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XINYI ENERGY HOLDINGS LIMITED

信義能源控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 03868)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Change
	2025	2024	
	<i>RMB' million</i>	<i>RMB' million</i> <i>(Restated)</i>	
Revenue	1,210.2	1,124.0	7.7%
Profit attributable to the equity holders of the Company	449.8	364.4	23.4%
Earnings per share – basic	5.37 RMB cents	4.41 RMB cents	21.8%
Interim dividend	222.1	177.8	24.9%
Interim dividend per share	2.9 HK cents	2.3 HK cents	26.1%

The board (the “**Board**”) of directors (the “**Directors**”) of Xinyi Energy Holdings Limited (the “**Company**” or “**Xinyi Energy**”, together with its subsidiaries, the “**Group**”) announces the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025 (the “**1H2025**”), together with the comparative figures for the six months ended 30 June 2024 (the “**1H2024**”), as follows:

Condensed Consolidated Income Statement

		Six months ended 30 June	
		2025	2024
	Note	RMB’000	RMB’000
		(Unaudited)	(Unaudited)
			(Restated)
			(Note 2(c))
Revenue	3	1,210,234	1,124,053
Cost of sales		(462,813)	(401,737)
Gross profit		747,421	722,316
Other income	3	13,508	9,024
Other gains – net	4	7,695	3,727
Administrative expenses		(31,926)	(22,581)
Net impairment losses on financial assets		(5,397)	(5,569)
Operating profit	5	731,301	706,917
Finance income	6	1,826	2,583
Finance costs	6	(147,544)	(182,172)
Share of net losses of investments accounted for using the equity method		(421)	(8)
Profit before income tax		585,162	527,320
Income tax expense	7	(135,320)	(162,329)
Profit for the period		449,842	364,991
Profit for the period attributable to:			
– Equity holders of the Company		449,842	364,448
– Non-controlling interests		—	543
		449,842	364,991
Earnings per share attributable to the equity holders of the Company			
(Expressed in RMB cents per share)			
– Basic and diluted	8	5.37	4.41

Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
		<i>(Note 2(c))</i>
Profit for the period	449,842	364,991
Other comprehensive loss, net of tax:		
<i>Items that may be reclassified to profit or loss</i>		
Currency translation differences	(2,181)	(127,584)
Share of other comprehensive (loss)/income of investments accounted for using the equity method		
– Share of currency translation differences	(39)	9
Total comprehensive income for the period	447,622	237,416
Total comprehensive income for the period attributable to:		
– Equity holders of the Company	447,622	236,873
– Non-controlling interests	—	543
	447,622	237,416

Condensed Consolidated Balance Sheet

		As at	
		30 June 2025	31 December 2024
	Note	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Audited)</i>
ASSETS			
Non-current assets			
Property, plant and equipment	10	15,216,079	15,394,948
Right-of-use assets		988,126	970,148
Prepayments for land use rights and property, plant and equipment	11	33,782	27,735
Deferred income tax assets		63,437	59,973
Investments accounted for using the equity method		246	628
Goodwill		273,950	273,950
Total non-current assets		16,575,620	16,727,382
Current assets			
Trade and other receivables and prepayments	11	5,140,461	4,580,310
Amounts due from fellow subsidiaries	15	1,657	1,336
Amount due from an investment accounted for using the equity method	15	—	2,235
Loan to an investment accounted for using the equity method	15	7,968	—
Restricted cash		3,159	3,000
Cash and cash equivalents		374,713	354,238
Total current assets		5,527,958	4,941,119
Total assets		22,103,578	21,668,501
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	12	72,497	72,497
Other reserves		6,047,570	6,251,552
Retained earnings		6,624,732	6,180,436
Total equity		12,744,799	12,504,485

		As at	
		30 June	31 December
		2025	2024
Note		<i>RMB'000</i>	<i>RMB'000</i>
		<i>(Unaudited)</i>	<i>(Audited)</i>
LIABILITIES			
Non-current liabilities			
Bank borrowings	14	4,823,384	4,789,224
Lease liabilities		952,911	919,475
Other payables	13	16,981	15,378
Deferred income tax liabilities		256,089	262,194
		<hr/>	<hr/>
Total non-current liabilities		6,049,365	5,986,271
		<hr/>	<hr/>
Current liabilities			
Bank borrowings	14	2,433,489	2,541,250
Lease liabilities		60,250	56,962
Accruals and other payables	13	452,648	450,504
Dividend payable		206,764	—
Amounts due to fellow subsidiaries	15	85,743	85,912
Current income tax liabilities		70,520	43,117
		<hr/>	<hr/>
Total current liabilities		3,309,414	3,177,745
		<hr/>	<hr/>
Total liabilities		9,358,779	9,164,016
		<hr/>	<hr/>
Total equity and liabilities		22,103,578	21,668,501
		<hr/>	<hr/>

Condensed Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company				Non-	
	Share	Other	Retained	Total	controlling	Total
	capital	reserves	earnings		interests	equity
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Balance at 1 January 2025	72,497	6,251,552	6,180,436	12,504,485	—	12,504,485
Comprehensive income						
Profit for the period	—	—	449,842	449,842	—	449,842
Other comprehensive loss						
Currency translation differences	—	(2,181)	—	(2,181)	—	(2,181)
Share of other comprehensive loss of investments accounted for using the equity method	—	(39)	—	(39)	—	(39)
Total comprehensive (loss)/income for the period	—	(2,220)	449,842	447,622	—	447,622
Transactions with the owner of the Company						
Employees' share option scheme:						
– value of employee services	—	90	—	90	—	90
– release upon the lapse of share options	—	(1,836)	1,836	—	—	—
2024 final dividend (<i>Note 9</i>)	—	(207,398)	—	(207,398)	—	(207,398)
Appropriation to safety reserve	—	7,383	(7,383)	—	—	—
Balance at 30 June 2025	72,497	6,047,571	6,624,731	12,744,799	—	12,744,799

