and 2020 first H shareholders class meeting and the Resolution on Adjusting the List of Participants and the Number of Restricted Shares Granted in the First Grant in Restricted A Share Incentive Scheme for 2020 of the Company and the Resolution on the First Grant of Restricted A Shares to the Participants as considered and approved at the 23rd meeting the fifth session of the Board held by the Company on 11 August 2020. The first grant date of restricted shares was 11 August 2020. A total of 15 participants actually subscribed for 4,600,000 RMB ordinary shares (A shares), with a par value of RMB0.25 per share at a grant price of RMB6.23 per share. The sales restriction period of each batch of restricted shares in the Restricted A Share Incentive Scheme For 2020 is 12 months, 24 months, 36 months, 48 months and 60 months from the date of completion of the first grant registration. The Company shall repurchase and cancel the restricted shares that have not applied for lifting the restrictions within the agreed period or that cannot be lifted due to the failure to meet the conditions for lifting the restrictions. The repurchase price is the grant price.

Authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020, and the first H share class meeting in 2020, the Company held the second meeting of the sixth session of the board of directors on 25 May 2021, in which the Resolution on the Reserved Grant of the Restricted A Shares To Participants was reviewed and approved. According to the resolution, the Company set the grant date on 25 May 2021 and granted 700,000 restricted A shares to 3 eligible participants, at the grant price of RMB14.23 per share. The lock-up periods for the restricted shares are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of completion of the first grant registration. For the restricted shares that have not been applied for unlocking or cannot be applied for unlocking due to failure to meet the unlocking conditions during the aforesaid unlocking periods, the Company will repurchase and cancel such restricted shares from relevant participants in accordance with the principles of the incentive scheme.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(1) Restricted A Share Incentive Scheme (Continued)

The Company held the 37th meeting of the sixth session of the board of directors and the 29th meeting of the sixth session of the board of supervisors on 6 June 2023 to review and approve the Resolution About the First Grant of the 2020 Restricted A Share Incentive Scheme for the Reserved Part of the Second Unlocking Period for the Achievement of Removing the Sales Restriction Conditions. According to the resolution, we lifted the sales restriction of the 140,000 restricted shares that met the conditions

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(1) Restricted A Share Incentive Scheme (Continued)

The Company held the 54th meeting of the sixth session of the board of directors and the 42th meeting of the sixth session of the board of supervisors on 7 June 2024 to review and approve the Resolution About the First Grant of the 2020 Restricted A Share Incentive Scheme for the Reserved Part of the Second Unlocking Period for the Achievement of Removing the Sales Restriction Conditions. According to the resolution, we lifted the sales restriction of the 140,000 restricted shares that met the conditions for lifting the restriction during the third lock-up period. The lifting of restrictions on sales has been authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

The Company held the 58th meeting of the sixth session of the board of directors and the 43rd meeting of the sixth session of the board of supervisors on 27 August 2027 to review and approve the Resolution About the First Grant of the 2020 Restricted A Share Incentive Scheme for the Reserved Part of the Third Unlocking Period for the Achievement of Removing the Sales Restriction Conditions. According to the resolution, we lifted the sales restriction of the 860,000 restricted shares that met the conditions for lifting the restriction during the forth lock-up period. The lifting of restrictions on sales has been authorised by the Company's 2019 annual general meeting, the first A share class meeting in 2020 and the first H share class meeting in 2020.

On 27 August 2024, the 58th meeting of the sixth Board of Directors and the 43rd meeting of the sixth Board of Supervisors were convened. The proposal "On the Repurchase and Cancellation of Certain Shares Granted under the 2020 A-Share Restricted Stock Incentive Plan" was reviewed and approved. Given that one incentive recipient has resigned for personal reasons and no longer meets the incentive criteria, the Board agreed to repurchase and cancel 120,000 restricted shares that have been granted but not yet released from restrictions. The total repurchase amount is RMB747,600. In addition, the cash dividends corresponding to the shares to be repurchased and cancelled, which were originally held in custody, will also be recovered. This repurchase and cancellation matter has been authorized by the Company's 2019 Annual General Meeting, the 2020 First A-Share Category General Meeting, and the 2020 First H-Share Category General Meeting.

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based payments (Continued)

(2) Share Option Scheme

According to the Resolution About the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. (Draft) and Its Summary, Resolution on the Administrative Measures for the Implementation of the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. which were reviewed and approved by the seventh meeting of the sixth session of the board of directors and the fifth meeting of the sixth session of the board of supervisors held by the Company on 17 August 2021, the Resolution on the 2021 A Share Option Incentive Scheme of Flat Glass Group Co., Ltd. (Revised Draft) and Its Summary and Resolution on Flat Glass Group Co., Ltd. 2021 A Share Option Incentive Scheme (Revised Draft) which were reviewed and approved by the eighth meeting of the sixth session of the board of directors held on 12 October 2021 and the sixth meeting of the sixth session of the board of supervisors, the Resolution on the First Grant of 2021 A Share Options to Participant, which was reviewed and approved by the eleventh meeting of the sixth session of the board of directors held by the company on 19 November 2021 by authorisation of the Company's third extraordinary general meeting in 2021, the third A share class meeting in 2021 and the third H share class meeting in 2021, the first grant date was set on 19 November 2021 and 5,341,072 A share options were granted to 288 eligible participants, with exercise price RMB44.02 per share. During the share option registration process after the authorisation date was determined, 5 participants gave up the subscription due to personal reasons. The company actually granted a total of 5,245,472 A share options to 283 participants. The lock-up periods for the exercise periods of the first grant of share options are 12 months, 24 months, 36 months, 48 months, and 60 months from the date of first grant of partial share options. The share options not fulfilling the exercise conditions during the above lock-up periods shall not be exercised or deferred to the next exercise period, and the Company shall cancel the corresponding share options of the participants according to the terms stipulated in the incentive scheme. After the expiration of each exercise period of the share options, the relevant share options that have not been exercised by the participants shall be terminated, and the Company will cancel the share options.

