GCL Technology Holdings Limited
協鑫科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)

ANNOUNCEMENT OF AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

Financial Highlights

	Year ended 31 December		
	2023	2022	% of changes
	RMB'million	*RMB'million*	
Continuing operations			
Revenue	**33,700.5**	35,930.5	-6.2%
Gross profit	**11,692.2**	17,495.5	-33.2%
Profit for the year attributable to owners of the Company	**2,510.1**	16,393.7	-84.7%
Basic earnings per share	**RMB9.47 cents**	RMB61.34 cents	-84.6%
Diluted earnings per share	**RMB9.46 cents**	RMB61.21 cents	-84.6%
Discontinued operations			
Loss for the year attributable to owners of the Company	**—**	(363.4)	N/A
Continuing and discontinued operations			
Profit for the year attributable to owners of the Company	**2,510.1**	16,030.3	-84.3%
Basic earnings per share	**RMB9.47 cents**	RMB59.98 cents	-84.2%
Diluted earnings per share	**RMB9.46 cents**	RMB59.86 cents	-84.2%

Note: Upon the distribution in specie of shares of GCL New Energy Holdings Limited ("GNE") during the year ended 31 December 2022, GNE has become an associate of the Group and the new energy business has been classified as discontinued operation.

RESULTS

The board of directors (the "**Board**" or the "**Directors**") of the Company announces the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2023 together with the comparative figures for the corresponding period in the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTES	**2023** *RMB'000*	2022 *RMB'000*
Continuing operations			
Revenue	*3*	**33,700,479**	35,930,485
Cost of sales and services rendered		**(22,008,306)**	(18,434,966)
Gross profit		**11,692,173**	17,495,519
Other income	*5*	**1,084,131**	975,631
Distribution and selling expenses		**(250,908)**	(142,916)
Administrative expenses		**(2,274,035)**	(1,706,283)
Finance costs	*4*	**(417,837)**	(239,507)
Reversal of impairment losses under expected credit loss model, net	*6*	**136,971**	235,855
Other expenses, gains and losses, net	*7*	**(5,859,456)**	(2,344,362)
Share of profits of associates		**203,192**	4,116,548
Share of losses of joint ventures		**(12,321)**	(87,883)
Profit before tax		**4,301,910**	18,302,602
Income tax expense	*8*	**(974,806)**	(1,880,020)
Profit for the year from continuing operations	*9*	**3,327,104**	16,422,582
Discontinued operation			
Loss for the year from discontinued operation	*15*	**—**	(942,631)
Profit for the year		**3,327,104**	15,479,951

	2023	2022
	RMB'000	*RMB'000*
Other comprehensive (expense) income		
Items that will not be reclassified to profit or loss:		
Fair value (loss)/gain on investments in equity instruments at fair value through other comprehensive income	**(1,111,993)**	64,215
Share of other comprehensive income of associates	**64,806**	67,530
	(1,047,187)	131,745
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**6,136**	76,490
Share of other comprehensive income (expense) of an associate	**538**	(941)
Reclassification of exchange differences upon Distribution in Specie	**—**	(3,013)
	6,674	72,536
Other comprehensive (expense) income for the year	**(1,040,513)**	204,281
Total comprehensive income for the year	**2,286,591**	15,684,232
Profit (loss) for the year attributable to:		
Owners of the Company		
– from continuing operations	**2,510,076**	16,393,668
– from discontinued operation	**—**	(363,361)
	2,510,076	16,030,307
Non-controlling interests		
– from continuing operations	**817,028**	28,914
– from discontinued operation	**—**	(579,270)
	817,028	(550,356)
	3,327,104	15,479,951
Total comprehensive income (expense) for the year attributable to:		
Owners of the Company	**1,469,563**	16,202,796
Non-controlling interests	**817,028**	(518,564)
	2,286,591	15,684,232

	NOTES	**2023** *RMB cents*	2022 *RMB cents*
Earnings per share	*11*		
From continuing and discontinued operations			
– Basic		**9.47**	59.98
– Diluted		**9.46**	59.86
From continuing operations			
– Basic		**9.47**	61.34
– Diluted		**9.46**	61.21

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2023

	NOTES	**2023** **RMB'000**	2022 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**34,783,732**	26,530,692
Right-of-use assets		**1,541,452**	1,570,978
Investment properties		**365,352**	378,493
Intangible assets		**116,432**	150,944
Interests in associates		**5,786,822**	14,985,018
Interests in joint ventures		**149,234**	201,383
Investments at fair value through profit or loss		**844,203**	707,027
Equity instruments at fair value through other comprehensive income		**441,347**	30,309
Deferred tax assets		**597,888**	575,871
Deposits and other receivables		**1,250,104**	2,611,651
Amounts due from related companies – non-trade related	*14*	**2,169,172**	—
Pledged and restricted bank and other deposits		**31,154**	251,206
		48,076,892	47,993,572
CURRENT ASSETS			
Inventories		**2,884,246**	2,587,348
Trade and other receivables	*12*	**17,901,265**	23,621,398
Amounts due from related companies – trade related	*14*	**314,296**	221,067
Amounts due from related companies – non-trade related	*14*	**2,561,670**	567,682
Investments at fair value through profit or loss		**1,693,521**	253,845
Held for trading investments		**2,686**	3,035
Tax recoverable		**190,317**	137,533
Pledged and restricted bank and other deposits		**2,321,951**	3,543,342
Bank balances and cash		**6,821,328**	6,635,646
		34,691,280	37,570,896

	NOTES	2023 RMB'000	2022 RMB'000
CURRENT LIABILITIES			
Trade and other payables	*13*	**14,246,371**	19,580,904
Amounts due to related companies – trade related	*14*	**682,140**	219,923
Amounts due to related companies – non-trade related		**679,094**	3,276,441
Contract liabilities		**525,528**	1,113,281
Bank and other borrowings – due within one year		**5,315,936**	9,419,358
Lease liabilities – due within one year		**70,493**	104,904
Other financial liabilities		**525,695**	293,952
Derivative financial instruments		**15,972**	98,340
Deferred income		**28,557**	29,479
Tax payables		**49,140**	181,888
		22,138,926	34,318,470
NET CURRENT ASSETS		**12,552,354**	3,252,426
TOTAL ASSETS LESS CURRENT LIABILITIES		**60,629,246**	51,245,998
NON-CURRENT LIABILITIES			
Contract liabilities		**221,237**	136,200
Bank and other borrowings – due after one year		**9,951,069**	3,806,496
Lease liabilities – due after one year		**75,878**	46,179
Deferred income		**51,382**	85,515
Deferred tax liabilities		**2,011,971**	1,616,697
		12,311,537	5,691,087
NET ASSETS		**48,317,709**	45,554,911
CAPITAL AND RESERVES			
Share capital		**2,344,280**	2,359,838
Reserves		**40,242,736**	40,322,436
Equity attributable to owners of the Company		**42,587,016**	42,682,274
Non-controlling interests		**5,730,693**	2,872,637
TOTAL EQUITY		**48,317,709**	45,554,911

NOTES:

1. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (the "**IFRS Standards**") issued by the International Accounting Standards Board (the "**IASB**"). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment,* leasing transactions that are accounted for in accordance with IFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS STANDARDS")

New and amendments to IFRS Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRS Standards issued by the IASB for the first time, which are mandatorily effective for the Group's financial annual periods beginning on or after 1 January 2023 for the preparation of the consolidated financial statements:

- IFRS 17 and the Related Amendments - Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 12 - Deferred Tax Related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 - International Tax Reform–Pillar Two Model Rules

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendment to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

IAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 Making Materiality Judgements (the "Practice Statement") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

Amendments to IAS 8 Definition of Accounting Estimate

The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information. In addition, the concept of changes in accounting estimates in IAS 8 is retained with additional clarifications.

The amendments do not have a material impact on these financial statements as the Group's approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of IAS 12 *Income Taxes* so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Prior to the adoption of Amendments to IAS 12, for leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group previously applied IAS 12 requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis.

Upon the application of the amendments, the Group recognises a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities.

The application of the amendments does not have a material impact on the Group's financial position and performance because the deferred tax assets and the deferred tax liabilities as a result of the adoption of Amendments to IAS 12 qualify for offset under paragraph 74 of IAS 12. There was also no material impact on the opening balances as at 1 January 2022 as a result of the change.

Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules

The amendments apply to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Cooperation and Development, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The Group has applied the amendments for the first time in the current year retrospectively. In accordance with the transitional provisions, the Group applies the mandatory temporary exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

The amendments do not have a material impact on these financial statements.

Amendments to IFRS Standards in issue but not yet effective

The Group has not early applied the following amendments to IFRS Standards that have been issued but are not yet effective:

Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements [1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants[1]
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback[1]
Amendments to IAS 21	Lack of Exchangeability[2]

[1] Effective for annual periods beginning on or after 1 January 2024.

[2] Effective for annual periods beginning on or after 1 January 2025.

[3] Effective for annual periods beginning on or after a date to be determined.

Except for the amendments to IFRS Standards mentioned below, the Directors anticipate that the application of all other amendments to IFRS Standards will have no material impact on the consolidated financial statements.

Amendments to IAS 1 Classification of Liabilities as Current or Non-current ("2020 Amendments") and Non-current Liabilities with Covenants ("2022 Amendments")

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the 2020 Amendments clarify that:

  (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and

  (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying IAS 32 *Financial Instruments: Presentation ("IAS 32")*.

The 2022 Amendments modify the requirements introduced by the 2020 Amendments on how an entity classifies debt and other financial liabilities with covenants as current or non-current. The 2022 Amendments specify that only covenants with which the entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting period. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

The 2022 Amendments also specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classify liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

Based on the Group's outstanding liabilities as at 31 December 2023 and the related terms and conditions stipulated in the agreements between the Group and the relevant lenders, the application of the amendments will not result in a reclassification of the Group's liabilities.

Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of IFRS 15 to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to IAS 21 Lack of Exchangeability

The amendments specify a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. When a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.

When a currency is not exchangeable, an entity discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with early application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

3. SEGMENT INFORMATION

The Group's reportable and operating segments under IFRS 8 *Operating Segments* are as follows:

Continuing operations

— Solar material business – mainly manufactures and sales of polysilicon and wafer products to companies operating in the solar industry.

— Solar farm business – operates solar farms located in the United States of America (the "USA") and the PRC. These solar farms were constructed or acquired by the Group prior to obtaining a controlling stake in GNE.