	Attributable to equity holders of the Company				Non-	
	Share	Other	Retained	Total	controlling	Total
	capital	reserves	earnings		interests	equity
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>	<i>(Restated)</i>
	<i>(Note 2(c))</i>	<i>(Note 2(c))</i>	<i>(Note 2(c))</i>	<i>(Note 2(c))</i>	<i>(Note 2(c))</i>	<i>(Note 2(c))</i>
Balance at 1 January 2024	71,412	6,518,702	5,529,694	12,119,808	9,811	12,129,619
Comprehensive income						
Profit for the period	—	—	364,448	364,448	543	364,991
Other comprehensive loss						
Currency translation differences	—	(127,584)	—	(127,584)	—	(127,584)
Share of other comprehensive income of investments accounted for using the equity method	—	9	—	9	—	9
Total comprehensive (loss)/income for the period	—	(127,575)	364,448	236,873	543	237,416
Transactions with the owner of the Company						
Employees' share option scheme:						
– value of employee services	—	63	—	63	—	63
– release upon the lapse of share options	—	(609)	609	—	—	—
2023 final dividend (<i>Note 9</i>)	—	(198,721)	—	(198,721)	—	(198,721)
Appropriation to safety reserve	—	6,779	(6,779)	—	—	—
Balance at 30 June 2024	71,412	6,198,639	5,887,972	12,158,023	10,354	12,168,377

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
		<i>(Note 2(c))</i>
Cash flows from operating activities		
Cash generated from operations	544,146	468,138
Interest paid	(117,665)	(156,408)
Income tax paid	(117,486)	(142,171)
Net cash generated from operating activities	308,995	169,559
Cash flows from investing activities		
Payments for acquisition of right-of-use assets	(6,422)	(8,364)
Payments for purchases of and prepayments for property, plant and equipment	(182,664)	(593,484)
Proceeds from disposal of property, plant and equipment	5,717	123
Capital injections into an investment accounted for using the equity method	—	(672)
Advance to an investment accounted for using the equity method	(5,418)	(27,858)
Net proceeds from financial assets at fair value through profit or loss	185	3,547
Interest received	1,826	2,582
Net cash used in investing activities	(186,776)	(624,126)
Cash flows from financing activities		
Proceeds from bank borrowings	921,000	2,164,322
Repayments of bank borrowings	(994,601)	(1,805,236)
Principal elements of lease payments	(27,357)	(42,177)
Net cash (used in)/generated from financing activities	(100,958)	316,909
Net increase/(decrease) in cash and cash equivalents	21,261	(137,658)
Cash and cash equivalents at beginning of the period	354,238	587,926
Effect of foreign exchange rate changes	(786)	(8,676)
Cash and cash equivalents at end of the period	374,713	441,592

Notes to the Condensed Consolidated Financial Information

1 GENERAL INFORMATION

Xinyi Energy Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in the operation and management of solar farms in the People’s Republic of China (the “**PRC**”).

This unaudited condensed consolidated interim financial information is presented in thousands of Chinese Renminbi (RMB’000), unless otherwise stated. This unaudited condensed consolidated interim financial information was approved for issue by the Board of Directors on 1 August 2025.

2 BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICY

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Hong Kong Accounting Standards (“**HKAS**”) 34, “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). This unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements.

(a) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information. The adoption of which does not have a material impact on the results and financial position for the current or prior periods of the Group.

Amendments to HKAS 21

Lack of Exchangeability

(b) Amendments to standards have been issued but not yet effective for the accounting periods beginning on 1 January 2025 and not early adopted by the Group

		Effective for accounting periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvements to HKFRS Accounting Standards – Volume 1	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is in the process of making an assessment on the impact of these amendments to standards. Preliminary assessment results showed that their applications are not expected to have material impact on the financial performance and the financial position of the Group.

(c) **Change of presentation currency**

On 24 December 2024, the Company decided to adopt RMB as the presentation currency of the Group's consolidated financial statements, and the first set of consolidated financial statements of the Group with RMB as the presentation currency was the consolidated financial statements for the year ended 31 December 2024. As most of the business transactions engaged by the Group are settled in RMB and that a significant part of the business presence and the assets of the Group are located in the Mainland China, the Board considers that RMB is more appropriate to be the presentation currency for the Group's consolidated financial statements. Further, the Board considers that the change of presentation currency will enable the shareholders and potential investors of the Company to have a more accurate understanding of the Group's financial performance. The effects of the change in the presentation currency have been accounted for retrospectively with comparative figures restated. The comparative amounts in the interim condensed consolidated financial information are presented as if RMB had always been the presentation currency of the consolidated financial statements.

3 REVENUE, OTHER INCOME AND SEGMENT INFORMATION

Revenue and other income recognised during the period are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
		(Restated)
Revenue		
Recognised at a point in time:		
– Sales of electricity	740,552	644,274
– Tariff adjustment	464,998	473,854
	1,205,550	1,118,128
Recognised over time:		
– Solar farm operation and management services	4,684	5,925
	1,210,234	1,124,053
Other income		
Government grants (<i>Note</i>)	11,051	3,665
Compensation of insurance claims	723	437
Others	1,734	4,922
	13,508	9,024

Note:

Government grants mainly represent grants received from the PRC government in subsidising the Group's general operations.

Segment information

The Group is mainly engaged in the operation and management of solar farms in the PRC. Information reported to the Group's management for the purpose of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available.

No segment of assets and liabilities are presented as no discrete financial information is available.

Majority of the non-current assets of the Group are located in the PRC and with country of domicile being the PRC.

4 OTHER GAINS, NET

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Foreign exchange gains, net	7,596	250
Loss on disposal of property, plant and equipment	(86)	(70)
Net fair value gains on financial assets at		
fair value through profit or loss	185	3,547
	7,695	3,727

5 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Depreciation charge of property, plant and equipment	361,755	314,713
Depreciation charge of right-of-use assets	26,060	16,684
Employee benefit expenses (including directors' emoluments)	30,329	30,353
Electricity	13,108	15,984
Repair and maintenance	21,445	19,058
Insurance expenses	3,361	2,520

6 FINANCE INCOME AND FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Finance income		
Interest income from bank deposits	1,511	2,583
Interest income on loan to an investment accounted for using the equity method	315	—
	1,826	2,583
Finance costs		
Interest on lease liabilities	26,298	22,313
Interest expense on bank borrowings	121,246	159,859
	147,544	182,172

7 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Current income tax		
PRC corporate income tax (“CIT”) <i>(Note (c))</i>	142,372	149,583
Overseas tax <i>(Note (d))</i>	17	—
PRC withholding tax <i>(Note (e))</i>	2,500	23,000
Deferred income tax	(9,569)	(10,254)
	<u>135,320</u>	<u>162,329</u>

Notes:

- (a) The Company was incorporated in the British Virgin Islands and is exempted from payment of the British Virgin Islands income tax.
- (b) No provision for Hong Kong profits tax has been made for the period as the Group did not generate any assessable profits arising in Hong Kong during the period.
- (c) The applicable CIT rate for the Group’s subsidiaries in the PRC is 25% (2024: 25%) except that:
- A subsidiary engaging in operation and management of solar farms in Anhui Province is qualified as a “High and New Technology Enterprise” and would be entitled to enjoy a preferential CIT rate of 15% (2024: 15%);
 - A subsidiary engaging in development of operation and management systems in Guangxi Zhuang Autonomous Region is qualified as an “Encouraged Enterprise” in the Catalogue of Industries Encouraged for Foreign Investment in Central and Western Region and would be entitled to enjoy a preferential CIT rate of 15% (2024: 9%);

- Ten subsidiaries engaging in solar farms business are eligible as a Small Low-profit Enterprise is subject to preferential tax treatments. a Small Low-profit Enterprise with annual taxable income not more than RMB1,000,000 is subject to Enterprise Income Tax calculated at 25% of its taxable income at a tax rate of 20% (2024: Nil); and
 - Subsidiaries engaging in the solar farms business enjoyed tax holiday and their profits are fully exempted from the CIT for three years starting from its first year of revenue generation, followed by 50% reduction in CIT in next three years. However, their government grants and compensation of insurance claims received are subject to the CIT rate of 25% (2024: 25%).
- (d) Taxation on overseas profits mainly include Malaysia income tax which has been calculated on the estimated assessable profits for the year at the standard Malaysia corporate income tax rates of 24% (2024: Nil).
- (e) Withholding tax on remitted earnings

Withholding tax is levied on dividends declared to foreign investors by the foreign investment enterprises established in the PRC, in respect of earnings generated after 31 December 2007. For the six months ended 30 June 2025, dividends remitted from the PRC subsidiaries were subject to 5% withholding tax.

8 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
		(Restated)
Profit attributable to equity holders of the Company (RMB'000)	449,842	364,448
Weighted average number of ordinary shares in issue (thousands)	8,376,654	8,256,589
Basic earnings per share (RMB cents)	5.37	4.41

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the six months ended 30 June 2025 and 2024, diluted earnings per share equal basic earnings per share as these were no potential dilutive share.

9 DIVIDENDS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Final dividend for 2024 of 2.7 HK cents		
(2023: 2.6 HK cents) per share	207,398	198,721
Proposed interim dividend of 2.9 HK cents		
(2024: 2.3 HK cents) per share	222,080	177,750

At a meeting of the Board held on 1 August 2025, the Directors resolved to declare an interim dividend of 2.9 HK cents per share for the six months ended 30 June 2025. This interim dividend, amounting to HK\$242,923,000, equivalents to RMB222,080,000, is based on 8,376,653,757 issued shares as at 30 June 2025 and has not been recognised as a liability in this unaudited condensed consolidated interim financial information. It will be recognised in shareholders' equity in the year ending 31 December 2025.

10 PROPERTY, PLANT AND EQUIPMENT

	Solar farms	Buildings	Motor vehicle, furniture and fixtures, equipment and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Six months ended				
30 June 2025 (Unaudited)				
Opening net book amount	15,222,718	144,598	27,632	15,394,948
Additions	182,348	—	6,341	188,689
Disposal	(5,780)	—	(23)	(5,803)
Depreciation charges	(356,069)	(3,463)	(2,223)	(361,755)
Closing net book amount	<u>15,043,217</u>	<u>141,135</u>	<u>31,727</u>	<u>15,216,079</u>
At 30 June 2025 (Unaudited)				
Cost	19,079,606	196,196	48,489	19,324,291
Accumulated depreciation	<u>(4,036,389)</u>	<u>(55,061)</u>	<u>(16,762)</u>	<u>(4,108,212)</u>
Net book amount	<u>15,043,217</u>	<u>141,135</u>	<u>31,727</u>	<u>15,216,079</u>

11 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Trade receivables (<i>Note (a)</i>)	4,786,729	4,247,035
Less: Loss allowance for trade receivables	(47,867)	(42,470)
Trade receivables, net	4,738,862	4,204,565
Deposits and other receivables (<i>Note (b)</i>)	38,054	43,177
Other tax receivables (<i>Note (c)</i>)	270,471	304,456
Prepayments for land use rights and property, plant and equipment	33,782	27,735
Other prepayments	93,074	28,112
	5,174,243	4,608,045
Less: Non-current portion		
Prepayments for land use rights and property, plant and equipment	(33,782)	(27,735)
Current portion	5,140,461	4,580,310

Notes:

(a) Trade receivables

As at 30 June 2025, trade receivables comprise receivables from sales of electricity and tariff adjustment receivables. The category analysis of trade receivables is set out below:

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Receivables from sales of electricity	184,052	168,355
Tariff adjustment receivables	4,602,677	4,078,680
	4,786,729	4,247,035

Receivables from sales of electricity were usually settled on a monthly basis by the state-owned grid enterprises. Tariff adjustment receivables represent government subsidies on renewable energy to be received from the state-owned grid enterprises in accordance with prevailing government policies and prevalent payment pattern of the Ministry of Finance.

The ageing analysis of trade receivables based on the Group's revenue recognition policy is as follows:

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
0 to 90 days	441,824	378,705
91 days to 180 days	237,053	325,528
181 days to 365 days	567,084	549,483
Over 365 days	3,540,768	2,993,319
	<u>4,786,729</u>	<u>4,247,035</u>

The carrying amounts of the Group's trade receivables are denominated in RMB.

(b) Deposits and other receivables

Deposits and other receivables are all expected to be recoverable and therefore no provision was made. The ageing of deposits and other receivables was within one year. The carrying amounts of the Group's deposits and other receivables are mainly denominated in RMB.

(c) Other tax receivables

Other tax receivables mainly represent value added tax ("VAT") recoverable, which is creditable input VAT on purchase of property, plant and equipment (including construction in progress). They will be offset against output VAT on sales of solar electricity and tariff adjustment. The balance is denominated in RMB.

(d) The carrying amounts of trade and other receivables approximate their fair values.