Share

Items	Share option incentive scheme 2021	Restricted A Share Incentive Scheme for 2020
Total equity instruments outstanding at the beginning of the year	**3,147,283.20**	2,260,000.00
Total equity instruments unlocked for the current year	**(1,049,094.40)**	(1,000,000.00)
Total equity instrument invalid for the current year	**—**	(120,000.00)
Total equity instruments outstanding at the end of the year	**2,098,188.80**	1,140,000.00
Exercise price in respect of equity instruments outstanding at the end of the year	**RMB44.02**	RMB6.23, RMB14.23
Remaining contract terms in respect of equity instruments outstanding at the end of the year	**Approximately 1.9 years**	Approximately 0.7, 1.4 years

(XI) SHARE-BASED PAYMENTS (Continued)

1. Details of share-based arrangements (Continued)

(2) Share Option Scheme (Continued)

Unit: Share, RMB

Participants granted	Updated shares for the current period		Invalid shares for the current period	
	Quantity	Amount	Quantity	Amount
Senior managers	**160,000.00**	**3,041,600.00**	—	—
Core employee	**840,000.00**	**15,313,200.00**	120,000.00	2,281,200.00
	1,000,000.00	**18,354,800.00**	120,000.00	2,281,200.00

Share option or equity instruments outstanding at the end of the year

Participants granted	Share options outstanding at the end of the year		Restricted shares outstanding at the end of the year	
	Price	Remaining contractual term	Price	Remaining contractual term
Senior managers	**RMB44.02**	Approximately 1.9 years	RMB6.23, RMB14.23	Approximately 0.7 years, Approximately 1.4 years,
Core employee	**RMB44.02**	Approximately 1.9 years	RMB6.23, RMB14.23	Approximately 0.7 years, Approximately 1.4 years,

(XI) SHARE-BASED PAYMENTS (Continued)

2. Equity-settled share-based payments

RMB

	Share Incentive Scheme 2021	Restricted A Share Incentive Scheme for 2020
Method for determining the fair value as at the grant date	Black-Scholes Model	Open market quotation of the grant date
Basis for determining the number of equity instruments with exercisable rights	When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right	When the optionee reaches the exercise period in the stock option scheme, and meets the appraisal conditions of the Company's results and personal performance, the corresponding equity instrument is the equity instrument of the exercisable right
Reasons for significant differences of estimate between the current year and the previous period	None	Nil
Cumulative amount of equity settled share-based payment recognised into capital reserves	**23,399,521.01**	92,451,215.35
Total recognised fees of share-based payment settled in equity in the current year	**5,270,770.28**	6,942,371.73

(XI) SHARE-BASED PAYMENTS (Continued)

2. Equity settled share-based payments (Continued)

Determination method of fair value of equity instruments: The fair value is determined using Black-Scholes Model. The related data as at the grant date entered to the model are as below:

	Share incentive scheme 2021
Exercise price of share option	RMB44.02/share
Market price on the date of share grant	RMB42.89/share
Standard Deviation – Annualised Volatility	14.73% 18.71%
Risk free rate	1.50% 2.75%
Expected duration	5 years

(XII) COMMITMENTS AND CONTINGENCIES

1. Significant Matters of Commitments

Capital Commitment

As of the balance sheet date, the irrevocable purchase of long-term assets contracts signed by the Group is as follows:

RMB

	Closing balance	Opening balance
Contracted but not confirmed in the financial statements Purchase – Build long-term asset commitments	**4,324,867,408.98**	4,492,127,667.04

2. Contingencies

The Group does not have any significant contingencies that need to be disclosed.

(XIII) EVENTS AFTER THE BALANCE SHEET DATE

The Group has no significant post-balance sheet events required to be disclosed.

(XIV) OTHER SIGNIFICANT MATTERS

1. Segment Reports

According to the internal organisational structure, management requirements and internal reporting system of the Group, the Group's operating activities are divided into certain operating segments. Based on the operating segments, the Group has identified certain reporting segments, namely the PV glass segment, the household glass segment, architectural glass segment, float glass segment, mining products, electricity generation revenue segment. These reporting segments are based on product categories. The main products provided by each of the Group's reporting segments are PV glass, household glass, architectural glass, float glass, mining products, electricity generation revenue. The management of the Group regularly evaluates the operating results of these segments to determine the resources to be allocated to them and to evaluate their performance. The evaluation does not include the review of the assets and liabilities of the operating segments. Transfer transactions between segments are measured on the basis of actual transaction prices, and segment revenue and segment expenses are determined based on the actual revenue and expenses of each segment.

(1) Segment profit or loss, assets and liabilities

RMB

	Amount for the year					
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Electricity generation revenue

(XIV) OTHER SIGNIFICANT MATTERS (Continued)

1. Segment Report (Continued)

(1) Segment Report of Group (Continued)

RMB

	Amount for last year								
	PV glass	Household glass	Architectural glass	Float glass	Mining products	Electricity generation revenue	Other business	Mutual offset among segments	Total
Segment operating revenue	19,676,531,705.61	328,383,288.15	582,707,703.55	342,204,685.60	435,376,908.44	89,060,601.79	69,443,629.28	–	21,523,708,522.42
Segment operating costs	15,260,010,550.61	290,560,652.88	519,852,974.98	354,566,859.90	320,262,703.86	53,685,093.94	31,782,404.37	–	16,830,721,240.54
Segment profit (loss)	4,416,521,155.00	37,822,635.27	62,854,728.57	(12,362,174.30)	115,114,204.58	35,375,507.85	37,661,224.91	–	4,692,987,281.88
Adjusted items									
Less: Taxes and surcharges									198,145,169.13
Selling expenses									119,751,307.45
Administrative expenses									302,200,735.53
Research and development expenses									596,750,492.70
Financial expenses									482,892,747.57
Including: Interest expense									590,660,016.42
Interest income									102,641,259.91
Add: other income									166,941,306.05
Investment income									27,722,636.72
Including: Gains on investment in associates									18,159,670.48
Gains from changes in fair value									632,854.33
Credit impairment losses									(77,813,105.53)
Asset impairment losses									(52,288,682.63)
Losses on disposal of assets									(7,086,732.47)
II. Operating profit									3,051,355,105.97
Add: Non-operating income									4,101,236.71
Less: Non-operating expenses									3,648,182.91
III. Total profit									3,051,808,159.77
Less: Income tax expense									288,781,280.25
IV. Net profit									2,763,026,879.52

(XIV) OTHER SIGNIFICANT MATTERS (Continued)