Discontinued operation

— New energy business – represents the business operations of GNE, which is principally engaged in the development, construction, operation and management of solar farms. Upon the completion of distribution in specie of shares of GNE during the year ended 31 December 2022, GNE has become an associate of the Group and the new energy business segment has been classified as discontinued operation.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Year ended 31 December 2023

	Continuing Operations		
	Solar material business *RMB'000*	**Solar farm business** *RMB'000*	**Total** *RMB'000*
Segment revenue	**33,486,492**	**213,987**	**33,700,479**
Segment profit	**3,237,566**	**55,832**	**3,293,398**
Unallocated income			**33,014**
Unallocated expenses			**(119,236)**
Gain on fair value change of investments at FVTPL			**4,116**
Loss on fair value change of held for trading investments			**(390)**
Reversal of impairment loss under expected credit loss model, net			**221,271**
Share of loss of an associate			**(72,823)**
Share of losses of joint ventures			**(32,246)**
Profit for the year			**3,327,104**

Year ended 31 December 2022

	Continuing Operations			Discontinued operation	
	Solar material business	Solar farm business	Sub-total	New energy business	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Segment revenue	35,713,515	216,970	35,930,485	828,607	36,759,092
Elimination of inter-segment revenue	—	—	—	(9,038)	(9,038)
Revenue from external customer	35,713,515	216,970	35,930,485	819,569	36,750,054
Segment profit (loss)	16,535,166	33,897	16,569,063	(956,091)	15,612,972
Unallocated income			113,693	—	113,693
Unallocated expenses			(50,069)	—	(50,069)
Gain on fair value change of investments at FVTPL			5,592	—	5,592
Gain on fair value change of held for trading investments			392	—	392
Impairment loss under expected credit loss model, net			(147,445)	—	(147,445)
Share of loss of an associate			(29,076)	—	(29,076)
Share of losses of joint ventures			(26,108)	—	(26,108)
Operating expenses allocation for segment reporting purpose *(Note)*			(13,460)	13,460	—
Profit (loss) for the year			16,422,582	(942,631)	15,479,951

Note: The operating results of new energy business included allocated corporate expenses.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit (loss) of each respective segment excluding unallocated income, unallocated expenses, certain impairment losses under expected credit loss model, net, change in fair value of certain investments at FVTPL, change in fair value of held for trading investments, share of profits (losses) of interests in certain joint ventures and GNE. This is the measure reported to the CODM for the purpose of resources allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	2023	2022
	RMB'000	*RMB'000*
Segment assets		
Solar material business	**78,875,420**	81,800,878
Solar farm business	**1,873,437**	1,911,745
Total segment assets	**80,748,857**	83,712,623
Investments at FVTPL	**692,442**	418,457
Equity instruments at FVTOCI	**20,781**	30,309
Held for trading investments	**2,686**	3,035
Interest in an associate	**160,507**	231,753
Interests in joint ventures	**123,285**	189,222
Unallocated bank balances and cash	**694,737**	685,554
Unallocated corporate assets	**324,877**	293,515
Consolidated assets	**82,768,172**	85,564,468
Segment liabilities		
Solar material business	**33,766,895**	39,299,711
Solar farm business	**598,304**	668,363
Total segment liabilities	**34,365,199**	39,968,074
Unallocated corporate liabilities	**85,264**	41,483
Consolidated liabilities	**34,450,463**	40,009,557

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments, other than unallocated corporate assets, corporate bank balances and cash and other assets (including certain investments assets at FVTPL, certain equity instruments at FVTOCI, held for trading investments and certain interests in joint ventures and GNE) of the management companies and investment holding companies;

- All liabilities are allocated to operating segments, other than unallocated corporate liabilities of the management companies and investment holding companies; and

- Upon the completion of distribution in specie of shares of GNE (note 10) during the year ended 31 December 2022, GNE becomes an associate of the Group and the interest in GNE accounted for using equity method has been classified as "unallocated assets" and the perpetual notes classified as financial assets at fair value through other comprehensive income has been included in the segment assets of solar material segment.

Disaggregation of revenue from contracts with external customers from continuing operations

For the year ended 31 December 2023

Segments	**Solar material business** *RMB'000*	**Solar farm business** *RMB'000*	**Total** *RMB'000*
Types of goods or services			
Sales of wafer	**11,637,962**	**—**	**11,637,962**
Sales of electricity	**—**	**213,987**	**213,987**
Sales of polysilicon	**17,435,147**	**—**	**17,435,147**
Processing fees	**1,389,369**	**—**	**1,389,369**
Others (comprising the sales of ingots and industrial silicon)	**3,024,014**	**—**	**3,024,014**
Total	**33,486,492**	**213,987**	**33,700,479**

For the year ended 31 December 2022

Segments	Solar material business *RMB'000*	Solar farm business *RMB'000*	Total *RMB'000*
Types of goods or services			
Sales of wafer	14,045,577	—	14,045,577
Sales of electricity	—	216,970	216,970
Sales of polysilicon	17,661,338	—	17,661,338
Processing fees	2,793,280	—	2,793,280
Others (comprising the sales of ingots)	1,213,320	—	1,213,320
Total	35,713,515	216,970	35,930,485

Geographical information

The Group's revenue from external customers from continuing operations by customer's location is detailed below:

	2023 *RMB'000*	2022 *RMB'000*
The PRC	**33,012,014**	35,258,305
Others	**688,465**	672,180
	33,700,479	35,930,485

4. FINANCE COSTS

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
Interest on financial liabilities at amortised cost		
— bank and other borrowings	**527,498**	220,007
— other financial liabilities	**42,743**	15,859
Interest on lease liabilities	**10,380**	14,554
Total borrowing costs	**580,621**	250,420
Less: interest capitalised	**(162,784)**	(10,913)
	417,837	239,507

Interest expenses capitalised on qualifying assets represent the amount of interest on interest bearing debts which is directly attributable to the acquisition of property, plant and equipment and was capitalised as the cost of property, plant and equipment.

5. OTHER INCOME

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
Government grants	**312,368**	105,292
Bank and other interest income and other related income	**240,213**	100,809
Sales of scrap materials	**396,272**	708,179
Management and consultancy fee income	**15,046**	7,799
Rental and rental related income from related companies	**76,579**	26,947
Rental income	**13,062**	14,752
Write back of other payables	**7,652**	3,257
Compensation income	**18,701**	694
Recovery of bad debt written off	**—**	5,424
Others	**4,238**	2,478
	1,084,131	975,631

6. REVERSAL OF IMPAIRMENT LOSSES (IMPAIRMENT LOSSES) UNDER EXPECTED CREDIT LOSS MODEL, NET

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
Impairment losses reversed (recognised), net, in respect of		
— trade receivables – goods and services	**8,855**	301,008
— other receivables	**128,116**	(65,153)
	136,971	235,855

7. OTHER EXPENSES, GAINS AND LOSSES, NET

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
Research and development costs	**1,872,796**	1.685,721
Exchange losses/(gains), net	**25,105**	(139,971)
(Gain)/loss on fair value change of investments at FVTPL	**(53,914)**	81,050
Loss/(gain) on fair value change of held for trading investments	**390**	(392)
(Gain)/loss on fair value change of derivative financial instruments	**(82,368)**	3,604
Loss/(gain) on fair value change of convertible bond payable	**11,805**	(11,773)
Impairment loss on property, plant and equipment *(Note a)*	**1,128,134**	804,115
(Gain)/loss on disposal of property, plant and equipment	**(30,685)**	164,793
Gain on deemed disposal or partial disposal of associates	**(201,596)**	(201,537)
Gain on disposal of subsidiaries, net	**—**	(41,248)
Loss on disposal of and impairment loss on interest in an associate *(Note b)*	**3,189,789**	—
	5,859,456	2,344,362

Note a:

In face of the new energy changes and market challenges, the Director resolved that the Group will withdraw from the production of rod silicon with high cost and shift the limited production capacity to granular silicon with high profit margin so as to maximize the Group's profit with limited production capacity. During the year ended 31 December 2023, the Directors resolved that the production of rod silicon will be completely suspended by June 2023. The Directors conducted a review of the recoverable amount of the property, plant and equipment belonging to rod silicon business based on the scrap value. Additionally, certain property, plant and equipment became obsolete. Accordingly, an impairment loss of approximately RMB1,128 million was recognised in respect of the relevant property, plant and equipment of the solar material business segment for the year ended 31 December 2023.

Note b:

As stated in the Company's announcement dated 29 December 2023 and supplemental announcement dated 17 January 2024, relating to, among other things, the proposed dividend distribution and capital reduction by Xinjiang Goens Energy Technology Co., Ltd.* (新疆戈恩斯能源科技有限公司) ("**Xinjiang Goens**"), an associated company of the Group ("**Xinjiang Goens Transaction**"), a loss on disposal of and an impairment loss on the interest of associate — Xinjiang Goens with an aggregate amount of approximately RMB3,190 million was recognized for the year ended 31 December 2023 as a result of such transaction. Included in the total loss of RMB3,190 million, there were impairment loss on interest in Xinjiang Goens of RMB2,878 million and loss on disposal of RMB312 million. Additionally, the Xinjiang Goens Transaction resulted in the Group's sharing of loss of RMB703 million from an associate — Xuzhou Zhongping GCL Industrial Upgrading Equity Investment Fund LLP (徐州中平協鑫產業升級股權投資基金(有限合夥)) ("**Xuzhou Fund**") as Xuzhou Fund was a 34.5% shareholder of Xinjiang Goens prior to the completion of Xinjiang Goens Transaction and such sharing of loss was recorded in the line item of "Share of profits of associates" in the Group's consolidated statement of profit or loss and other comprehensive income.

8. INCOME TAX EXPENSE

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
PRC Enterprise Income Tax ("**EIT**")		
Current tax	**663,585**	1,193,390
Overprovision in prior years	**(92,024)**	(20,326)
PRC dividend withholding tax	**30,000**	—
	601,561	1,173,064
USA Federal and State Income Tax		
Current tax	**—**	118
Underprovision in prior years	**(12)**	26
	(12)	144
Deferred tax	**373,257**	706,812
	974,806	1,880,020

The PRC EIT for the year represents income tax in the PRC which is calculated at the prevailing tax rate on the taxable income of subsidiaries in the PRC.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for those subsidiaries described below. The overprovision of EIT in prior years arose mainly as a result of completion of tax clearance procedures by certain PRC subsidiaries with the respective tax authorities.

Certain subsidiaries operating in the PRC have been accredited as a "High and New Technology Enterprise" for a term of three years, and have been registered with the local tax authorities for enjoying the reduced 15% EIT rate. Accordingly, the profits derived by these subsidiaries are subject to 15% EIT rate. The qualification as a High and New Technology Enterprise will be subject to annual review by the relevant tax authorities in the PRC.

Federal and State income tax rates in the USA were calculated at 21% and 8.84%, respectively, for both years.

Hong Kong Profits Tax is calculated at 16.5% (2022: 16.5%) of the estimated assessable profit for the year.