12 SHARE CAPITAL

	Number of ordinary shares	Ordinary shares of HK\$0.01 each	Total
		<i>HK\$</i>	<i>HK\$'000</i>
Authorised:			
At 1 January and 30 June 2025	800,000,000,000	8,000,000,000	8,000,000
	Number of ordinary shares	Ordinary shares of HK\$0.01 each	Total
		<i>RMB</i>	<i>RMB'000</i>
Issued and fully paid: (<i>Unaudited</i>)			
At 1 January and 30 June 2025	8,376,653,757	72,497,222	72,497

13 ACCRUALS AND OTHER PAYABLES

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Payables for property, plant and equipment	407,766	418,509
Others (<i>Note (b)</i>)	61,863	47,373
	469,629	465,882
Less: Non-current portion		
Retention payables for property, plant and equipment	(16,981)	(15,378)
Current portion	452,648	450,504

Notes:

- (a) The carrying amounts of accruals and other payables are mainly denominated in RMB and approximate their fair values.
- (b) The balance mainly comprises accruals of professional fees, interest for bank borrowings and accrued staff costs.

14 BANK BORROWINGS

The bank borrowings are unsecured and repayable as follows:

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Within 1 year	2,433,489	2,541,250
Between 1 and 2 years	849,596	840,041
Between 2 and 5 years	1,424,753	1,696,935
Over 5 years	2,549,035	2,252,248
	7,256,873	7,330,474
Less: Non-current portion	(4,823,384)	(4,789,224)
Current portion	<u>2,433,489</u>	<u>2,541,250</u>

As at 30 June 2025 and 31 December 2024, the carrying amounts of the Group's bank borrowings are approximate their fair values and denominated in the following currencies:

	As at	
	30 June	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
HKD	—	1,521,340
RMB	7,256,873	5,809,134
	<u>7,256,873</u>	<u>7,330,474</u>

As at 30 June 2025 and 31 December 2024, majority of bank borrowings bore floating interest rates and were exposed to interest rate changes. These bank borrowings are repayable by instalments up to 2045 (31 December 2024: 2045).

The effective interest rates per annum at reporting date were as follows:

	As at	
	30 June	31 December
	2025	2024
	(Unaudited)	(Audited)
Bank borrowings	2.88%	3.50%

As at 30 June 2025 and 31 December 2024, corporate guarantees were provided by the Company and its subsidiaries for the bank borrowings.

15 RELATED PARTY TRANSACTIONS

(a) Related party transactions

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the period.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
		(Restated)
One-off transaction		
Acquisition of a subsidiary from a fellow subsidiary	14,839	140,534
Continuing transactions		
Solar farm operation and management services		
fee receivable from subsidiaries of Xinyi Solar		
Holdings Limited (“ Xinyi Solar ”) (Note)	4,613	5,925
Sale of green electricity certificate to Xinyi Solar	227	—
Interest income on loan to an investment		
accounted for using the equity method	315	—

Note:

The transaction constituted continuing connected transactions as defined in Chapter 14A of the Listing Rules. The transactions were conducted at mutually agreed prices and terms.

(b) Balances with related parties

	As at	
	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Due from fellow subsidiaries:		
– Chaohu Jindao Photovoltaic Power Generation Company Limited*	82	24
– Hepu County Xinyi Renewable Energy Limited*	147	71
– Hepu County Xinyi Solar Limited*	395	251
– Kaiping City Ruide Renewable Energy Limited*	46	49
– Taonan Runhe Risheng Photovoltaic Agricultural Development Company Limited*	74	61
– Wuhu Xinbai Renewable Energy Limited *	73	60
– Xinyi Photovoltaic (Qujing) Limited *	—	94
– Xinyi Solar (Bozhou) Limited*	139	89
– Xinyi Solar (Jinzhai) Limited*	436	367
– Xinyi Solar (Wangjiang) Limited*	205	210
– Xinyun Renewable Energy (Yunfu) Limited*	60	60
	1,657	1,336
Due from an investment accounted for using the equity method:		
– Parkland Renewable Energy Sdn. Bhd. #	—	2,235
Loan to an investment accounted for using the equity method:		
– Parkland Renewable Energy Sdn. Bhd. #	7,968	—
Due to fellow subsidiaries:		
– Anhui Xinhao Renewable Energy Limited*	(806)	—
– Sun Wisdom Development Limited*	(84,937)	(85,912)
	(85,743)	(85,912)

* Companies under control of Xinyi Solar

An investment with its issued share capital owned as to 40% by the Group

The amounts due from and due to related parties and an investment accounted for using the equity method are unsecured, interest free and repayable on demand. The amounts approximate their fair values and are denominated in HK\$, RMB and Malaysian Ringgit (“MYR”).

Loan to an investment accounted for using the equity method is dominated in MYR and interest bearing. The effective interest rate at reporting date is 7.9%.

(c) Leases

		Six months ended 30 June	
		2025	2024
		<u>RMB'000</u>	<u>RMB'000</u>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
			<i>(Restated)</i>
Interest expense on lease liabilities in relation to			
office area recognised by the Group as			
a lessee to related parties:			
– Cheer Wise Investment Limited (“Cheer Wise”)	(i), (iii)	3	3
– Xinyi Energy Smart (Wuhu) Company Limited			
(“Xinyi Energy Smart”)	(i), (iv)	30	52
– Xinde Gong Yuan (Wuhu) Limited			
(“Xinde (Wuhu)”))	(ii), (v)	19	—
		<u>52</u>	<u>55</u>

Notes:

- (i) Both companies under control of Xinyi Glass Holdings Limited, a major shareholder of Xinyi Solar.
- (ii) The company under control of Dr. LEE Yin Yee, S.B.S., Datuk Wira TUNG Ching Bor D.C.S.M., Tan Sri Datuk TUNG Ching Sai, J.P., Mr. LEE Sing Din, Mr. LI Ching Wai, Mr. LI Man Yin, Mr. SZE Nang Sze, Mr. NG Ngan Ho, and Mr. LI Ching Leung.
- (iii) Approximate 30 square meter (“sq.m.”) office area in Hong Kong was provided by Cheer Wise for the Group’s operations with rental mutually agreed.
- (iv) Approximate 1,500 sq.m. office area in Wuhu has been provided by Xinyi Energy Smart for the Group’s occupations with rental mutually agreed.
- (v) Approximate 980 mu land area in Wuhu has been provided by Xinde (Wuhu) for the Group’s occupations with rental mutually agreed.

(d) Key management compensation

Key management includes executive and non-executive directors as well as senior management.

The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>(Restated)</i>
Salaries, allowances and benefits in kind	2,350	6,018
Retirement benefits scheme contributions	33	33
Share options granted	17	—
	2,400	6,051

16 CONTINGENCIES

The Group did not have any significant contingent liabilities as at 30 June 2025 and 31 December 2024.