1. Se[illegible] e[illegible]t Re [illegible]t (Continued)

(2) I[illegible]c e b [illegible]e [illegible]a ca a[illegible]ea

RMB

Ite s	A [illegible]t f [illegible]t e ea[illegible]	Amount for last year
PRC	**14,277,293,828.74**	17,200,202,835.78
Asia (excluding the PRC)	**3,109,178,385.96**	3,740,599,329.79
Europe	**162,939,436.36**	229,407,085.64
North America	**1,114,478,083.29**	336,042,409.04
Others	**18,712,744.01**	17,456,862.17
Total	**18,682,602,478.36**	21,523,708,522.42

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Trade Receivables

(1) Disclosed by aging:

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

RMB

Aging	Closing balance				Opening balance			
	Book balance	Provision for bad debts	Accrual percentage (%)	Book value	Book balance	Provision for bad debts	Accrual percentage (%)	Book value
Within 1 year	578,314,856.43	10,689,999.05	1.85	567,624,857.38	1,014,270,332.29	20,173,440.87	1.99	994,096,891.42
1–2 years	26,240,441.65	2,184,253.23	8.32	24,056,188.42	9,315,203.92	6,433,342.26	69.06	2,881,861.66
2–3 years	1,748,061.11	1,748,061.11	100.00		13,488,437.14	13,488,437.14	100.00	–
Over 3 years	13,568,007.32	13,568,007.32	100.00		6,136,680.33	6,136,680.33	100.00	–
Total	619,871,366.51	28,190,320.71	4.55	591,681,045.80	1,043,210,653.68	46,231,900.60	4.43	996,978,753.08

(2) Disclosed by classification of bad debt

RMB

Items	Book balance		Closing balance Bad debt provision		
	Amount	Percentage(%)	Amount	Percentage(%)	Book value
Provision for bad debts calculated individually	17,625,272.00	2.84	17,625,272.00	100.00	
Provision for bad debts calculated on a portfolio basis	602,246,094.51	97.16	10,565,048.71	1.75	591,681,045.80
Total	619,871,366.51	100.00	28,190,320.71	4.55	591,681,045.80

RMB

Items	Book balance		Opening balance Bad debt provision		
	Amount	Percentage(%)	Amount	Percentage(%)	Book value
Provision for bad debts calculated individually	17,462,566.89	1.67	17,462,566.89	100.00	–
Provision for bad debts calculated on a portfolio basis	1,025,748,086.79	98.33	28,769,333.71	2.80	996,978,753.08
Total	1,043,210,653.68	100.00	46,231,900.60	4.43	996,978,753.08

(XV)

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

1. Trade Receivables (Continued)

(3) Changes in bad debt

RMB

	Provision for bad debts of trade receivables (Collectively assessed at amortised cost)	Provision for bad debts of trade receivables (Collectively assessed at fair value through other comprehensive income)	Lifetime expected credit loss
Balance at 1 January 2024	**28,769,333.71**		

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables

RMB

Items	Closing balance	Opening balance
Dividends receivable	**14,030,000.00**	-
Other receivables	**2,460,959,297.15**	5,061,996,708.25
Total	**2,474,989,297.15**	5,061,996,708.25

2.1 Other dividends receivable

Item	Closing balance	Opening balance
Dividends receivable of subsidiaries	**14,030,000.00**	-

2.2 Other receivables

(1) Disclosed by ageing

RMB

Ageing	Closing balance			Opening balance		
	Other receivables	Bad debt provision	Accrual percentage (%)	Other receivables	Bad debt provision	Accrual percentage (%)
Within 1 year	**2,078,073,745.23**			5,044,396,670.83	-	-
1-2 years	**366,251,319.11**			38,785.16	-	-
2-3 years				246,000.00	-	-
Over 3 years	**16,634,232.81**			17,315,252.26	-	-
Total	**2,460,959,297.15**			5,061,996,708.25	-	-

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables (Continued)

2.2 Other Receivables (Continued)

(2) Other receivables listed by classification by nature

RMB

Nature of other receivables	Closing balance	Opening balance book value
Amounts receivable from subsidiaries	**2,447,774,613.58**	5,055,699,951.73
Deposit, margin	**8,719,930.00**	5,887,000.00
Reserve fund	**45,000.00**	55,000.00
Others	**4,419,753.57**	354,756.52
Total	**2,460,959,297.15**	5,061,996,708.25

(3) Impairment of other receivables

Based on the nature of other receivables and after evaluation, the Company believes that other receivables have no significant risk of ECL, so no provision for credit loss has been made.

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

2. Other Receivables (Continued)

2.2 Other Receivables (Continued)

(4) Details of top five other receivables with the closing balances classified by the borrowers:

RMB

Name	Relationship	Amount	Percentage of total balance of other receivables (%)	Closing balance of accrued loss
Flat (Nantong) Solar Glass Co., Ltd.* (福萊特(南通)光伏玻璃有限公司)	Subsidiary	747,767,467.62	30.39	–
Flat (Hong Kong) Limited* (福萊特(香港)有限公司)	Subsidiary	560,358,622.35	22.77	–
Zhejiang Fulaitai New Energy Co., Ltd.* (浙江福來泰新能源有限公司)	Subsidiary	422,002,846.14	17.15	–
Zhejiang Jiafu Glass Co., Ltd.* (浙江嘉福玻璃有限公司)	Subsidiary	309,284,790.34	12.57	–
Flat Photoenergy Co., Ltd.* (福萊特光能有限公司)	Subsidiary	256,266,931.43	10.41	–
Total		2,295,680,657.88	93.29	–

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

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

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

3. Long-term Equity Investments

Details of long-term equity investments are as follows:

RMB

Investee	Accounting method	Opening balance	Changes during the year: Investments/ additional investments	Changes during the year: Investment gains recognised under equity method	Changes during the year: Dividends declared	Closing balance	Dividend of long-term equity investment accounted for by cost method declared this year
Subsidiaries:							
Zhejiang Flat	Cost method	10,000,000.00	–	–	–	**10,000,000.00**	50,000,000.00
Zhejiang Jiafu	Cost method	150,000,000.00	–	–	–	**150,000,000.00**	600,000,000.00
Shanghai Flat	Cost method	70,000,000.00	–	–	–	**70,000,000.00**	–
Anhui Flat Glass	Cost method	1,030,000,000.00	1,500,000,000.00	–	–	**2,530,000,000.00**	–
Flat (Hong Kong)	Cost method	66,137,343.00	–	–	–	**66,137,343.00**	–
Flat New Energy	Cost method	10,000,000.00	–	–	–	**10,000,000.00**	–
Flat Import & Export	Cost method	7,000,000.00	–	–	–	**7,000,000.00**	–
Nantong Flat	Cost method	59,130,000.00	145,240,017.10	–	–	**204,370,017.10**	[illegible]

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

4. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Items	Amount for the current year		Amount for last year	
	Revenue	Cost	Revenue	Cost
Main business	**4,007,372,325.27**	**3,605,465,957.76**	5,098,394,466.16	4,186,778,464.89
Other business	**244,558,569.88**	**179,304,021.78**	307,651,732.91	227,448,326.93
Total	**4,251,930,895.15**	**3,784,769,979.54**	5,406,046,199.07	4,414,226,791.82

The Company's operating revenue is recognised at a certain point in time.