The Group's subsidiaries, associates and joint ventures that are tax residents in the PRC are subject to the PRC dividend withholding tax of 5% or 10% for those non-PRC tax resident immediate holding companies registered in Hong Kong and the British Virgin Islands ("**BVI**"), respectively, when and if undistributed earnings are declared to be paid as dividends out of profits that arose on or after 1 January 2008.

9. PROFIT FOR THE YEAR

	2023	2022
	RMB'000	*RMB'000*
Continuing operations		
Profit for the year has been arrived at after charging (crediting) the following items:		
Staff costs, including directors' remuneration		
Salaries, wages and other benefits	**2,338,213**@	1,752,682@
Retirement benefits scheme contributions	**175,054**	131,457
Depreciation of property, plant and equipment	**3,201,730**	1,778,717
Depreciation of right-of-use assets	**184,979**	177,240
Depreciation of investment properties	**20,318**	17,085
Amortisation of other intangible assets	**34,512**	33,682
Total depreciation and amortisation	**3,441,539**	2,006,724
Less: amounts absorbed in opening and closing inventories, net	**(92,833)**	(50,237)
	3,348,706	1,956,487
Auditors' remuneration	**11,900**	13,450

@ Salaries, wages and other benefits included share-based payment expenses of approximately RMB152,801,000 (2022: RMB185,068,000).

10. DIVIDEND

	2023 RMB'000	2022 RMB'000
(i) Dividends payable to equity shareholders of the Company attributable to the year:		
Special interim dividend by way of distribution of shares in GNE *(Note a)*	—	1,963,482
Final dividend proposed after the end of the reporting period for the year ended 31 December 2022 of HK$6.0 cents per ordinary share *(Note b)*	—	1,423,154
	—	3,386,636
(ii) Dividends payable to equity shareholders of the Company attributable to previous financial year, approved and paid during the year:		
Final dividend in respect of the previous financial year, approved and paid during the year of HK$6.0 cents per ordinary share	**1,439,723**	—

Note:

(a) On 30 August 2022, a conditional special interim dividend was declared by the Board of the Company through a distribution in specie of 8,639,024,713 ordinary shares of GNE ("DIS shares") (approximately 31% of the issued capital of GNE) on the basis of 318 GNE shares for every 1,000 shares of the Company held by the shareholders of the Company ("Distribution in Specie"). The resolutions in relation to Distribution in Specie were passed by shareholders of the Company at the extraordinary general meeting held on 22 September 2022 and the DIS shares were distributed to the shareholders of the Company during the year ended 31 December 2022.

(b) The Final dividend proposed after the end of the reporting period for the year ended 31 December 2022 of RMB1,423,154,000 was calculated based on the total number of shares (adjusted for the ordinary shares held by the Trustee pursuant to the share award scheme) and the currency exchange rate as at the date of approval of the audited financial statements for the year ended 31 December 2022.

(c) The Board of the Company did not recommend payment of any dividend for the year ended 31 December 2023.

11. EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2023 *RMB'000*	2022 *RMB'000*
Earnings		
Earnings for the purpose of basic and diluted earnings per share (Profit for the year attributable to owners of the Company)	**2,510,076**	16,030,307

	2023	2022
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**26,513,507**	26,726,344
Effect of dilutive potential ordinary shares		
— Share options	**10,295**	25,403
— Share award scheme	**18,649**	28,991
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**26,542,451**	26,780,738

For the years ended 31 December 2023 and 2022, the weighted average number of ordinary shares for the purpose of calculation of basic earnings per share had been adjusted for (i) the effect of the ordinary shares held by the Trustee pursuant to the share award scheme and (ii) the effect of the treasury shares purchased by the Group from market and (iii) the effect of share options exercised.

Diluted earnings per share for the years ended 31 December 2023 and 2022 is calculated by adjusting the weighted average number of ordinary shares in issue during the period with the weighted average number of ordinary shares deemed to be issued or transferred assuming the dilutive impact of certain share options and award shares granted. In addition, certain share options and award shares granted were not assumed to be exercised as they would have an anti-dilutive impact on the earnings per share.

Diluted earnings per share for the years ended 31 December 2023 and 2022 did not assume the exercise of share options granted by GNE since the exercise would result in increase in earnings per share for 2023 and 2022. In addition, the convertible bond issued and put options granted by a subsidiary to non-controlling shareholders of a subsidiary have either anti-dilutive effect or insignificant dilutive effect on the earnings per share for the years ended 31 December 2023 and 2022.

From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to the owners of the Company is based on the following data:

Earnings figures are calculated as follows:

	2023	2022
	RMB'000	*RMB'000*
Profit for the year attributable to owners of the Company	**2,510,076**	16,030,307
Add: Loss for the year from discontinued operation attributable to owners of the Company	**—**	363,361
Earnings for the purpose of basic and diluted earnings per share		
Profit for the year from continuing operations attributable to owners of the Company	**2,510,076**	16,393,668

From discontinued operations

Basic loss per share from the discontinued operations for the year ended 31 December 2022 is RMB1.36 cent per share based on the loss for the year from the discontinued operation attributable to owners of the Company of RMB363,361,000 and the denominators set out above for basic earnings per share.

Diluted loss per share from discontinued operation for the year ended 31 December 2022 is RMB1.35 cents per share based on the loss for the year from discontinued operation attributable to owners of the Company of RMB363,361,000 and the denominators set out above for diluted earnings per share.

12. TRADE AND OTHER RECEIVABLES

	2023	2022
	RMB'000	*RMB'000*
Trade and bill receivables *(Note a):*		
— Bill receivables	**10,463,808**	17,853,765
— Trade receivables	**1,337,025**	979,834
	11,800,833	18,833,599
Other receivables:		
— Refundable value-added tax	**2,038,106**	1,463,673
— Consideration receivables	**—**	441,525
— Prepayments	**1,365,627**	920,380
— Amounts due from former subsidiaries *(Note b)*	**42,490**	42,490
— Short-term loan to third parties *(Note c)*	**1,600,000**	1,617,362
— Note receivables *(Note d)*	**176,345**	12,938
— Others	**1,218,095**	776,310
	18,241,496	24,108,277
Less: allowance for credit losses (Trade)	**(60,977)**	(79,509)
Less: allowance for credit losses (Non-Trade)	**(279,254)**	(407,370)
	17,901,265	23,621,398

Notes:

(a) The Group allows a credit period of approximately one month from the invoice date for trade receivables (excluding those arising from sales of electricity) and may further extend it for 3 to 6 months for settlement through bills issued by banks and financial institutions obtained from trade customers.

The following is an aging analysis of trade receivables (excluding sales of electricity and bills held by the Group for future settlement), net of allowances for credit losses, presented based on the invoice date at the end of the reporting period:

	2023	2022
	RMB'000	*RMB'000*
Within 3 months	**683,150**	478,009
3 to 6 months	**72,281**	5,521
Over 6 months	**415**	17,929
	755,846	501,459

For sales of electricity, the Group generally grants credit period of approximately one week and one month to oversea customers and power grid companies in the PRC, respectively from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective customers.

The following is an aging analysis of trade receivables arising from sales of electricity (excluding bills held by the Group for future settlement), net of allowances for credit losses, presented based on the invoice date at the end of the reporting period:

	2023	2022
	RMB'000	*RMB'000*
Unbilled *(Note)*	**517,847**	396,464
Within 3 months	**2,355**	1,856
3 to 6 months	**—**	546
	520,202	398,866

Note: Amount represents unbilled basic tariff receivables for solar power plants operated by the Group, and tariff adjustment receivables of those solar power plants already registered in the Renewable Energy Tariff Subsidy List. The Directors expect the unbilled tariff adjustments would be generally billed and settled within one year from the end of the reporting period.

All bills received by the Group are with a maturity period of less than one year.

(b) The amount represents amounts due from former subsidiaries of which the Group disposed of the entire interests during the years ended 31 December 2022 and 2021. As at 31 December 2023, the amounts were non-trade in nature, unsecured, non-interest bearing and had no fixed term of repayment.

(c) During the year ended 31 December 2022, the Group, the PRC banks and a government related entity ("the Borrower") entered into entrusted loan agreement pursuant to which the Group agreed to lend short-term loan through the PRC banks to the Borrower for an aggregate amount of RMB1.6 billion ("2022 Loan"). The amount was non-trade in nature, unsecured and interest bearing of 5.88% per annum and was fully repaid during the year ended 31 December 2023.

In December 2023, the Group, the PRC banks and the Borrowers entered into two entrusted loan agreements pursuant to which the Group agreed to lend short-term loans through the PRC banks to the Borrowers for an aggregate amount of RMB1.6 billion. The amounts were non-trade in nature, secured by the equity-interest in a state-owned company and interest bearing of 5.88% per annum and to be repaid on 27 December 2024.

Subsequent to the end of the reporting period, part of the above short-term loan of RMB0.49 billion was early repaid in February 2024 by the borrower to the Group.

(d) The amount represents the notes issued by the borrower. As at 31 December 2023, the amount was non-trade in nature, unsecured, interest bearing of 8% per annum, and to be matured within one year from the dates of subscription.

13. TRADE PAYABLES

The following is an aging analysis of trade payables (excluding bills presented by the Group for settlement) presented based on the invoice date at the end of the reporting period:

	2023	2022
	RMB'000	*RMB'000*
Within 3 months	**2,121,216**	3,345,033
3 to 6 months	**2,725,010**	4,605,580
More than 6 months	**405,976**	82,921
	5,252,202	8,033,534

14. BALANCES WITH RELATED COMPANIES

Amounts due from related parties — non-trade related:

As at 31 December 2023, the amounts were unsecured, non-interest-bearing and had no fixed term of repayment, except for (i) an amount of approximately RMB528,400,000 (2022: RMB528,400,000) which was a consideration receivable and will be repayable if the Group has fully settled the agreed capital contribution of the associate and (ii) the dividend receivable from Xinjiang Goens with carrying amount of approximately RMB4,162,938,000. (Non-current portion: RMB2,169,172,000, Current portion RMB1,993,766,000).

Trade related balances:

The following is an aging analysis of amounts due from related companies, associates and joint ventures (trade related), net of allowance of credit losses, at the end of the reporting period, presented based on the invoice date which approximated the respective revenue recognition dates:

	2023	2022
	RMB'000	*RMB'000*
Within 3 months	**164,708**	127,935
3 to 6 months	**6,593**	4,659
More than 6 months	**142,995**	88,473
	314,296	221,067

The following is an aging analysis of amounts due to related companies, associates and a joint venture (trade related) at the end of the reporting period, presented based on the invoice date:

	2023	2022
	RMB'000	*RMB'000*
Within 3 months	**253,086**	117,865
3 to 6 months	**161,749**	32
More than 6 months	**267,305**	102,026
	682,140	219,923

Note: The amounts due from/to related companies are unsecured, non-interest bearing and the credit period for trade-related balances are normally within 30 days (2022: 30 days).