MANAGEMENT’S DISCUSSION AND ANALYSIS

OVERVIEW

The government of the People’s Republic of China (the “**PRC**”) has pledged to achieve the peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060, which has become a strong motivation for the profound transformation of the use of energy and its consumption level. To accomplish this policy goal, the PRC government has introduced a series of policy measures to support the development of the photovoltaic industry, including financial subsidies, grid-connection facilitation, land-use preferential policies and incentives for technological innovation, which effectively promote the rapid development of the industry. Meanwhile, over the past decade, the power generation efficiency of the photovoltaic technology has gradually improved, which has significantly reduced the production and energy storage costs. Combined with the continuous decreases in the costs of polysilicon, photovoltaic modules and installation in recent years, the use of the photovoltaic energy has become the preferred choice of clean energy that possesses both economic viability and sustainability. Policy guidance and technological breakthroughs have also driven the explosive growth in the newly installed capacity of photovoltaic power generation, to become a critical part of the PRC’s energy landscape.

In January 2025, the National Energy Administration of the PRC (the “**NEA**”) issued the “Administrative Measures for the Development and Construction of Distributed Photovoltaic Power Generation” (《分佈式光伏發電開發建設管理辦法》) (the “**Administrative Measures**”), which clearly established a policy transition timeline. According to the Administrative Measures, all distributed photovoltaic projects connected to the grid before 1 May 2025 are eligible for fixed financial subsidies for a period of 20 years, while newly built projects connected to the grid on or after 1 May 2025 will be fully integrated into a market-oriented operation mechanism, with no further subsidies provided by the PRC government. Project revenue will be entirely determined by demand and supply.

Subsequently, in February 2025, the National Development and Reform Commission (the “**NDRC**”) and the NEA jointly issued the “Notice on Deepening the Market-Oriented Reform of New Energy Feed-in Tariffs and Promoting the High-Quality Development of New Energy” (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》) (the “**Reform Notice**”), which further enhanced the full integration of new energy projects, such as wind and solar power, into the electricity market. The Reform Notice clearly distinguishes between existing and new projects. For the existing projects connected to the grid before 1 June 2025, settlement will be achieved through differential pricing to align with current policies. For the new projects commissioned on or after 1 June 2025, the scale of electricity included in the mechanism will be adjusted dynamically based on the completion status of new energy development targets set for each region, and the tariff will be determined through market-based bidding process organised by local governments. The introduction of these two policies has triggered two distinct waves of “installation rush” in the PRC’s photovoltaic market during the 1H2025.

Benefiting from a series of recently introduced supportive policies for the photovoltaic industry, the increasing maturity of technology and significant cost reductions, the newly installed capacity of photovoltaic power stations in the PRC has grown rapidly. The construction pace further accelerated with the two consecutive waves of “installation rush” in the 1H2025. Statistics show that newly installed photovoltaic capacity exceeded 200 gigawatts (“**GW**”) in the 1H2025, with the monthly installation capacity reached a peak of 92.92 GW in May 2025. These developments solidify the position of photovoltaic power as the PRC’s third-largest power source, trailing only thermal and hydro power, underscoring its increasingly strategic role in the country’s energy mix.

With the rapid expansion of photovoltaic power stations in recent years, in particular the two policy-driven “installation rushes” in 1H2025, a temporary imbalance between resource allocation and grid consumption capacity has been created and hindered the grid from fully accommodating the solar-generated electricity. As a result, the Group incurred certain electricity curtailment losses during the period because of the grid consumption constraints.

Meanwhile, as energy authorities in various PRC provinces have gradually required solar power farms to participate in market-based electricity trading (the “**Market-Based Electricity Trading**”), the sale of electricity by photovoltaic projects in the PRC has been transitioning from policy-guaranteed pricing to a market-driven mechanism based on demand and supply. This shift aims to improve operational efficiency, optimise resource allocation and reduce overall costs. However, in some PRC provinces, certain trading tariffs under the Market-Based Electricity Trading mechanism are slightly lower than the feed-in-tariffs (the “**FiT**”), resulting in a decrease in electricity revenue from the sales of electricity.

The revenue of the Group recorded an increase of 7.7% to RMB1,210.2 million during the 1H2025, as compared to RMB1,124.0 million for the 1H2024. The profit attributable to the equity holders of the Company increased by 23.4% to RMB449.8 million during the 1H2025, as compared to RMB364.4 million for the 1H2024. During the 1H2025, the basic earnings per share attributable to the equity holders of the Company were RMB5.37 cents, as compared to RMB4.41 cents for the 1H2024.

BUSINESS REVIEW

Revenue contribution in the 1H2025

During the 1H2025, the total electricity generated by the solar farm projects owned and operated by the Group increased by 22.7%, as compared to the 1H2024, primarily due to the successful acquisition of one utility-scale solar farm project during the 1H2025 and the additional sales of electricity generated from the 2024 Portfolio after its full operation in 2025. The total revenue contributed by the 2024 Portfolio and 2025 Portfolio amounted to RMB137.1 million. During the 1H2025, the Group's revenue increased by 7.7%, as compared to the 1H2024, partially offset by electricity curtailment losses due to grid consumption constraints and the increased frequency and volume of the Market-Based Electricity Trading.

Capacity expansion of solar farm projects in the 1H2025

During the 1H2025, the Group acquired from Xinyi Solar Holdings Limited (“**Xinyi Solar**”) and its subsidiaries (collectively, the “**Xinyi Solar Group**”) one utility-scale solar farm project in the PRC with an approved capacity of 30 megawatts (“**MW**”). This project is under the grid-parity regime. As of 30 June 2025, the Group operated and owned utility-scale solar farm projects with an aggregate approved capacity of 4,540.5 MW, of which 1,734 MW were under the FiT regime and 2,806.5 MW were under the grid-parity regime.

In recent years, the Group has focused on investments in grid-parity solar farm projects, gradually reducing its reliance on the FiT regime, for the purpose of improving the predictability and stability of its cash flow. During the 1H2025, the sale of electricity contributed 61.2% of the revenue of the Group, representing an increase of 14.9%, as compared to the 1H2024. With the continuous increase in the number of grid-parity projects and a steady rise in project cash returns, the Group's operating cash flow has continued to improve, while its liquidity and financial stability have also been enhanced.

FINANCIAL REVIEW

Revenue

During the 1H2025, the Group's revenue was mainly derived from two core businesses, namely (i) solar power electricity generation and (ii) provision of solar farm operation and management services. During the 1H2025, the amount of revenue from the solar power electricity generation slightly increased, as compared to the 1H2024, mainly due to the revenue contribution from the 2024 Portfolio.