(2) Description of operating revenue

RMB

Items	Amount for the current year		Amount for last year	
	Operating revenue	Operating cost	Revenue	Cost
Category of goods				
PV glass	**3,049,100,538.00**	**2,675,172,962.05**	3,950,622,442.18	3,118,949,887.96
Household glass	**133,945,856.83**	**129,011,663.20**	177,586,730.21	156,817,298.71
Architectural glass	**508,252,408.64**	**473,264,562.26**	592,249,271.58	529,423,620.80
Float glass	**316,073,521.80**	**328,016,770.25**	377,936,022.19	381,587,657.42
Glass sub-total	**4,007,372,325.27**	**3,605,465,957.76**	5,098,394,466.16	4,186,778,464.89
Other business	**244,558,569.88**	**179,304,021.78**	307,651,732.91	227,448,326.93
Total	**4,251,930,895.15**	**3,784,769,979.54**	5,406,046,199.07	4,414,226,791.82
Classification by operating area				
China	**4,237,595,467.80**	**3,777,748,003.30**	5,388,744,936.80	4,400,149,424.36
Asia (excluding China)	**4,333,368.81**	**2,703,513.30**	14,217,881.50	11,623,811.67
Others	**10,002,058.54**	**4,318,462.94**	3,0880w 19.295j9 Td5 0 50.09,448,326.93	

(XV)

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions

1) *Sale of goods*

RMB

Related parties	Content of the related party transaction	Amount for the year	Amount for last year

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(2) Related party transactions (Continued)

2) Purchase of goods

RMB

Related parties	Content of the related party transaction	Amount for the year	Amount for last year
Zhejiang Jiafu	Purchase of raw materials	**2,567,612.45**	134,298,657.98
Anhui Flat Glass	Purchase of raw materials	**189,698,861.74**	124,579,345.95
Sanli Mining	Purchase of raw materials		167,752,440.41
JiaXing Gas	Purchase of raw materials	**226,475,764.30**	257,913,608.88
Kaihong Flat	Accepting labor service	**78,755,615.11**	67,626,971.51
Anhui Flat Materials	Purchase of raw materials	**37,483,672.27**	–
Flat Intelligent Equipment	Purchase of raw materials	**7,193,047.05**	–
Flat New Energy	Purchase of raw materials	**15,046,767.58**	5,625,275.23
Zhejiang Flat	Purchase of raw materials	**895,932.39**	1,700,335.37
Total		**558,117,272.89**	759,496,635.33

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(3) Related leases

The Company as the lessor:

RMB

Lessee name	Type of leased asset	Amount of the lease Recognised rental income	Amount for last year Recognised rental incomes
Zhejiang Flat	Houses	**6,035,622.84**	6,035,622.84
Kaihong Flat	Houses	**352,210.79**	322,924.48
Total		**6,387,833.63**	6,358,547.32

(XVI) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(4) Sale of fixed assets

RMB

Related parties	Related Party transaction	Amount for the year	Amount for last year
Zhejiang Jiafu	Sale of fixed assets	**1,200,595.85**	99,309.73
Zhejiang Flat	Sale of fixed assets	**117,751.08**	–
Anhui Flat Glass	Sale of fixed assets		2,279,014.50
Flat New Energy	Sale of fixed assets	**3,526,872.29**	58,773.81
Fulian logistics	Sale of fixed assets	**1,086,749.52**	–
Flat intelligent Equipment	Sale of fixed assets	**1,038,450.34**	5,183,651.57
Flat Photoenergy	Sale of fixed assets	**22,274.49**	–
Total		**6,992,693.57**	7,620,749.61

(5) Purchase of fixed assets and engineering materials

RMB

Related parties	Content of the related party transaction	Amount for the year	Amount for last year
Anhui Flat Glass	Procurement of fixed assets and engineering materials	**70,057.91**	2,062,373.51
Zhejiang Jiafu	Procurement of fixed assets and engineering materials	**5,949.49**	217,777.77
Flat intelligent Equipment	Procurement of fixed assets and engineering materials	**2,263,208.86**	3,333,471.93
Zhejiang Flat	Procurement of fixed assets and engineering materials	**8,945.93**	–
Total		**2,348,162.19**	5,613,623.21

(XVI)

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(6) Amounts due from/to related parties (Continued)

Items	Related parties	Closing balance	Opening balance
Other receivables	Anhui Flat Material	**16,380,140.13**	2,781,552,874.88
Other receivables	Anhui Flat Glass	**52,012,654.17**	–
Other receivables	Flat (Hong Kong)	**560,358,622.372EGd40.025 T,2.6,/T0 T388**	

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(7) Balances with related parties

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(8) Borrowings from related parties