15. DISCONTINUED OPERATION

As set out in note 10, a special interim divided by way of distribution of shares of shares of GNE was declared and distributed to the shareholders during the year ended 31 December 2022. Upon the completion of Distribution in Specie, the Group's effective interest in GNE was changed from 44.44% to 7.44%. The principal activities of GNE are the development, construction, operation and management of solar farms, which represent a separate line of major business and the Distribution in Specie constitutes the classification of GNE's operation as discontinued operation. Accordingly, the results of new energy business are presented as a discontinued operation in the consolidated financial statements.

The loss for the period from the discontinued operations is analysed as follows:

	2022 *RMB'000*
Revenue#	819,569
Cost of sales#	(446,143)
Gross profit	373,426
Other income#	57,309
Other gains and losses, net	(532,029)
Impairment loss on expected credit loss model, net	(138,867)
Administrative expenses#	(362,458)
Share of profits of associates	112,511
Finance costs	(438,196)
Loss before tax	(928,304)
Income tax expense	(17,340)
Loss after tax	(945,644)
Reclassification of exchange differences upon completion of Distribution in Specie	3,013
Loss from discontinued operation	(942,631)

The inter-company transactions between continuing operations of the Group and GNE Group before distribution in specie have been eliminated against the revenue, cost of sales, other income and administrative expenses of discontinued operation.

Chairman's Statement and CEO's Review and Outlook

The global energy transition is accelerating, with traditional energy undergoing upgrades. Representative new energy sources such as wind, solar, hydrogen and storage are rapidly rising, gradually showing signs of replacement. The global energy industry landscape is being reshaped, and the advent of Artificial Intelligence for Generative Content (AIGC) is igniting the technology sector, leading to significant changes in human production, lifestyles, and even life itself.

Industries and technologies are converging at the crossroads of a major transformation era, with new energy once again at the forefront. This time, AI is driving it to new heights. Recently, Jensen Huang, the founder of NVIDIA, publicly stated that the endgame of AI lies in photovoltaics and energy storage. From the popular ChatGPT last year to the trending Sora this year, OpenAI is revitalizing the landscape. According to the evolution theory of Artificial General Intelligence (AGI) and AI large models, within 2-3 years, specialized technologies will revolutionize numerous industries, reaching ordinary households. While the world's attention is focused on artificial intelligence, visionaries such as Sam Altman, CEO of OpenAI, see an energy crisis - the next wave of generative AI systems consuming far more electricity than anticipated, posing challenges to energy systems.

Attention to computational power necessitates consideration of electricity, which in turn requires the construction of a modern energy system. Building a modern energy system cannot avoid the integration of photovoltaics and energy storage. According to related models, by 2030, computational power will consume one-fifth of the world's electricity. Furthermore, if new energy sources are not considered, future computational power could consume several times the traditional energy sources of the Earth.

The era of carbon-based energy is gradually fading, and the silicon-based energy era is opening its curtain. The combination of electricity and computational power empowers new qualitative productivity. In the future, computational power and energy will become two key "currencies" that can be mutually converted. As for application forms, integrated solutions such as source-grid-load-storage, wind-solar-hydrogen storage integration, and light-energy storage-charging-discharge-cloud coupling become the common choices of the "AI Great Voyage Era" and the energy revolution era.

The industries of new energy, new materials, and next-generation information technology are all racing forward, but they share one destination: a new world of low-carbon/zero-carbon formed by the convergence of technology, digitalization, and green premiums. The foundation of this low-carbon/zero-carbon new world lies in silicon energy. Based on the premise of green low-carbon silicon materials, GCL Technology's granular silicon is honored to be the gatekeeper of the low-carbon/zero-carbon world.

Against this backdrop, it is more accurate to say that GCL Technology's granular silicon has seized the moment, rather than being born at the right time. All efforts made over the past 13 years for granular silicon by GCL Technology have been aimed at facilitating the industry to obtain the pass for a greener, zero-carbon future in a more convenient and friendly manner.

Within the coordinate system established by technology, cost, time, and space, GCL Technology has twice pierced the sky of the photovoltaic era with the light of innovation: it first proposed the "GCL method for polycrystalline silicon production," reducing the unit electricity consumption in the production process from over 170 kWh to 55 kWh, thus promoting the transition of China's photovoltaic industry from high prices to parity and low prices. The rising star, granular silicon, further reduced the electricity consumption index to 13.8 kWh per kilogram. In 2011, GCL Technology initiated the silicon fluidized bed technology project, successfully producing granular silicon in 2013, acquiring SunEdison-related assets in 2016 to propel granular silicon to its peak, achieving modular production of 20,000 tons in 2021, and obtaining the "ID card" of the lowest carbon footprint in the global industry both internationally and domestically.

In 2023, GCL's long-accumulated granular silicon underwent a comprehensive transformation. Its four major bases in Jiangsu, Inner Mongolia, and Sichuan achieved full production capacity of 420,000 tons, capable of saving 18.6 billion kWh of electricity annually compared to Siemens' method, resulting in a reduction of approximately 10.59 million tons of CO2 emissions per year. The focus was on elevating total metal impurities to meet the 18-element quality control requirement, with product quality reaching semiconductor-grade standards. Over 90% of GCL's granular silicon 901A products can be applied to N-type applications. The top enterprises achieved 100% coverage. The annual production cost decreased by 27%, with single-module capacity increasing from 20,000 tons to 60,000 tons, and unit investment further reduced by 30% on top of a 30% reduction based on traditional processes.

Behind the advancements in technology, environmental friendliness, and digitization lies a more focused, dedicated, pragmatic, and stringent business philosophy and actions, essentially driven by strategic insights and selective decisions. In 2023, GCL Technology proactively bid farewell to Siemens' polycrystalline silicon capacity, holding key technological advantages, and focusing on flagship products guided by customer demand. It firmly embarked on the path of driving low-carbon core products represented by granular silicon, along with a green hardcore technology matrix represented by perovskite and CCz, through multiple rounds of advancement.

This is just the beginning. Adhering to the business formula of "quality + cost = market," GCL Technology continuously increases its research and development investment, establishing the Global Silicon Research Institute and focusing on tackling industry pain points. Upgrading and optimizing key technologies such as silane synthesis, reaction distillation, and fluidized bed upgrading, GCL Technology further highlights the green and low-carbon advantages of granular silicon through comprehensive digital application, whole-process energy management, and full-business carbon chain tracing. The green premium effect continues to expand, with continuous growth in order demand, establishing global recognition of its value. By the end of 2024, GCL's granular silicon production capacity will be increased to 500,000 tons, while its globally largest-scale silane production capacity will also increase from 500,000 tons to 600,000 tons annually. By the end of 2025, GCL's existing granular silicon production bases will be fully upgraded to near-zero carbon technology parks and digital parks, interpreting green value in the form of carbon-neutral demonstration parks.

GCL Technology, lightly armed and bearing the mission of granular silicon, aims to green and reduce pollution and carbon emissions. Rough estimates suggest that from 2024 to 2040, global photovoltaic electricity generation will experience a growth of over 20 times, from 2 trillion kWh to nearly 40 trillion kWh, accounting for around 70% of the total. As the world's only low-carbon photovoltaic new technology, granular silicon's potential knows no bounds.

Adhering to standards to lead and promote the high-quality development of the industry has been a consistent pursuit of GCL Technology. Making GCL Technology an internationally influential Chinese manufacturing brand is the company's unwavering goal. We have led or participated in the formulation of a total of 78 standards, including four SEMI international standards and 15 national standards. Among them, the new version of the "Fluidized Bed Method for Granular Silicon" national standard (in both Chinese and English) led by GCL Technology was officially implemented on March 1, 2024. Additionally, we have proactively collaborated with downstream partners to establish carbon data models and utilize blockchain technology to establish a transparent carbon data channel for GCL's photovoltaic supply chain. We strive to follow future trends, international requirements, and stringent standards, aiming to drive the global photovoltaic industry towards innovation and sustainability with excellent quality, low costs, and high standards.

Led by technology, GCL's granular silicon has continuously outperformed expectations in 2023, surpassing the quality improvement process of traditional Siemens methods by half a century within a year, while continuously pushing the limits of industry costs. In the era of N-type technology, the differentiated advantages of granular silicon have become prominent, achieving full coverage of top-tier customers by implementing three "first-class" principles: first-class quality, first-class attitude, and first-class service.

CCz technology represents the next-generation "GCL solution" in the field of mono crystal pulling. In 2023, our CCz technology made significant breakthroughs in adapting to the continuous pulling of large-diameter silicon rods in mono crystal furnaces. Currently, CCz has achieved levels of average minority carrier lifetime and oxygen content comparable to those of RCz pulling processes of the same period, which is beneficial for further reducing non-silicon costs at the crystal pulling end, optimizing the existing crystal pulling landscape, and promoting the automation and intelligence of the photovoltaic industry.

High conversion efficiency in the photovoltaic industry is key, and perovskite tandem modules are leading the way. Currently, we have successfully achieved a conversion efficiency of 19.04% for the globally largest 1m x 2m perovskite single-junction module and 26.34% for the 0.2㎡ perovskite tandem module. These achievements accompanied the successful launch of the Zhuque II Y-3 rocket into space for testing. Additionally, the world's largest commercial-scale megawatt-level perovskite module photovoltaic demonstration project at the Huaneng Qinghai Gonghe Photovoltaic Power Station has been fully operational. This marks the acceleration of GCL's perovskite industrialization process.

Research and development (R&D) is fundamental to driving industry benchmarking. Continuous investment in R&D is not only a crucial driver for commercializing new photovoltaic technologies but also the core guarantee for leading the new technological revolution in the photovoltaic industry. In 2023, the company's R&D expenditure amounted to 1.873 billion yuan, representing an increase of 11.10% compared to the previous year. During the reporting period, we actively promoted intellectual property work, with a total of 219 new patent applications, including 88 invention patents and 131 utility model patents. We obtained 110 patent grants, including 18 invention patents and 92 utility model patents. Strengthening intellectual property rights further enhances the company's technical strength and market competitiveness, providing strong support for the company's future innovative development.

Pioneering the carbon chain, GCL is aiding the deep decarbonization of the new energy industry. In the global efforts to address climate change, the European Union's Carbon Border Adjustment Mechanism (CBAM) has emerged as a crucial environmental governance measure, aiming to establish a global carbon market and setting a benchmark for global trade. Proactively raising low-carbon requirements, GCL, conservatively estimated its granular silicon carbon footprint at "37 kilograms of carbon dioxide equivalent" certified by the French Agency for Environment and Energy Control. Building on significant carbon reduction efforts, the company is driving the entire photovoltaic industry chain to further reduce carbon emissions by 28%, weakening international barriers and injecting momentum into product export.