The table below sets forth an analysis of the Group's revenue in the 1H2025, as compared to the 1H2024.

	1H2025		1H2024		Change	
					Increase/ (decrease)	
	<u>RMB' million</u>	<u>%</u>	<u>RMB' million</u>	<u>%</u>	<u>RMB' million</u>	<u>in %</u>
			<i>(Restated)</i>			
Sales of electricity	740.5	61.2	644.2	57.3	96.3	14.9
Tariff adjustment	465.0	38.4	473.9	42.2	(8.9)	(1.9)
	1,205.5	99.6	1,118.1	99.5	87.4	7.8
Operation and management services	4.7	0.4	5.9	0.5	(1.2)	(20.3)
Total	<u>1,210.2</u>	<u>100.0</u>	<u>1,124.0</u>	<u>100.0</u>	86.2	7.7

The Group's revenue contributed by the sales of electricity increased by 14.9% to RMB740.5 million and partly offset by the tariff adjustments which decreased by 1.9% to RMB465.0 million, as compared to the 1H2024. The increase in total revenue was primarily due to contribution of the 2024 Portfolio, partly offset by the impact of grid consumption constraints and increase in the number and the volume of the Market-Based Electricity Trading.

During the 1H2025, the Group's revenue from solar power electricity generation was contributed by the following utility-scale solar farm projects:

Solar farm projects	Location in the PRC	Approved capacity (MW)
Initial solar farm projects owned and operated by the Group	Nine solar farm projects located in Anhui Province, Fujian Province, Hubei Province and Tianjin Municipality	954
Solar farm projects newly added in 2019 (“ 2019 Portfolio ”)	Six solar farm projects located in Anhui Province, Hubei Province and Henan Province	540
Solar farm projects newly added in 2020 (“ 2020 Portfolio ”)	Five solar farm projects located in Anhui Province, Hubei Province and Guangdong Province	340
Solar farm projects newly added in 2021 (“ 2021 Portfolio ”)	Eight solar farm projects located in Anhui Province, Hubei Province, Hebei Province and Guangdong Province	660
Solar farm projects newly added in 2022 (“ 2022 Portfolio ”)	Seven solar farm projects located in Hubei Province, Hebei Province, Shaanxi Province and Inner Mongolia Autonomous Region	520
Solar farm projects newly added in 2023 (“ 2023 Portfolio ”)	Four solar farm projects located in Hainan Province, Guangdong Province and Anhui Province	636.5
Solar farm projects newly added in the 2024 (“ 2024 Portfolio ”)	Seven solar farm projects located in Guangdong Province, Yunnan Province and Anhui Province	860
Solar farm project newly added in the 1H2025 (“ 2025 Portfolio ”)	Sanshan Gaoan Solar Farm in Anhui Province	30
Total		4,540.5

During the 1H2025, the Group's revenue generated from the provision of solar farm operation and management services amounted to RMB4.7 million, which represented 0.4% of the total revenue. Pursuant to the Solar Farm Operation and Management Agreement, Xinyi Solar has agreed to engage the Group to operate and manage its connection-ready solar farm projects. All of the revenue in the 1H2025 generated from the services was charged on normal commercial terms taking into consideration factors such as service quality, work efficiency and price, as compared to the services provided to independent third parties.

Cost of sales

The Group's cost of sales increased by RMB61.1 million to RMB462.8 million, compared to the RMB401.7 million in the 1H2024. The increase was mainly due to the increase in (i) the depreciation charge of property, plant and equipment and right-of-use assets of the 2024 Portfolio and (ii) repair and maintenance expenses.

Gross profit

The Group's gross profit increased by RMB25.1 million, or 3.5%, to RMB747.4 million during the 1H2025, from RMB722.3 million during the 1H2024, which is in line with the increase in revenue. The increase was mainly due to the increase in the amount of revenue which outweighed the increase in the costs of sales as compared to 2024. The gross profit margin of the Group decreased to 61.8% during the 1H2025 from 64.3% during the 1H2024.

Other income

During the 1H2025, other income increased by RMB4.5 million to RMB13.5 million, as compared to RMB9.0 million during the 1H2024. The increase was mainly due to increase in (i) the receipt from the PRC government grants and (ii) the receipt of the insurance compensation, partially offset by the decrease in the miscellaneous income during the 1H2025.

Other gains, net

During the 1H2025, other gains, net significantly increased by RMB4.0 million to RMB7.7 million, as compared to RMB3.7 million during the 1H2024. The significantly increase was mainly due to the increase in foreign exchange gains, which was partially offset by the decrease in the interest income from financial assets at fair value through profit or loss.

Administrative expenses

The Group's administrative expenses increased by RMB9.3 million, from RMB22.6 million during the 1H2024 to RMB31.9 million during the 1H2025. The increase was mainly due to the increase in (i) miscellaneous expenses and (ii) insurance expenses, which was partially offset by the decrease in the employee benefit expenses.

Finance costs

The total finance costs of the Group amounted to RMB147.5 million during the 1H2025, as compared to RMB182.2 million during the 1H2024. The interest expenses on bank borrowings significantly decreased from RMB159.9 million during the 1H2024 to RMB121.2 million during the 1H2025. The decrease was mainly due to the declined in the bank borrowing's effective interest rate and slightly decreased in the balance of interest-bearing bank borrowings.

The interest component on the lease liabilities slightly increased from RMB22.3 million to RMB26.3 million due to the completion of the acquisition of the 2024 Portfolio.

Income tax expense

The Group incurred income tax expense of RMB135.3 million during the 1H2025, as compared to RMB162.3 million during the 1H2024. The decrease was principally due to the decrease in the amount of the PRC withholding tax on the dividends remitted from the PRC subsidiaries incurred during the 1H2025, partially offset by the impact of the (i) increase in profit before income tax of the solar farm projects which subjected to the payment of the PRC corporate income tax and (ii) 24 solar farm projects (1H2024: 16) commenced the full payment of the PRC corporate income tax at the statutory rate of 25%.

EBITDA and net profit

During the 1H2025, the EBITDA (earnings before interest, taxation, depreciation and amortisation) was RMB1,120.5 million, representing a increase of 7.7%, as compared to RMB1,040.9 million during the 1H2024.