RMB

Related parties	Increased in the year	Decreased in the year	Commencement date	Expiry date	Year-end amount	Particulars
During the year						
Flat (Hong Kong)	2,292,112.55	–	Nil	Nil	**418,995,555.20**	Interest free with no fixed term of repayment
Flat New Energy	2,741,583.11	2,100,000.00	Nil	Nil	**641,583.11**	Interest free with no fixed term of repayment
Zhejiang Flat	60,430,446.99	212,912,380.72	Nil	Nil	**11,518,066.27**	Interest free with no fixed term of repayment
Shanghai Flat	5,000,000.00	–	Nil	Nil	**15,000,000.00**	Interest free with no fixed term of repayment
Anhui Flat Material	–	335,464,970.00	Nil	Nil		Interest free with no fixed term of repayment
Dahua Mining	210,000,000.00	8,448,000.00	Nil	Nil	**210,000,000.00**	Interest free with no fixed term of repayment
Sanli Mining	719,373,150.41	236,560,200.00	Nil	Nil	**482,812,950.41**	Interest free with no fixed term of repayment
Fengyang Flat New Energy	–	–	Nil	Nil	**100,000,000.00**	Interest free with no fixed term of repayment
During the last year						
Flat (Hong Kong)	–	92,582,360.09	Nil	Nil	**416,703,442.65**	Interest free with no fixed term of repayment
Flat New Energy	–	11,000,000.00	Nil	Nil		Interest free with no fixed term of repayment
Zhejiang Flat	91,702,400.00	–	Nil	Nil	**164,000,000.00**	Interest free with no fixed term of repayment
Shanghai Flat	–	–	Nil	Nil	**10,000,000.00**	Interest free with no fixed term of repayment
Flat Import & Export	24,581,156.50	50,000,000.00	Nil	Nil		Interest free with no fixed term of repayment
Anhui Flat Material	150,000,000.00	18,000,000.00	Nil	Nil	**335,464,970.00**	Interest free with no fixed term of repayment
Dahua Mining	60,448,000.00	52,000,000.00	Nil	Nil	**8,448,000.00**	Interest free with no fixed term of repayment
Fengyang Flat New Energy	100,000,000.00	–	Nil	Nil	**100,000,000.00**	Interest free with no fixed term of repayment

(9) Interest income

RMB

Related party	Content of the related party transaction	Amount for the year	Amount for last year
Anhui Flat Glass	borrowing funds	**52,012,654.17**	–
Flat (Hong Kong)	borrowing funds	**16,703,165.22**	27,474,220.97
Total		**68,715,819.39**	27,474,220.97

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Re ated Pa t e s a d Re ated Pa t T a s act s (Continued)

(10) Rece g g a tee s f e ated a t e s

RMB

G a t (s)	G a teed a t e s	A t C e ce e t g a teed date	E date	F f e t f t e date

Guarantees (s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfillment of the guarantee as at 31 December 2024	
During the reporting period						
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2024-09-21	Yes	
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-03-21	No	
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2025-09-21	No	
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	2026-03-21	No	
Zhejiang Jiafu	The Company	50,000.00	2024-03-22	202603-22	202603-22	2026

Guarantor(s)	Guaranteed Notes	Amount Guaranteed	Concurrence Event date	Expiry date	Fair Value Guarantee as at 31 December 2024

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receivables/guarantees for related parties (Continued)

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiration date	Fulfilment of the guarantee as at 31 December 2023
During the year					
Anhui Flat Glass	The Company	20,000,000.00	2022-07-28	2023-07-28	Yes
Anhui Flat Glass	The Company	200,000,000.00	2022-07-29	2023-07-27	Yes
Anhui Flat Glass	The Company	98,000,000.00	2023-04-30	2023-10-29	Yes
Anhui Flat Glass	The Company	500,000.00	2021-11-17	2023-06-20	Yes
Anhui Flat Glass	The Company	500,000.00	2021-11-17	2023-12-20	Yes
Anhui Flat Glass	The Company	500,000.00	2021-11-17	2024-06-20	No
Anhui Flat Glass	The Company	197,500,000.00	2021-11-17	2024-11-16	No
Anhui Flat Glass	The Company	500,000.00	2021-11-19	2023-06-20	Yes
Anhui Flat Glass	The Company	500,000.00	2021-11-19	2023-12-20	Yes
Anhui Flat Glass	The Company	500,000.00	2021-11-19	2024-06-20	No
Anhui Flat Glass	The Company	197,500,000.00	2021-11-19	2024-11-16	No
Anhui Flat Glass	The Company	10,000,000.00	2022-11-30	2023-06-15	Yes
Anhui Flat Glass	The Company	10,000,000.00	2022-11-30	2023-12-15	Yes
Anhui Flat Glass	The Company	20,000,000.00	2022-11-30	2024-06-15	No
Anhui Flat Glass	The Company	20,000,000.00	2022-11-30	2024-12-15	No
Anhui Flat Glass	The Company	20,000,000.00	2022-11-30	2025-06-15	No
Anhui Flat Glass	The Company	20,000,000.00	2022-11-30	2025-11-29	No
Anhui Flat Glass	The Company	100,000,000.00	2023-01-01	2023-06-08	Yes
Anhui Flat Glass	The Company	100,000,000.00	2023-01-01	2023-06-08	Yes
Anhui Flat Glass	The Company	111,000,000.00	2023-01-11	2023-02-15	Yes
Anhui Flat Glass	The Company	199,000,000.00	2023-02-08	2023-08-07	Yes
Anhui Flat Glass	The Company	200,000,000.00	2023-04-18	2026-04-20	No
Anhui Flat Glass	The Company	200,000,000.00	2023-06-07	2026-06-07	No
Anhui Flat Glass	The Company	199,000,000.00	2023-06-12	2026-06-15	No
Anhui Flat Glass	The Company	199,000,000.00	2023-06-13	2026-06-13	No
Anhui Flat Glass	The Company	200,000,000.00	2023-06-20	2026-06-16	No
Anhui Flat Glass	The Company	175,000,000.00	2023-11-30	2030-10-29	No
Anhui Flat Glass	The Company	175,000,000.00	2023-11-30	2030-10-29	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receivables/guarantees for related parties (Continued)