In 2023, leveraging its role as a leading player in the supply chain, the company took the lead in exploring carbon emission accounting and verification, assisting the industry in establishing a carbon footprint management system. Collaborating with downstream partners, GCL established carbon data models for pilot bases such as silicon powder, silicon materials, and crystal cutting, delving into production operations to calculate the actual carbon emission factors for each product and establishing a transparent carbon data channel for GCL's photovoltaic supply chain. Combined with blockchain technology, carbon footprint data reporting and updates are digitized and decentralized, ensuring the accuracy and tamper resistance of carbon data. Against the backdrop of energy transition and net zero goals, GCL's entire portfolio of hardcore technologies, including granular silicon, CCz technology, and perovskite technology, demands absolute leadership in carbon footprint reduction. This effort helps downstream customers obtain zero-carbon credentials and maximizes carbon premiums, striving to create a sample of a low-carbon and zero-carbon photovoltaic industry chain.

Ecological empowerment builds a strong technological moat. Amid market fluctuations, the stability of industry ecosystems and collaborative efficiency directly impacts resilience against market cycles. We focus on both internal and external aspects. On one hand, leveraging technological "hard power" and relying on "patents + vertically integrated upstream materials + cost advantages," we enhance the autonomy and controllability of the industrial supply chain. Simultaneously, by improving organizational, financial, talent, and safety management levels, as well as strengthening institutional standardization and internal mechanism guarantees, process management tracking, we continuously refine granularity to enhance the company's "soft power". On the other hand, we strengthen cooperation with industry-leading enterprises, striving to create an industry "ecosystem" centered on "co-creation and sharing", forming a solid and secure, autonomous and controllable industrial moat through internal and external linkage.

Setting sail for overseas markets, we contribute to a new business card for Chinese manufacturing. Currently, China's photovoltaic industry leads globally, and venturing abroad has become an inevitable trend for industry development. After two years of careful planning, our polysilicon project in the Middle East is expected to commence construction in 2024. This strategic move aims to utilize low-carbon, low-cost, high-quality granular silicon technology as the core, to propel the ascent of Chinese manufacturing to the high end of the value chain. Through global deployment, we aim to gradually enhance brand international influence and reputation, contributing Chinese strength to accelerate global energy transition.

Forge ahead and embark on a new journey in the digital era. We are committed to digital transformation, leveraging digital technologies to improve operational efficiency and create a more comprehensive, efficient, and intelligent management model. In 2023, the company focused on promoting top-level design for digital transformation, based on digital transformation strategies and pain points, combined with excellent practical experience, and outputted high-quality digital transformation planning reports covering enterprise digital business blueprints, digital control frameworks, and change systems, as well as cultivating a team of digital talents.

"Data intelligence, wise decision-making." We have completed the construction of a secure, stable, efficient, scalable, multi-site, and multi-system integrated data warehouse platform and strengthened data linkage and sharing among businesses, constructing digital operational capabilities and systems at the plate level. The company's database is becoming more perfect, realizing visibility and accessibility, entering a new era of digital reform.

Responsibility is paramount, ushering in a new era of ESG comprehensively. The construction of the ESG system is the cornerstone of the company's sustainable development. Through various levels of regulatory frameworks, we have initially formed a closed-loop ESG management system from decision-making, communication, implementation, to execution. In 2023, under the ESG committee, the company established a Sustainable Development Management Committee composed of heads of various bases and functional departments, and officially established a Sustainable Development Center. We improved the three-level ESG governance framework composed of the governance layer, management layer, and execution layer, promoting the deep integration of ESG work and operations. We plan to focus comprehensively on ESG special work, promote the construction of indicator systems, carbon footprint assessments, carbon reduction planning, sustainable supply chain-related work, comprehensively enhance the company's ESG management and overall soft power, and support the company's globalization development.

Collaborating with stakeholders for progress is the long-term driving force behind the company's sustainable development. We actively listen to the suggestions from various sectors of society and continuously optimize, establishing long-term and effective communication mechanisms with external stakeholders. In 2023, the company's ESG rating in the capital market steadily improved, with MSCI ESG rating successfully upgraded to B, and DJSI CSA rating elevated to the top 35% in the industry.

In 2023, the company's ESG performance was repeatedly recognized externally, with fruitful achievements in multiple areas such as ESG, corporate governance, environmental protection, and low-carbon. We were honored to be listed on the Fortune China ESG Influence List and the Wall Street Journal's "Zero Carbon Future · ESG Innovation Practice List". Additionally, we received outstanding awards such as the Golden Cicada Award for Annual Outstanding Listed Company Governance and the Ernst & Young Sustainable Development Annual Best Practices Award. In the future, the company will continue to strive for excellent ESG performance to give back to stakeholders, leading the industry to jointly create a path towards green and sustainable development.

Putting people first and solidifying the company's soft power. In 2023, the human resources rapidly responded to external environmental changes and company strategic needs, continuously strengthening the construction of the human resources system, and optimizing human resources management efficiency to safeguard the company's sustainable development. Adhering to the GCL culture, we enriched corporate cultural activities, improved the work environment, and enhanced employee care plans and welfare systems, increasing employees' sense of participation, happiness, and identification. With value creation as the core, we innovated the assessment mechanism, stimulated employee creativity through short and long-term incentives such as salary strategies, welfare systems, and equity incentives, and established a high-level talent pool.

In terms of talent introduction, the company continues to attract and retain four core types of talents: "technical research and development talents, international talents, composite management talents with expertise in multiple fields, and high-skilled industrial workers." Additionally, through major thematic projects such as "Polar Star Research Ph.D.," "Global Management Trainee," "Capability Level Assessment and Appointment," and "Young Cadre Talent Pool Construction," we improved the internal talent supply chain and made early talent layout preparations around key projects such as building core organizational capabilities.

Return to Shareholders and enhance the Company's long-term value. We have the confidence and patience to achieve our strategic goals, enhance our long-term value and achieve strong shareholder returns. In 2023, the Company distributed cash dividends of RMB1,440 million and repurchased and cancelled 138.5 million shares. In response to demands from the market, to protect legitimate interests of Shareholders and investors of the Company by enhancing their return, the Company will conduct share buy-back and cancellation with a total consideration of no less than RMB680 million during the year ending 31 December 2024. The Company will conduct share buy-back and cancellation and/or make dividend payment with a total value of up to 60% of the sum of the net profits attributable to owners of the Company for the three years from the years of 2023 to 2025, and not less than RMB2.5 billion during the years of 2024 to 2026, and to achieve the growth target of making GCL Technology strong, enriching employees, and receiving the praise from society.

What is next for GCL Technology? The answer lies in the "Three GCL" strategy of Technological GCL, Digital GCL, and Green GCL, where there will be continuous improvement in quality control, cost reduction, and technological advancement. As a flagship product of the global carbon reduction era, GCL Granular Silicon will steadfastly go global, paving the way for internationalization and bringing Granular Silicon to the world. By contributing to the industry with industrial strength, fulfilling social responsibilities, improving the ESG system, and fully repaying shareholders to enhance the company's long-term value, we aim to create a greener future.

Sincere thanks to the Company's board of directors, management, and all employees for their efforts, dedication, and contributions in 2023. We also extend our heartfelt gratitude to the shareholders and partners for their long-standing trust and support. My team and I will actively listen to suggestions from all sectors of society regarding GCL Technology, establish long-term and effective communication mechanisms with external parties, and work together with global partners to create value through practical actions, collaborating with stakeholders to shape a green future.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

In 2023, the price of polysilicon decreased sharply throughout the year due to the reversal of supply and demand of polysilicon and had since been lingering at the bottom. Profit contribution from the solar materials business for the year ended 31 December 2023 was significantly lower than that for the year ended 31 December 2022. The shift from P-type products to N-type products in the photovoltaic industry resulted in structural imbalance. As a result, the market exit of P-type product accelerated, and N-type product could still guarantee good return. The Company's production capacity has fully shifted to granular silicon products during the year, which resulted in an improvement in average production costs and an increase in product sales volumes. Benefited from the comprehensive advantage of the Company's granular silicon, the Company still maintained relatively leading position in terms of profitability.

Results of the Group

The operation of GCL New Energy Holdings Limited ("GNE") Group was presented as a discontinued GNE operation in the consolidated financial statements for the year ended 31 December 2022. For detailed information, please refer to "Discontinued Operation" section of this announcement.

For the year ended 31 December 2023, the revenue and gross profit of the Group from continuing operations were approximately RMB 33,700 million and RMB 11,692 million, respectively, representing a decrease of 6.2% and 33.2% respectively as compared with approximately RMB35,930 million and RMB17,496 million for the year ended 31 December 2022.

As stated in the Company's announcement dated 29 December 2023 and supplemental announcement dated 17 January 2024, relating to, among other things, the proposed dividend distribution and capital reduction by Xinjiang Goens Energy Technology Co., Ltd.* (新疆戈恩斯能源科技有限公司) ("Xinjiang Goens"), an associated company of the Group (the "Xinjiang Goens Transaction"), a loss of approximately RMB3.9 billion for the year ended 31 December 2023 was recorded by the Group as a result of the completion of such transaction.

The Group recorded a profit attributable to the owners of the Company from continuing operations of approximately RMB 2,510 million in 2023, as compared to the profit attributable to owners of the Company from continuing operations of approximately RMB16,394 million in 2022.

Business Review

The Group is principally engaged in manufacturing and the sales of polysilicon and wafers and developing, owning and operation of solar farm. The Group has identified the following continuing operation reportable segments:

Solar material business	—	mainly manufactures and sales of polysilicon and wafer product to companies operating in the solar industry.
Solar farm business	—	operates solar farms located in the USA and the PRC.

Solar material business

Production

The Group's solar material business belongs to the upstream of the solar industry chain, which primarily supplies polysilicon and wafer to downstream solar companies. Polysilicon is the primary raw material used in the solar wafer production. In the solar industry chain, wafers are further processed by downstream manufacturers to produce solar cells and modules.

Polysilicon

As at 31 December 2023, the Group's nominal production capacity of polysilicon amounted to 420,000MT, with an effective production capacity of 340,000MT, representing an increase of 200,000 MT compared to that at the beginning of the year. Currently, the Inner Mongolia Hohhot Xinhuan ("Xinhuan") Project is still in the stage of production capacity ramping up and is expected to become fully operational by June 2024.

For the year ended 31 December 2023, the Group produced a total of 232,256 MT of polysilicon, which increased by 122% compared with 104,723 MT of polysilicon produced in the same period in 2022, including 203,561 MT of granular silicon, up 346% as compared to that of 45,599 MT in 2022.

Ingot and Wafer

As at 31 December 2023, the Group had an annual mono-silicon crystal pulling capacity of 12 GW and an annual wafer production capacity of 58.5 GW.