Net profit attributable to equity holders of the Company during the 1H2025 was RMB449.8 million, representing a increase of 23.4%, as compared to RMB364.4 million during the 1H2024. The increase in the net profit margin from 32.4% during the 1H2024 to 37.2% during the 1H2025 was primarily due to (i) the increase in the amount of revenue and (ii) the decrease in the finance costs and the income tax expenses, which was partially offset by the increase in the depreciation charge of property, plant and equipment and right-of-use assets.

LIQUIDITY AND FINANCIAL RESOURCES

As of 30 June 2025, the Group's total assets increased by 2.0% to RMB22,103.6 million and its net assets increased by 1.9% to RMB12,744.8 million. The Group's current ratio as of 30 June 2025 was 1.7, as compared to 1.6 as of 31 December 2024. Such slight increase was due to (i) the increase in the amount of trade and other receivables; (ii) the increase in the loan to an investment accounted for using the equity method; (iii) the increase in the amount of cash and cash equivalents; and (iv) the increase in the current portion of the bank borrowing, which was partially offset by (i) payable of the final dividend for the year ended 31 December 2024; and (ii) the increase in the amount of accruals and other payable.

The Group's net gearing ratio (bank borrowing minus cash and cash equivalents divided by total equity) as of 30 June 2025 was 54.0%, as compared to 55.8% as of 31 December 2024. The decrease was mainly due to the increase in the amount of cash and cash equivalents and the decrease in the amount of bank borrowings.

As of 30 June 2025, the Group's financial position remained healthy, with the cash and cash equivalents of RMB374.7 million. During the 1H2025, the net cash generated from the operating activities was RMB309.0 million (1H2024: RMB169.6 million), which was primarily attributable to the (i) profit before income tax of RMB585.2 million; (ii) decrease in interest paid; and (iii) decrease in income tax paid and partially offset by the increase in trade and other receivables. Net cash used in investing activities amounted to RMB186.8 million (1H2024: RMB624.1 million), which was primarily attributable to (i) the payment for capital expenditure for 2024 Portfolio and 2025 Portfolio during the 1H2025; (ii) the settlement of the outstanding capital expenditure for the solar farm projects which had previously completed construction during the 1H2025; and (iii) advance to an investment accounted for using the equity method. Net cash used in financing activities amounted to RMB101.0 million (1H2024: generated RMB316.9 million) which was primarily attributable to repayment of bank borrowings of RMB994.6 million through partially offset by the new bank borrowing of RMB921.0 million.

BUSINESS OUTLOOK

The Reform Notice issued in February 2025 promoted the participation of the new energy projects into the electricity market, with FiT to be determined through Market-Based Trading Mechanism. Centred on the three key pillars of “market-based pricing”, “responsibility binding” and “cost-sharing”, the Reform Notice aims to establish a sustainable framework to facilitate the transition of the new energy sector from a policy-driven model to a market-oriented one, which lays the foundation for the PRC’s carbon neutrality goals. As of 30 June 2025, given that only exposure drafts of the Reform Notice had been released by provincial governments and no concrete implementation rules had yet been issued, the Group continued to closely monitor the policy developments. Once relevant measures are officially implemented across different regions in the PRC, the Group will further assess their actual impacts on our business operations, project returns and investment strategies.

Furthermore, as the detailed implementation rules under the Reform Notice of each province have not yet been finalised, the FiT applicable to the proposed solar farm project acquisition cannot be determined at this stage, nor can the acquisition costs be accurately estimated. As a result, the Group’s annual acquisition plan with Xinyi Solar for 2025 has been postponed. Upon the formal implementation of the policies and clarification of the pricing mechanism, the Group will reassess the intended acquisition and formulate a more feasible and return-oriented acquisition strategy, taking into consideration factors such as electricity curtailment loss, market-based electricity trading mechanism, location of the power-intensive regions and stability of the project returns. This approach will ensure efficient allocation of resources and stable investment returns. The solar farms currently held by the Group are in full operation. According to the draft for public comments published, it is expected that after the implementation of specific policies, the base tariff and the power generation hours of the Group’s existing projects will be safeguarded in a certain extent.

As the photovoltaic market continues to evolve, electricity trading is increasingly transitioning towards market-based mechanism. However, in some cases, market-based tariffs remain below traditional FiT, resulting in decreases in the Group's revenue generated from the sales of electricity and affecting the predictability of its business stability and financial budgeting. In response to this policy change, the Group is adjusting its operational strategies and implementing a comprehensive short-term and medium-to-long-term deployment to strengthen its adaptability to market-based trading. From a medium-to-long-term perspective, the Group plans to enter into mid-to-long-term power purchase & sale agreements with end users or electricity retailers to stabilise electricity sale prices, secure revenue ranges and mitigate the risks arising from market price fluctuations. In the short-term, the Group has established a market-based trading team and developed an electricity trading platform, power forecasting alongside AI-powered forecasting models to enhance real-time analysis of electricity price trends and supply-demand dynamics, which could improve the decision-making efficiency and the operational flexibility. From a holistic perspective, the Group aims to accelerate the digitalisation and intelligent upgrading of electricity trading mechanisms, strengthen its risk management framework and enhance its competitive edge.

The Group is progressing plans to establish an infrastructure securities investment fund for selected solar farm assets, with the aim of listing on a stock exchange in the PRC. This strategic initiative will facilitate the partial monetisation of the Group's portfolio of solar farms, reduce the Group's exposure to fixed assets and increase financial flexibility.

In recent years, there has been a significant divergence between onshore and offshore interest rates, and the interest rates for the offshore loans are generally higher than those in the PRC. To address the rising financing costs, the Group has increased the use of long-term onshore bank loans to refinance its existing short-term offshore loans. This strategy has not only alleviated the short-term financing pressure, but also helped reduce the effective annual interest rate on bank loans and then lowered the overall financing costs.

To further mitigate the impact of exchange rate fluctuations on its financials, the Group completed the currency conversion of all foreign currency-denominated bank loans into RMB in the 1H2025. As of 30 June 2025, only 33.5% of the Group's bank loans were classified as short-term, representing a decrease from 34.7% as of 31 December 2024. The decrease reflects the Group's strengthened capital structure and improved risk management capabilities.

In terms of the business expansion, to diversify the geographical footprint of its solar farms, a joint venture of the Group has successfully won the bid of a large-scale solar farm project in Malaysia with an approved capacity of 100 MW in 2024, which is expected to be constructed in the second half of 2025. This marks a significant milestone in the Group's expansion into the Southeast Asian market. In addition, the Group will continue to seek opportunities in Malaysia and take part in bidding for more local new energy projects as appropriate, to secure promising projects and further expand its overseas businesses.