Guarantee(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfillment of the guarantee as at 31 December 2023
Directly and indirectly					
Zhejiang Jiafu	The Company	100,000,000.00	2022-04-18	2023-01-27	Yes
Zhejiang Jiafu	The Company	9,000,000.00	2022-07-19	2023-01-16	Yes
Zhejiang Jiafu	The Company	12,000,000.00	2022-07-29	2023-01-30	Yes
Zhejiang Jiafu	The Company	9,000,000.00	2022-08-09	2023-02-06	Yes
Zhejiang Jiafu	The Company	9,000,000.00	2022-08-19	2023-02-14	Yes
Zhejiang Jiafu	The Company	11,000,000.00	2022-08-29	2023-02-21	Yes
Zhejiang Jiafu	The Company	10,000,000.00	2022-10-28	2023-04-24	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2022-11-08	2023-07-01	Yes
Zhejiang Jiafu	The Company	30,000,000.00	2023-01-18	2023-08-22	Yes
Zhejiang Jiafu	The Company	100,000,000.00	2023-01-28	2023-08-22	Yes
Zhejiang Jiafu	The Company	100,000,000.00	2023-02-01	2023-07-04	Yes
Zhejiang Jiafu	The Company	15,000,000.00	2023-02-24	2023-08-23	Yes
Zhejiang Jiafu	The Company	5,000,000.00	2023-03-03	2023-08-29	Yes
Zhejiang Jiafu	The Company	10,000,000.00	2023-03-09	2023-09-04	Yes
Zhejiang Jiafu	The Company	10,000,000.00	2023-03-24	2023-09-19	Yes
Zhejiang Jiafu	The Company	10,000,000.00	2023-04-04	2023-10-07	Yes
Zhejiang Jiafu	The Company	100,000,000.00	2023-04-11	2023-04-30	Yes
Zhejiang Jiafu	The Company	5,220,000.00	2023-06-27	2023-12-22	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2023-08-22	2024-08-21	No
Zhejiang Jiafu	The Company	80,000,000.00	2020-12-28	2023-12-22	Yes
Zhejiang Jiafu	The Company	150,000,000.00	2022-10-08	2025-10-07	No
Zhejiang Jiafu	The Company	90,000,000.00	2020-11-16	2023-11-15	Yes
Zhejiang Jiafu	The Company	100,000.00	2021-12-07	2023-06-03	Yes
Zhejiang Jiafu	The Company	100,000.00	2021-12-07	2023-12-03	Yes
Zhejiang Jiafu	The Company	100,000.00	2021-12-07	2024-06-03	No
Zhejiang Jiafu	The Company	119,500,000.00	2021-12-07	2024-12-03	No
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2023-07-18	Yes
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2024-01-18	No
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2024-07-18	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(10) Receivables guarantees for related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiration date	Fulfilment of the guarantee as at 31 December 2023
Direct subsidiaries					
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2025-01-18	No
Zhejiang Jiafu	The Company	500,000.00	2023-01-19	2025-07-18	No
Zhejiang Jiafu	The Company	97,500,000.00	2023-01-19	2026-01-18	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2023-08-26	Yes
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2024-02-26	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2024-08-26	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-02-26	No
Zhejiang Jiafu	The Company	100,000.00	2023-02-28	2025-08-26	No
Zhejiang Jiafu	The Company	139,500,000.00	2023-02-28	2026-02-26	No
Zhejiang Jiafu	The Company	50,000,000.00	2023-03-10	2026-03-09	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Pending guarantees to related parties

RMB

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2024
Dispute ea					
The Company	Zhejiang Flat	11,000,000.00	2023-05-31	2024-05-31	Yes
The Company	Zhejiang Jiafu	20,000,000.00	2024-05-31	2025-05-31	No
The Company	Zhejiang Jiafu	50,000,000.00	2023-10-31	2024-04-30	Yes
The Company	Zhejiang Jiafu	120,000,000.00	2024-01-02	2024-03-15	Yes
The Company	Zhejiang Jiafu	20,000,000.00	2024-09-30	2025-09-30	No
The Company	Zhejiang Jiafu	49,500,000.00	2021-03-04	2024-03-03	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-03-19	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-09-19	Yes
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-03-19	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-09-19	No
The Company	Zhejiang Jiafu	179,500,000.00	20210.017 0 Td(2021-03-04)-[illegible]	174,500,000.00 Jiaf0d(Nov[illegible]	Xhejiang-Jiaf2C

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Provision of guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2024
During the year					
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2024-06-06	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-10-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-10-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-04-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-10-27	No
The Company	Anhui Flat Glass	155,000,000.00	2021-06-28	2024-06-25	Yes
The Company	Anhui Flat Glass	229,500,000.00	2021-06-15	2024-06-15	Yes
The Company	Anhui Flat Glass	2,000,000.00	2023-03-16	2024-02-15	Yes
The Company	Anhui Flat Glass	46,000,000.00	2023-03-16	2024-09-11	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-12-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-12-20	No
The Company	Anhui Flat Glass	44,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2024-12-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-06-20	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-22	2025-12-20	No
The Company	Anhui Flat Glass	39,000,000.00	2023-03-22	2026-03-16	No
The Company	Anhui Flat Glass	1,000,000.00	2023-03-28	2024-06-20	Yes
The Company	Anhui Flat Glass	47,000,000.00	2023-03-28	2024-09-19	Yes
The Company	Anhui Flat Glass	126,000,000.00	2023-07-03	2024-04-03	Yes
The Company	Anhui Flat Glass	14,000,000.00	2023-07-03	2024-07-01	Yes
The Company	Anhui Flat Glass	54,000,000.00	2023-07-03	2024-04-29	Yes
The Company	Anhui Flat Glass	6,000,000.00	2023-07-03	2026-06-15	No
The Company	Anhui Flat Glass	155,000,000.00	2023-07-03	2026-12-15	No
The Company	Anhui Flat Glass	245,000,000.00	2024-03-25	2029-06-01	No
The Company	Anhui Flat Glass	50,000,000.00	2024-06-27	2027-06-24	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Provision of guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2024
During the year					
The Company	Anhui Flat Glass	50,000,000.00	2024-06-27	2027-06-23	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	50,000,000.00	2024-09-23	2027-09-22	No
The Company	Anhui Flat Glass	152,000,000.00	2024-11-07	2027-11-07	No
The Company	Anhui Flat Glass	30,000,000.00	2024-12-23	2027-12-22	No
The Company	Anhui Flat Glass	200,000,000.00	2024-09-29	2027-09-28	No
The Company	Flat (Hong Kong)	17,000,000.00	2023-02-03	2024-02-01	Yes
The Company	Flat (Hong Kong)	10,000,000.00	2023-03-20	2024-02-29	Yes
The Company	Flat (Hong Kong)	20,000,000.00	2023-11-21	2024-08-26	Yes
The Company	Flat (Hong Kong)	42,496,200.00	2023-06-05	2026-06-05	No
The Company	Flat (Hong Kong)	169,644,384.00	2023-06-05	2026-06-05	No
The Company	Flat (Hong Kong)	169,925,184.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	42,635,400.00	2024-03-04	2026-06-05	No
The Company	Flat (Hong Kong)	56,750,400.00	2024-04-24	2026-06-05	No
The Company	Flat (Hong Kong)	42,804,289.71	2024-04-24	2024-11-30	Yes
The Company	Flat (Hong Kong)	183,443,134.29	2024-04-24	2026-06-05	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2024-11-25	Yes
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2031-05-25	No