As of 31 December 2023, the Group produced a total of 51,077 MW of wafer (including 22,294 MW of OEM wafer), representing a year-on-year increase of 9.5% from the total output of 46,661 MW of wafer (including 27,789 MW of OEM wafer) in 2022. The utilization rate of the Company's wafer slicing capacity was 87%, which reached a leading level in the industry.

Sales and Revenue

During the reporting period, the Group shipped 226,123 MT of polysilicon (including internal sales of 18,450 MT), and sold 51,891 MW of wafers (including OEM wafer of 23,224 MW), representing an increase of 141% and 12%, respectively, as compared with 93,900 MT of polysilicon and 46,312 MW of wafers for the corresponding year in 2022.

For the year ended 31 December 2023, the average external selling prices of the Company's polysilicon was approximately RMB76.8 (equivalent to US$10.9) per kilogram.

Revenue from external customers of the solar materials business amounted to approximately RMB 33,486 million for the year ended 31 December 2023, representing a decrease of 6.2% from RMB35,714 million in 2022.

Steady increase in product quality led to the conversion efficiency leap in the industry

In 2023, the Company's granular silicon quality ushered in a real explosive period in the process of continuous improvement, achieving a qualitative leap and continuing to obtain unanimous recognition from customers.

In 2023, the sales volume of granular silicon to the top five customers are 64,401 metric tons, 36,588 metric tons, 16,949 metric tons, 15,462 metric tons and 13,680 metric tons, respectively, accounting for 76% of total sales volume of granular silicon.

Changes in total metal impurity content of granular silicon products in 2023

In 2023, the Company's product quality improved constantly and achieved further breakthroughs. At present, it still maintains an industry-leading level in the control of metal impurities. The overall proportion of the Company's products with a total metal impurity content of 5 elements of ≤1ppbw has maintained at approximately 90%; At the same time, the overall proportion of the Company's products with a total metal impurities content of 5 elements of ≤0.5ppbw increased to approximately 75%, and some production bases have achieved nearly 90%. Such products can fully benchmark against the quality standards of N-type dense compound feeding materials in the market. In order to provide customers with better product quality and a better product experience, the Company's internal requirements for total metal impurities has raised to 18 elements. The proportion of the products with total metal impurities of 18 elements of ≤1ppbw in granular silicon increased from 23% in the second quarter of 2023 to 43% in the fourth quarter of 2023, increasing by nearly 90%, with remarkable results.

Metal 5 elements	**2023 Q1**	**2023 Q2**	**2023 Q3**	**2023 Q4**
≤0.5	/	43%	74%	75%
0.5~1	27%	33%	15%	16%
Others	73%	24%	11%	9%

Metal 18 elements	**2023 Q1**	**2023 Q2**	**2023 Q3**	**2023 Q4**
≤1	/	23%	34%	43%
1~3	/	55%	46%	42%
Others	/	22%	20%	15%

Changes in turbidity levels of granular silicon products in 2023

Turbidity is still being continuously optimized, and the proportion of the products with turbidity <120 NTU is already close to 95% (excluding new bases that were ramping up). Meanwhile, the proportion of granular silicon products with turbidity below 100 NTU reached 70%, and the unit production yield issue of downstream N-type customers continued to be improved effectively. At the same time, the Company has achieved a small batch delivery of granular silicon with turbidity of less than 30 NTU through more advanced process and technology, which will further promote the level of unit production yield of downstream customers in the future.

Turbidity<120	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023
Zhongneng	35.0%	53.0%	76.0%	80.7%	86.9%	91.5%
Leshan	67.0%	47.3%	32.1%	56.9%	81.0%	91.3%
Xinyuan	43.1%	36.4%	52.6%	65.7%	74.9%	96.6%
Xinhuan	—	—	—	39.4%	46.8%	71.6%
Overall level	**49.0%**	**46.3%**	**53.2%**	**67.5%**	**81.0%**	**93.1%**

Cost and Segment Gross Profit

The gross profit of polysilicon was greatly affected by market fluctuations and other factors. However, leveraging on the technological edges, GCL Technology maintained its profit competitiveness against its peers during the downward cycle of the industry.

In 2023, the average production cost of granular silicon decreased by 27% as compared with that at the end of last year, which was the leading level in the industry, and still maintained a downward trend. The average production cost of granular silicon in the fourth quarter at the Xinyuan base was already as low as RMB35.9 per kilogram. The cost will continue to drop as the production of granular silicon will make breakthrough constantly and the technology will continuously optimize,coupled with growing synergy created with our own upstream materials.

Solar farm business

Overseas Solar Farms

As at 31 December 2023, the solar farm business includes 18 MW of solar farms in the USA. Besides, there were 150 MW solar farms in South Africa, which was partnered with CAD Fund and with the total effective ownership of 9.7% owned by the Group.

PRC Solar Farms

As at 31 December 2023, the Solar Farm business also includes 5 solar farms in the PRC, with both installed capacity and attributable installed capacity at 133.0 MW.

Sales Volume and Revenue

For the year ended 31 December 2023, the electricity sales volume of the solar farm business overseas and in the PRC were 25,212 MWh and 183,742 MWh, respectively (2022: 26,920 MWh and 196,918 MWh, respectively).

For the year ended 31 December 2023, revenue for the solar farm business was approximately RMB214 million (2022: RMB217 million).

Group's Outlook

The Group's outlook and likely future developments of the Group's business are set out in the "Chairman's Statement and CEO's Review of Operations and Outlook" section of this announcement.

Financial Review

Continuing operations

Revenue

Revenue for the year ended 31 December 2023 amounted to approximately RMB33,700 million, representing a decrease of 6.2% as compared with approximately RMB35,930 million for the corresponding period in 2022. The slight decrease was mainly due to the combined effect of decrease in average selling price of solar material products during the year and increase in sales volume of granular silicon products due to the continuous release of granular silicon production capacity in Leshan and Baotou bases.

Gross Profit Margin

The Group's overall gross profit margin for the year ended 31 December 2023 was 34.7%, as compared with 48.7% for the corresponding year in 2022.

Gross profit margin for the solar material business decreased from 48.7% for the year ended 31 December 2022 to 34.6% for the year ended 31 December 2023.

The gross profit margin for the solar farm business decreased from 52.7% for the year ended 31 December 2022 to 46.7% for the year ended 31 December 2023.

Distribution and Selling Expenses

Distribution and selling expenses increased from approximately RMB143 million for the year ended 31 December 2022 to approximately RMB251 million for the year ended 31 December 2023. The increase was mainly due to increase in sales volume of our polysilicon products.

Administrative Expenses

Administrative expenses amounted to approximately RMB2,274 million for the year ended 31 December 2023, representing an increase of 33.3% from approximately RMB1,706 million for the corresponding year in 2022. The increase was mainly due to commencement of production in Hohhot during the year of 2023, and the full complete year of operation of Leshan and Baotou base and increase of salary and wages expenses during the year.

Finance Costs

Finance costs amounted to approximately RMB418 million for the year ended 31 December 2023, representing a increase of 74.2% from approximately RMB240 million for the corresponding year in 2022. The increase was mainly due to the increase of average bank and other borrowings balances during the year.

Reversal of impairment losses under expected credit loss model, net

The Group recognised approximately RMB137 million reversal gain under expected credit loss model, net of impairment losses, for the year ended 31 December 2023 (2022: RMB236 million).

The reversal of impairment losses under expected credit loss model, net for the year ended 31 December 2023 mainly comprised of reversal of impairment losses of trade related receivables of approximately RMB9 million (2022: RMB301 million) and net of reversal of impairment loss on non-trade related receivables of approximately RMB128 million (2022: impairment losses of approximately RMB65 million).

Other Expenses, Gains and Losses, Net

For the year ended 31 December 2023, net losses of approximately RMB5,859 million in other expenses, gains and losses were recorded as compared to net losses of approximately RMB2,344 million for the year ended 31 December 2022. The increase of net losses was mainly due to the loss on disposal of and impairment loss on interest in an associate (the Group's 38.5% equity interest in Xinjiang Goens), increase of research and development cost, increase of impairment loss on property, plant and equipment. The net losses mainly comprises of:

(i) loss on disposal of and impairment loss on interest in an associate (the Group's 38.5% equity interest in Xinjiang Goens) of approximately RMB3,190 million (2022: Nil)

(ii) research and development costs of approximately RMB1,873 million (2022: RMB1,686 million)

(iii) impairment loss on property, plant and equipment of approximately RMB1,128 million (2022: RMB804 million).

(iv) gain on disposal/partial disposal/deemed disposal of associates of approximately RMB202 million (2022: RMB202 million)

(v) gain on fair value change of derivative financial instruments and loss on fair value change of convertible bonds to a non-controlling shareholder of a subsidiary approximately RMB71 million (2022: gain on fair value change of approximately RMB8 million)

(vi) gain on fair value change of investments at FVTPL of approximately RMB54 million (2022: loss on fair value change of approximately RMB81 million)

(vii) gain on disposal of property, plant and equipment of approximately RMB31 million (2022: loss on disposal of RMB165 million)

(viii) gain on disposal of subsidiaries of nil (2022: RMB41 million)

Share of Profits of Associates

The Group's share of profits of associates for the year ended 31 December 2023 was approximately RMB203 million, mainly contributed by following associates:

- Share of profit of approximately RMB0.7 billion from Xinjiang Goens Energy Technology Co., Ltd.* ("**Xinjiang Goens**") (新疆戈恩斯能源科技有限公司) for the period from 1 January to 29 December 2023; and

- Share of losses of approximately RMB0.5 billion from Xuzhou Zhongping GCL Industrial Upgrading Equity Investment Fund LLP* (徐州中平協鑫產業升級股權投資基金(有限合夥) ("**Xuzhou Fund**") (including share of losses of approximately RMB0.7 billion related to the Xinjiang Goens Transaction).

Income Tax Expense

Income tax expense for the year ended 31 December 2023 was approximately RMB975 million as compared with approximately RMB1,880 million of income tax expense for the year ended 31 December 2022. The decrease in income tax expenses was mainly due to decrease in profit for the year during the year.

Profit attributable to Owners of the Company

As a result of the above factors, profit attributable to owners of the Company from continuing operations amounted to approximately RMB2,510 million for the year ended 31 December 2023 as compared with a profit of approximately RMB16,394 million for the corresponding period in 2022.

The loss attributable to owners of the Company from discontinued operations amounted to approximately RMB363 million for the year ended 31 December 2022.

The profit attributable to owners of the Company from both continuing operations and discontinued operation amounted to approximately RMB2,510 million for the year ended 31 December 2023 as compared with a profit of approximately RMB16,030 million for the year ended 31 December 2022.

NON-IFRS FINANCIAL MEASURES — Adjusted EBITDA

Adjusted EBITDA is earnings before finance costs, income taxes, depreciation and amortization, adjusted by major non-cash items, non-operating or non-recurring items and other one-off expenses. Adjusted EBITDA is not a measure of performance under International Financial Reporting Standards (IFRS).