In addition to the project in Malaysia, the Group is actively exploring promising new energy investment opportunities in other overseas markets, including Japan and other Asia-Pacific areas. Through strategic international deployment, the Group strives to broaden its business footprint, enhance asset returns and deliver more stable and long-term growth-oriented investment returns for Shareholders, while accelerating the global transition to green energy.

CAPITAL EXPENDITURES AND COMMITMENTS

During the 1H2025, the Group incurred capital expenditures of RMB182.7 million, which were mainly used in (i) the acquisition and further refinement of the existing and newly added solar farm projects and (ii) the settlement of outstanding capital expenditures of the existing solar farm projects. As of 30 June 2025, the Group did not have any capital commitments (31 December 2024: Nil).

PLEDGE OF ASSETS

The Group did not have any pledged asset as security for bank borrowings as of 30 June 2025.

CONTINGENT LIABILITIES

As of 30 June 2025, the Group did not have any significant contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

During the 1H2025, the Group completed the acquisition of a solar farm project with an approved capacity of 30 MW in the PRC by way of completing the transfer of all issued shares of Wuhu Xintu Renewable Energy Limited (蕪湖信圖新能源有限公司) pursuant to the sale and purchase agreement dated 28 February 2024.

Save as disclosed above, there was no material acquisition and disposal of subsidiaries for the 1H2025.

TREASURY POLICIES AND EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The presentation currency of the Group's consolidated financial statements and the functional currency of its main subsidiaries are both RMB, while the Company's functional currency is HKD. Since most of the Group's business transactions are settled in RMB and the majority of its assets are located in the PRC, the Group is not significantly exposed to foreign exchange risk.

All of the revenue generated from the solar farm projects is denominated in RMB. To mitigate foreign exchange risk, the Group completed the conversion of all HKD denominated bank borrowings into RMB denominated bank borrowing in 1H2025.

During the 1H2025, the Group has not experienced any material difficulties and liquidity problems resulting from the currency exchange rate fluctuation. However, the Group may use financial instruments for hedging purposes as and when required. During the 1H2025, the Group did not use any financial instrument for hedging purpose.

EMPLOYEES AND REMUNERATION POLICY

The Group highly values its employees, sharing mutual benefits and growth with them. The Group constantly explores each employee's potential and ability. Likewise, the Group will continue to hire new employees when appropriate to support business development.

As of 30 June 2025, the Group had 428 full-time employees in total in Hong Kong and the PRC. Total staff costs, including Directors' emoluments were RMB30.3 million for the 1H2025. The employees are remunerated based on their qualifications, job nature, performance and work experiences, while taking reference from the prevailing market rate. Apart from the basic remuneration and discretionary bonus, the Group also provides a mandatory provident fund scheme to employees in Hong Kong and statutory social welfare contribution to employees in the PRC, while adhering to the local laws and regulations.

CAPITAL STRUCTURE

During the 1H2025, there has been no material change in the capital structure of the Company. The capital of the Group companies is the ordinary shares.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the Company in November 2018, 3,500,000 share options were granted to selected employees in March 2025. The validity period of the options is from 31 March 2025 to 31 March 2029. One third of the options will vest on each of 31 December 2025, 2026 and 2027 if each grantee has met the conditions of vesting as stated in the letter of grant.

EVENT AFTER THE REPORTING PERIOD

There was no significant event affecting the Group which occurred after 30 June 2025 and up to the date of this announcement.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to declare an interim dividend (the “**Interim Dividend**”) of 2.9 HK cents per share for the 1H2025 (1H2024: 2.3 HK cents) to be paid to the Shareholders with their names recorded on the register of members of the Company at the close of business on Wednesday, 20 August 2025. The Interim Dividend is expected to be payable on or about Friday, 10 October 2025. The register of members of the Company will be closed from Monday, 18 August 2025 to Wednesday, 20 August 2025 (both days inclusive), during which period no transfer of shares will be registered. The record date for determining the entitlement of the Shareholders to the Interim Dividend will be Wednesday, 20 August 2025. In order to qualify for the Interim Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration by 4:30 p.m. on Friday, 15 August 2025.

Shareholders will be given an option to receive the Interim Dividend in cash or in new and fully-paid shares of the Company, in whole or in part, in lieu of cash dividend. The scrip dividend scheme (the “**Scrip Dividend Scheme**”) is subject to The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the new shares to be allotted and issued under the Scrip Dividend Scheme.

The Company will announce separately further information on the Scrip Dividend Scheme which includes the market value of the scrip shares under the Scrip Dividend Scheme which is expected to represent a discount to the average closing price per share as quoted on the Stock Exchange for the five consecutive trading days commenced on Thursday, 14 August 2025 until Wednesday, 20 August 2025 (both days inclusive) rounded down to two decimal places.

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

During the 1H2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the treasury shares) of the Company.

CORPORATE GOVERNANCE

The Directors confirm that the Company has complied with the applicable code provisions contained in the Corporate Governance Code as set forth in Part 2 of Appendix C1 to The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) during the 1H2025.

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 forth in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set forth in the Model Code during the 1H2025.

REVIEW OF THE INTERIM RESULTS

The Company’s unaudited interim results for the 1H2025 have not been reviewed by the external auditor but have been reviewed by the Company’s audit committee, comprising three independent non-executive Directors, namely, Mr. LEUNG Ting Yuk (Chairman of audit committee), The Hon. IP Kwok Him, G.B.M., G.B.S., J.P. and Ms. LYU Fang.

PUBLICATION OF THE INTERIM REPORT

The interim report of the Company for the 1H2025 containing all the relevant information required by Appendix D2 to the Listing Rules and other applicable laws and regulations will be published on the websites of the Stock Exchange and the Company in due course.

On behalf of the Board
XINYI ENERGY HOLDINGS LIMITED
LEE Shing Put, B.B.S.
Chairman

Hong Kong, 1 August 2025

As of the date of this announcement, the Board comprises four executive Directors, namely, Mr. LEE Shing Put, B.B.S. (Chairman of the Board), Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P., Mr. TUNG Fong Ngai (Chief Executive Officer) and Mr. LEE Yau Ching, and three independent non-executive Directors, namely Mr. LEUNG Ting Yuk, The Hon. IP Kwok Him, G.B.M., G.B.S., J.P. and Ms. LYU Fang.

This announcement will be published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.xinyienergy.com.