Guarantor(s)	Guaranteed parties	Amount guaranteed	Occurrence date	Expiry date	Fulfillment of the guarantee as at 31 December 2024
During the reporting period					
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2031-11-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2032-05-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2032-11-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2033-05-25	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-17	2031-12-20	No
The Company	Flat (Nantong)	110,000,000.00	2024-07-19	2031-12-20	No
The Company	Flat (Nantong)	190,000,000.00	2024-07-16	2031-12-20	No
The Company	Flat (Nantong)	90,000,000.00	2024-07-17	2031-12-20	No
The Company	Sanli Mining	10,000,000.00	2023-09-27	2024-05-24	Yes
The Company	Dahua Mining	50,000,000.00	2023-12-19	2024-12-18	Yes
The Company	Fulaitai	105,337,872.80	2023-12-14	2024-12-21	Yes
The Company	Fulaitai	1,540,499,068.00	2023-12-20	2039-06-26	No

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Provision of guarantees to related parties (Continued)

Guarantor(s)	Guaranteed parties	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2024
During the year					
The Company	Zhejiang Flat	11,000,000.00	2023-05-31	2024-05-31	No
The Company	Zhejiang Jiafu	200,000,000.00	2022-07-29	2023-07-28	Yes
The Company	Zhejiang Jiafu	50,000,000.00	2022-11-01	2023-10-28	Yes
The Company	Zhejiang Jiafu	90,000,000.00	2022-12-29	2023-12-28	Yes
The Company	Zhejiang Jiafu	50,000,000.00	2023-10-31	2024-04-30	No
The Company	Zhejiang Jiafu	100,000.00	2021-03-04	2023-03-03	Yes
The Company	Zhejiang Jiafu	100,000.00	2021-03-04	2023-09-03	Yes
The Company	Zhejiang Jiafu	49,500,000.00	2021-03-04	2024-03-03	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-03-19	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2024-09-19	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-03-19	No
The Company	Zhejiang Jiafu	100,000.00	2023-03-21	2025-09-19	No
The Company	Zhejiang Jiafu	179,500,000.00	2023-03-21	2026-03-19	No
The Company	Anhui Flat Glass	75,000,000.00	2022-01-07	2023-01-07	Yes
The Company	Anhui Flat Glass	100,000,000.00	2022-12-06	2023-12-05	Yes
The Company	Anhui Flat Glass	75,000,000.00	2023-01-10	2024-01-10	No
The Company	Anhui Flat Glass	60,000,000.00	2022-11-16	2023-04-27	Yes
The Company	Anhui Flat Glass	60,000,000.00	2022-11-16	2023-10-27	Yes
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2024-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2024-10-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2025-10-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-04-27	No
The Company	Anhui Flat Glass	80,000,000.00	2022-11-16	2026-10-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-04-27	No
The Company	Anhui Flat Glass	100,000,000.00	2022-11-16	2027-10-27	No
The Company	Anhui Flat Glass	1,000,000.00	2021-06-28	2023-06-20	Yes
The Company	Anhui Flat Glass	1,000,000.00	2021-06-28	2023-12-20	Yes

Guarantor(s)	Guaranteed assets	Amount guaranteed	Commencement date	Expiry date	Fair amount of the guarantee as at 31 December 2024

(XV) NOTES TO THE MAJOR ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

6. Related Parties and Related Party Transactions (Continued)

(11) Provision of guarantees to related parties (Continued)

Guarantor(s)	Guaranteed	Amount guaranteed	Commencement date	Expiry date	Fulfilment of the guarantee as at 31 December 2024
During the year					
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2024-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2025-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2026-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2027-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2028-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2029-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-05-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2030-11-25	No
The Company	Anhui Flat Material	44,500,000.00	2023-05-25	2031-05-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2031-11-25	No
The Company	Anhui Flat Material	47,500,000.00	2023-05-25	2032-05-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2032-11-25	No
The Company	Anhui Flat Material	41,000,000.00	2023-05-25	2033-05-25	No
The Company	Fulaitai	920,894,228.00	2023-12-14	2033-12-20	No

1. DETAILS OF EXTRA-ORDINARY PROFIT OR LOSS

The calculation form of the details of extra-ordinary profit or loss is prepared in accordance with the relevant provisions of Public Issuance of Securities Companies Information Disclosure and Compilation Rules Interpretative Announcement No. 1 – Extra-ordinary Profit or Loss (Revised in 2023) issued by the China Securities Regulatory Commission.

RMB

Ite s	D t e ea
Losses on disposal of non-current assets	**(65,984,014.24)**
Government grants recognized in the current period profit or loss, except for those closely related to the company's normal business operations, in compliance with national policy regulations, enjoyed according to established standards, and having a continuous impact on the company's profit or loss (Note)	**24,052,914.90**
Gains and losses arising from fair value changes of financial assets and financial liabilities held by non-financial enterprises, as well as gains and losses from the disposal of financial assets and financial liabilities, except for effective hedging activities related to the company's normal business operations	**34,195,507.29**
Other non-operating income and expenses other than the above	**(1,649,663.09)**
Subtotal	**(9,385,255.14)**
Effects of income tax	**881,947.21**
Effects of minority interests	**(25,288.90)**
Total	**(8,528,596.83)**

Note: For details of the government grants included in the current profit and loss for the year, please refer to Note (VII). The above subsidy amount does not include the subsidy of distributed PV power generation project of RMB1,837,094.43 and the government grants related to assets of RMB14,274,834.05, which are closely related to the Group's business and are fixed or quantified in accordance with national unified standards.

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

The calculation form of the return on net assets and earnings per share is prepared in accordance with the relevant provisions of Public Issuance of Securities Companies Information Disclosure and Compilation Rules No. 09 – Calculation and Disclosure of Return on Net Assets and Earnings Per Share (Revised in 2010) (CSRC Announcement [2010] No. 2) issued by the China Securities Regulatory Commission.