To supplement the consolidated results of the Group prepared in accordance with IFRS, certain additional non-IFRS financial measures such as adjusted EBITDA have been presented in this announcement. These unaudited non-IFRS financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with IFRS. In addition, these non-IFRS financial measures may be defined differently from similar terms used by other companies. The Company believes that these non-IFRS measures provide useful information to help investors and others understand and evaluate the Company's consolidated results of operations in the same manner as management and in comparing financial results across accounting periods and to those of our peer companies by excluding certain non-cash, non-operating or non-recurring items and other one-off expenses.

The following table sets forth a quantitative reconciliation of adjusted EBITDA for the years ended 31 December 2023 and 2022 to its most directly comparable IFRS measurement and profit before tax:

Continuing operations:	**2023**	2022
	RMB'million	*RMB'million*
For the year ended 31 December:		
Profit for the year	**3,327**	16,423
Adjust: non-operating or non-recurring items:		
— Impairment loss of property, plant and equipment *(note a)*	**1,128**	804
— (Gain)/Loss on fair value change of derivative financial instruments and held for trading investments, net *(note b)*	**(82)**	3
— Gain on disposal of subsidiaries, net *(note c)*	**—**	(41)
— Loss/(gain) on fair value of convertible bonds to a non-controlling shareholder of a subsidiary *(note b)*	**12**	(12)
— Gain on disposal/partial disposal/deemed disposal of associates *(note c)*	**(202)**	(202)
— (Gain)/loss on fair value change of investments at FVTPL *(note b)*	**(54)**	81
— Exchange losses/(gains), net *(note b)*	**25**	(140)
— (Reversal of impairment losses)/Impairment losses under expected credit loss model, net of reversal (non-trade related) *(note b)*	**(128)**	65
— Loss on disposal of and impairment loss on interest in associates (Xinjiang Goens and Xuzhou Fund) *(note c)*	**3,892**	—
	7,918	16,981
Add:		
Finance costs	**418**	240
Income tax expense	**975**	1,880
Depreciation and amortisation	**3,349**	1,956
Adjusted EBITDA	**12,660**	21,057

Note a:

Impairment loss of property, plant and equipment recognized for the year ended 31 December 2023 was considered as non-cash items. We consistently presented the comparative amount for the year ended 31 December 2022.

Note b:

These items were considered as non-operating in nature. All fair value changes related to derivative financial instruments, held for trading investments, convertible bonds to a non- controlling shareholder of a subsidiary, investments at FVTPL and exchange (gains)/losses were considered as not related to principal business and core operation of the Group, therefore all these changes were considered as non-operating.

For impairment losses under expected credit loss model, net of reversal for non-trade related balances, as they are not related to normal business of the Company, we consider treating it as non-operating in nature.

Note c:

These items were considered as non-recurring in nature, therefore when assessing company financial performance, non-recurring items were excluded.

For disposal or deemed disposal of subsidiaries associate or joint venture, are one-off transactions and we consider them as non-recurring items.

Property, Plant and Equipment

Property, plant and equipment increased from approximately RMB26,531 million as at 31 December 2022 to approximately RMB34,784 million as at 31 December 2023. Increase in property, plant and equipment was mainly attributable to capital investment in granular silicon production base partially offset by impairment loss made and depreciation charged during the year.

Interests in Associates

Interests in associates decreased from RMB15.0 billion as at 31 December 2022 to RMB5.8 billion as at 31 December 2023. The decrease was mainly due to loss on disposal of and impairment loss on interest in an associate (Xinjiang Goens) and change in fair value of perpetual note classified as financial assets at fair value through other comprehensive income during the year, partially offset by share of profits of associates during the year.

Interests in associates as at 31 December 2023 mainly consists of below:

- The Group has 40.27% equity interest in Xuzhou Fund of approximately of RMB2 billion;
- The Group has 6.42% equity interest in Mongolia Zhonghuan GCL of approximately RMB0.9 billion;
- The Group equity interest in Leshan Zhongping Polysilicon Photovoltaic Information Industry Investment Fund Partnership (Limited Partnership)* (樂山市仲平多晶硅光電信息產業基金合夥企業 (有限合夥)) and Leshan Zhongping Nengxin Enterprise Management Consultancy Partnership (Limited Partnership)* 樂山市中平能鑫企業管理諮詢合夥企業 (有限合夥) of approximately RMB82 million and RMB0.4 billion respectively;
- The Group has 28.05% equity interest in Jiangsu Xinhua of approximately RMB0.6 billion;
- The Group's 49.84% equity interest in Xuzhou Risheng Low Carbon Industry Investment Partnership (Limited Partnership)* ("**Xuzhou Risheng**") (徐州日晟低碳產業投資合夥企業 (有限合夥)) of approximately RMB0.6 billion; and
- The Group has 7.44% equity interests in GNE Group of approximately RMB1.2 billion which include perpetual note classified as financial assets at fair value through other comprehensive income.

* *English name for identification only*

Trade and Other Receivables

Trade and other receivables decreased from approximately RMB23,621 million as at 31 December 2022 to approximately RMB17,901 million as at 31 December 2023. The decrease was mainly due to decrease of bill receivables in trade nature balances of solar material business.

Trade and Other Payables

Trade and other payables decreased from approximately RMB19,581 million as at 31 December 2022 to approximately RMB14,246 million as at 31 December 2023. The decrease was mainly due to an decrease in trade payables during the year.

Balances with related companies

The related companies included associates, joint ventures and shareholders of non-controlling interest of the Group and companies controlled by Mr. Zhu Gongshan and his family members which hold in aggregate approximately 23.80% (2022: 23.62%) of the Company's share capital as at 31 December 2023 and exercise significant influence over the Company.

Amounts due from related companies increased from approximately RMB789 million as at 31 December 2022 to approximately RMB5,045 million as at 31 December 2023. The increase was mainly due to increase in dividend receivable from Xinjiang Goens during the year.

Amounts due to related companies decreased from approximately RMB3,496 million as at 31 December 2022 to approximately RMB1,361 million as at 31 December 2023. The decrease was mainly due to repayment to associates during the year.

Liquidity and Financial Resources

As at 31 December 2023, the total assets of the Group were about RMB82.8 billion, of which the aggregate restricted and unrestricted cash and bank balances and other deposits amounted to approximately RMB9.2 billion.

For the year ended 31 December 2023, the Group's main source of funding was cash generated from operating activities and financing activities.

Utilization of Proceeds from Placing

The Company completed three rounds of fund raising in 2021, including (i) a placement of 3,900,000,000 new shares of the Company at a price of HK$1.08 per share with net proceeds of approximately HK$4.148 billion in January 2021 (the "**January 2021 Placing**"); (ii) a placement of 2,036,588,000 new shares of the Company at a price of HK$2.49 per share with net proceeds of approximately HK$4.994 billion in the December 2021 (the "**December 2021 Placing**"); and (iii) a top-up placing and subscriptions of 2,000,000,000 new shares of GNE at a price of HK$0.455 per share with net proceeds of approximately HK$895 million (the "**February 2021 Top-up Placing**").

As at 31 December 2023, the utilization of net of proceeds above are as following:

For January 2021 Placing, the net proceeds was used for (i) reduction of existing borrowing levels and gearing level and adjustment of the debt structure of approximately HK$1.674 billion; (ii) development of FBR based granular silicon production business and production capacity of approximately HK$1.95 billion; and (iii) general corporate purposes of approximately HK$524 million. All of the proceeds have been fully utilized as at 31 December 2023.

For February 2021 Top-up Placing, all of the net proceeds was used for repayment of borrowings.

For the December 2021 Placing, the net proceeds was used for capital expenditure and general working capital purposes of approximately HK$4.549 billion and HK$445 million respectively. All of the proceeds have been fully utilized as at 31 December 2023.

The proceeds from the January 2021 Placing, February 2021 Top-up Placing and December 2021 Placing were used according to the intentions disclosed previously.

On 4 August 2022, the Company and GNE completed a top-up placing and subscriptions of 2,275,000,000 new shares of GNE at a price of HK$0.138 per share with net proceeds of approximately HK$310 million. GNE intends to apply 90% of the amount to support the cost relating to the investment, research and development of natural gas, LNG and integrated energy project management business and to develop the operation and maintenance ("**O&M**") services for other energy sectors, and the remaining 10% as the general working capital of GNE.

During the year of 2022, GNE ceased to be a subsidiary of the Company. The Company does not have sufficient information for the use of proceeds of 2022 GNE Top-up Placing from 1 January 2023 onwards.

Indebtedness

Details of the Group's indebtedness are as follows:

	As at 31 December 2023 *RMB million*	As at 31 December 2022 *RMB million*
Current liabilities		
Bank and other borrowings — due within one year	**5,316**	9,419
Other financial liabilities	**525**	294
Lease liabilities — due within one year	**70**	105
	5,911	9,818
Non-current liabilities		
Bank and other borrowings — due after one year	**9,951**	3,806
Lease liabilities — due after one year	**76**	46
	10,027	3,852
Total indebtedness	**15,938**	13,670
Less: Bank balances and cash and pledged and restricted bank and other deposits	**(9,174)**	(10,430)
Net debt	**6,764**	3,240

Below is a table showing the bank and other borrowings structure and maturity profile of the Group.

	2023	2022
	RMB million	*RMB million*
Secured	**10,795**	8,605
Unsecured	**4,472**	4,620
	15,267	13,225
Maturity profile of bank and other borrowings		
On demand or within one year	**5,316**	9,419
After one year but within two years	**1,102**	1,424
After two years but within five years	**7,257**	2,194
After five years	**1,592**	188
Group's total bank and other borrowings	**15,267**	13,225

As at 31 December 2023, RMB bank and other borrowings carried floating interest rates with reference to the Benchmark Borrowing Rate of The People's Bank of China. USD bank and other borrowings carried interest rates with reference to the London Interbank Offer Rate.

Key Financial Ratios of the Group

	As at 31 December 2023	As at 31 December 2022
Current ratio	**1.57**	1.09
Quick ratio	**1.44**	1.02
Net debt to equity attributable to owners of the Company	**15.9%**	7.6%

Current ratio	=	Balance of current assets at the end of the year/balance of current liabilities at the end of the year
Quick ratio	=	(Balance of current assets at the end of the year — balance of inventories at the end of the year)/balance of current liabilities at the end of the year
Net debt to total equity attributable to owners of the Company	=	(Balance of total indebtedness at the end of the year — balance of bank balances and cash and pledged and restricted bank and other deposits at the end of the year)/balance of equity attributable to owners of the Company at the end of the year

Policy risk

Policies made by the Chinese Government have a pivotal role in the solar power industry. Any alternation in the preferential tax policies, on-grid tariff subsidies, generation dispatch priority, incentives, upcoming issuance of green certificates, laws and regulations would cause substantial impact on the solar power industry. Although the Chinese Government has been supportive in aiding the growth of the renewable industry by carrying out a series of favorable measures, it is possible that any material adverse adjustment of such measures may have an impact on the Group's operating condition and profitability. In order to minimize risks, the Group will follow rules set out by the government strictly, and will pay close attention to policy makers in order to reduce the adverse impact of policy changes on the Group.