RMB

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
During the year			
Net profit attributable to ordinary shareholders of the Company	4.55	0.43	0.43
Net profit attributable to ordinary shareholders of the Company excluding non-recurring items	4.59	0.43	0.43
During the past			
Net profit attributable to ordinary shareholders of the Company	15.49	1.24	1.24
Net profit attributable to ordinary shareholders of the Company excluding non-recurring items	15.13	1.21	1.21

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS

RMB

Items	2024	2023	2022	2021	2020
I. Total operating revenue	**18,682,602,478.36**	21,523,708,522.42	15,460,843,227.36	8,713,228,065.59	6,260,417,792.26
Less: Operating costs	**15,787,606,518.28**	16,830,721,240.54	12,048,190,879.61	5,620,391,966.94	3,600,864,085.34
Taxes and surcharges	**196,311,824.63**	198,145,169.13	134,772,326.23	48,466,185.37	61,083,688.80
Selling expenses	**51,974,447.60**	119,751,307.45	118,877,978.75	85,724,646.32	47,632,079.18
General and administrative expenses	**327,558,607.22**	302,200,735.53	277,541,944.49	221,778,736.93	172,349,032.43
Research and development expenses	**604,788,932.74**	596,750,492.70	523,230,185.51	408,417,461.35	284,717,812.81
Financial expenses	**407,493,717.54**	482,892,747.57	240,434,620.48	52,518,443.24	141,528,692.18
Including: Interest expense	**569,813,716.98**	590,660,016.42	338,235,144.15	90,252,414.76	80,273,151.69
Interest income	**126,044,839.70**	102,641,259.91	59,295,478.89	37,314,406.92	16,412,291.81
Add: Other revenues	**121,137,364.75**	166,941,306.05	77,452,388.08	58,331,820.26	25,471,233.82
Investment income	**51,804,613.22**	27,722,636.72	12,864,496.08	31,886,225.40	5,675,836.26
Including: Gains on investment in associates	**18,629,460.08**	18,159,670.48	7,566,505.74	5,558,487.56	2,614,841.66
Gains (losses) from changes in fair values	**1,020,354.15**	632,854.33	(1,828,707.98)	(1,382,927.57)	1,245,626.59
Gains (losses) on credit impairment	**71,532,046.19**	(77,813,105.53)	(39,074,459.18)	23,554,616.85	(29,914,991.88)
Asset impairment losses	**(356,220,611.54)**	(52,288,682.63)	(3,094,217.86)	(10,202,178.73)	(71,783,469.77)
Gains (losses) on disposal of assets	**(65,984,014.24)**	(7,086,732.47)	(8,899,606.56)	3,599,005.34	(18,018,346.26)
II. Operating profit	**1,130,158,182.88**	3,051,355,105.97	2,155,215,184.87	2,381,717,186.99	1,864,918,290.28
Add: Non-operating income	**4,730,625.24**	4,101,236.71	1,435,472.21	2,674,782.95	12,889,216.85
Less: Non-operating expense	**6,380,288.33**	3,648,182.91	3,774,893.58	4,176,927.50	3,899,465.44
III. Total profit	**1,128,508,519.79**	3,051,808,159.77	2,152,875,763.50	2,380,215,042.44	1,873,908,041.69
Less: Income tax expenses	**112,378,810.76**	288,781,280.25	30,095,335.07	260,295,716.01	245,124,254.06
IV. Net profit	**1,016,129,709.03**	2,763,026,879.52	2,122,780,428.43	2,119,919,326.43	1,628,783,787.63
Net profit attributable to shareholders of the parent company	**1,006,602,737.08**	2,759,690,819.78	2,122,780,428.43	2,119,919,326.43	1,628,783,787.63
Profit or loss attributable to minority interests	**9,526,971.95**	3,336,059.74	–	–	–
V. Other comprehensive income, net of tax	**(37,666,895.80)**	(31,001,033.29)	49,963,457.84	13,594,620.59	(32,274,518.98)
Other comprehensive income, net of tax attributable to the owners of the parent company	**(37,666,895.80)**	(31,001,033.29)	49,963,457.84	13,594,620.59	(32,274,518.98)
(I) Other comprehensive income that cannot be reclassified to profit or loss		–	–	(1,913,160.00)	(3,217,914.84)
– Changes in fair value of other equity instrument investments		–	–	(1,913,160.00)	(3,217,914.84)
(II) Other comprehensive income that will be reclassified to profit or loss	**(37,666,895.80)**	(31,001,033.29)	49,963,457.84	15,507,780.59	(29,056,604.14)
– Translation differences in foreign currency financial statements	**(51,575,055.55)**	(20,208,141.20)	50,150,986.60	12,470,952.05	(23,092,036.70)
– Changes in fair value of accounts receivable financing	**13,908,159.75**	(10,792,892.09)	(187,528.76)	3,036,828.54	(5,964,567.44)
Other comprehensive income, net of tax attributable to minority interests		–	–	–	–
VI. Total comprehensive income	**978,462,813.23**	2,732,025,846.23	2,172,743,886.27	2,133,513,947.02	1,596,509,268.65
Total comprehensive income attributable to shareholders of the parent company	**968,935,841.28**	2,728,689,786.49	2,172,743,886.27	2,133,513,947.02	1,596,509,268.65
Other comprehensive income attributable to minority interests	**9,526,971.95**	3,336,059.74	–	–	–
VII. Earnings per share:					
(I) Basic earnings per share	**0.43**	1.24	0.99	0.99	0.83
(II) Diluted earnings per share	**0.43**	1.24	0.99	0.99	0.81

3. THE GROUP'S SUMMARY OF PERFORMANCE, ASSETS AND LIABILITIES IN THE PAST FIVE ACCOUNTING YEARS (Continued)

RMB

Ite s	31 Dece be 2024	31 December 2023	31 December 2022	31 December 2021	31 December 2020
Total Assets	**42,919,798,033.81**	42,981,997,983.52	32,381,722,606.05	20,082,917,100.50	12,265,800,375.02
Total Liabilities	**21,135,637,157.78**	20,691,087,532.36	18,349,275,392.88	8,272,748,027.71	5,031,057,735.17
Minority interests	**85,363,031.69**	75,836,059.74	–	–	–
Total equity attributable to shareholders of the parent company	**21,698,797,844.34**	22,215,074,391.42	14,032,447,213.17	11,810,169,072.79	7,234,742,639.85