Credit Risk

Each major operating business of the Group has a policy of credit control in place under which credit evaluations of customers are performed on all customers requiring credit.

In order to minimize the credit risk on sales of polysilicon and wafer products, the Group reviews the recoverable amount of each individual trade receivables periodically to ensure that adequate expected credit losses are made. Credit risk of sales of electricity is not significant as most of the revenue is due from the local grid companies in various provinces in PRC.

Risk related to interest rate

Interest risk may result from fluctuations in bank loan rates. Given the Group highly relies on external financing in order to obtain investment capital for new project development and plants and equipment, any interest rate changes will have impact on the capital expenditure and finance costs of the Group, which in turn affect our operating results.

Foreign currency risk

Most of the Group's businesses are located in the PRC and the presentation currency of the consolidated financial statements of the Company is RMB. Substantially all of the Group's revenue, cost of sales and operating expenses are denominated in RMB, and the majority of the Group's assets and liabilities are denominated in RMB, while the rest are mainly denominated in US dollar and Hong Kong dollar. Any depreciation/appreciation of RMB against US dollar or any other foreign currencies may result in a change in value of the monetary assets and liabilities that are denominated in foreign currencies and affect the earnings and value of the net assets of the Group.

The Group continues to adopt a conservative approach on foreign exchange exposure management and ensure that its exposure to fluctuations in foreign exchange rates is minimised. The majority of the Group's borrowings are denominated in RMB. Foreign currency forward contracts will be utilised when it is considered as appropriate to hedge against foreign currency risk exposure.

Risk related to disputes with joint venture partners

The Group's joint venture partners may involve risks associated with the possibility that our joint venture partners may have financial difficulties or have disputes with us as to the scope of their responsibilities and obligations. We may encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

Risk related to supplier concentration

The Group's wafer business are exposed to concentration risk of reliance on our major suppliers for the supply of the semi solar products, and any shortage of, or delay in, the supply may significantly impact our business and results of operation.

However, the largest supplier was associate of the Group, the Group was able to exercise significant influence on the operation of the associate, this enable the Group to monitor the above risks continually.

Pledge of or restrictions on assets

As at 31 December 2023, the following assets were pledged for certain bank and other borrowings, lease liabilities, or restrictions on assets, issuance of bills, short-term letters of credit for trade and other payables granted to the Group and bank and other borrowings of a joint venture of the Group:

— Property, plant and equipment of RMB1.4 billion (31 December 2022: RMB3.2 billion)

— Right-of-use assets of approximately RMB0.2 billion (31 December 2022: RMB0.5 billion)

— Investment properties of approximately RMB0.4 billion (31 December 2022: RMB0.4 billion)

— Trade receivables and contract assets of approximately RMB3.6 billion (31 December 2022: RMB8.2 billion)

— Pledged and restricted bank and other deposits of approximately RMB2.4 billion (31 December 2022: RMB3.8 billion)

In addition, lease liabilities of approximately RMB0.1 billion are recognised with related right-of-use assets of approximately RMB0.1 billion as at 31 December 2023 (31 December 2022: lease liabilities of approximately RMB0.15 billion are recognised with related right-of-use assets of approximately RMB0.14 billion).

Capital and other Commitments

As at 31 December 2023, the Group's capital commitments in respect of purchase of property, plant and equipment contracted for but not provided amounted to approximately RMB3,667 million respectively (2022: RMB10,225 million) and other commitments to contribute share capital to investments of approximately RMB413 million (2022: RMB226 million).

Contingencies

Financial guarantees contracts

As at 31 December 2023 and 31 December 2022, the Group provided guarantees to its investments at fair value through profit or loss for certain of their bank and other borrowings in proportional to the Group's interest in those investments with amount of approximately RMB71 million.

As at 31 December 2023 and 31 December 2022, the Group provided a total guarantee with maximum amount of approximately RMB2,500 million (31 December 2022: RMB2,500 million) to several banks and financial institutions in respect of banking and other facilities of a subsidiary of an associate of the Group. As at 31 December 2023 and 31 December 2022, the loan balances of a subsidiary of an associate of the Group were RMB846 million and RMB1,270 million, respectively.

Contingent liability

Save as disclosed in above, the Group and the Company did not have other significant contingent liabilities as at 31 December 2023 and 2022.

Material acquisitions and disposals

On 29 December 2023, the board of directors of Xinjiang Goens Energy Technology Co., Ltd.* (新疆戈恩斯能源科技有限公司), an associated company of the Group, approved to:

(1) distribute dividends to some (but not all) Xinjiang Goens Shareholders, including Jiangsu Zhongneng; and

(2) reduce the registered capital held by some (but not all) Xinjiang Goens Shareholders, including Jiangsu Zhongneng,

For the year ended 31 December 2023, a loss of approximately RMB3.9 billion was recorded by the Group upon completion of such transaction. It was comprised of (1) a loss of approximately RMB3.2 billion was recognised as loss on disposal of and impairment loss on the interest in an associate of Group's 38.5% equity interest in Xinjiang Goens; (2) share of a loss of approximately RMB 0.7 billion from an associate of Xuzhou Fund (徐州基金) as a result of the completion of such transaction.

Following completion of the Transaction, Jiangsu Zhongneng ceased to hold any direct equity interest in Xinjiang Goens.

Save as disclosed in above, there were no other significant acquisitions during the year ended 31 December 2023, or plans for material acquisitions as at the date of this report, nor were there other material acquisitions and disposals of subsidiaries during the year ended 31 December 2023.

Significant Events and Business Development after Reporting Period

There were no significant event after the year ended 31 December 2023 and up to the date of this announcement.

Employees

We consider our employees to be our most important resource. As at 31 December 2023, the Group had approximately 12,446 employees (31 December 2022: 11,527 employees), in the PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits include but are not limited to discretionary bonuses, with share options granted to eligible employee.

DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 December 2023 (2022: HK$6.0 cents).

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2023, the Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the model code for securities transactions by Directors (the "**Model Code**") as set out in Appendix C3 of the Listing Rules. Having made specific enquiry of all Directors, apart from the below, each of the Directors confirmed that he/she has complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2023.

On 12 June 2023, Mr. Lan Tianshi ("**Mr. Lan**"), being an executive director of the Company, disposed of his award shares granted under the share award scheme adopted by the Company on 16 January 2017 (the "**Transaction**") without notifying the Board prior to the Transaction, which was a non-compliance with paragraphs A.1 and B.8 of the Model Code.

The Company has taken or will take the following measures to avoid any similar incident from arising in the future and to strengthen the Company's corporate governance regarding the Directors' dealings in the Company's securities:

1. the Company has put in place an existing internal approval procedure, which is set out in the Director's Handbook provided by the Company to all Directors, that the Directors shall submit a written notification form to the Board and receive clearance by the Board prior to their dealings in the securities of the Company. In addition, in July 2023, the Company has adopted an additional internal approval procedure applicable for the Company's executive Directors and senior management in respect of their shareholding changes in the Company, pursuant to which, in the event that any executive Director or senior management intends to purchase or sell any of the Company's shares, he/she is required to submit an online application to obtain the approval from the Compliance and Company Secretarial Department of the Company and Mr. Zhu Gongshan (as the chairman of the Company) or Mr. Zhu Yufeng (as the vice chairman of the Company);

2. the management of the Company has discussed the incident with Mr. Lan to ensure that he is aware of and understands the requirements and his obligations under the Model Code; and

3. the Company will arrange its legal advisors to highlight the provisions in the Model Code in the next regular director training to be conducted by the Company's legal advisors to the Directors.

Mr. Lan has repurchased part of disposal shares on the open market in compliance with the Model Code on 26 June 2023.

The Board considers that the implementation of the above measures would minimize the chance of breach of the Model Code by the Directors in the future.

AUDIT COMMITTEE AND FINANCIAL INFORMATION

The financial information in this announcement does not constitute the Group's consolidated financial statements for the year, but represents an extract from those consolidated financial statements. The audit committee of the Company (the "**Audit Committee**") consisting of three independent non-executive Directors, namely Mr. Yip Tai Him, Ir. Dr. Raymond Ho Chung Tai and Dr. Shen Wenzhong, has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters, and the annual results of the Group for the reporting period in conjunction with the external auditor of the Company.

AUDITOR

Following the resignation of Deloitte Touche Tohmatsu as the auditor of the Company with effect from 14 May 2021, Crowe (HK) CPA Limited was appointed as the auditor of the Company with effect from 29 June 2021 to fill the casual vacancy. For details, please refer to the announcements of the Company dated 17 May 2021 and 29 June 2021. Save as disclosed above, there were no other changes in the auditors of the Company during the past three years.

The consolidated financial statements have been audited by Crowe (HK) CPA Limited, who retires and, being eligible, offers itself for re-appointment at the annual general meeting. A resolution will be proposed at the annual general meeting to re-appoint Crowe (HK) CPA Limited as auditor of the Company.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in this preliminary announcement have been agreed by the Group's auditor, Crowe (HK) CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by the Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Crowe (HK) CPA Limited on this preliminary announcement.

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

During the six-months period ended 30 June 2023, the Company repurchased a total of 84,500,000 shares of the Company (the "**Repurchased Shares**") on the market of the Hong Kong Stock Exchange respectively on 2 June, 5 June, 6 June, 7 June, 8 June, 12 June and 14 June 2023 at an aggregate consideration (including transaction cost) of approximately HK$131 million. The Repurchased Shares were subsequently cancelled on 6 July 2023.

During the period from 1 July 2023 to 31 December 2023, the Company further repurchased a total of 54,000,000 Repurchased Shares on the Stock Exchange respectively on 11 September, 19 September, 21 September, 26 October and 31 October 2023 at an aggregate consideration (including transaction cost) of approximately HK$69 million. The Repurchased Shares were subsequently cancelled on 4 December 2023.

Other than disclosed above, during the year ended 31 December 2023, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF INFORMATION ON HKEXNEWS WEBSITE

This announcement is published on the websites of the Company (www.gcltech.com) and HKEXnews (www.hkexnews.hk). The Annual Report containing all the information as required by Appendix D2 to the Listing Rules will be despatched to the Shareholders and made available for review on the same websites in due course.

GLOSSARY OF TERMS

"Board" or "Board of Directors"	our board of Directors
"China" or "PRC"	the People's Republic of China, for the purposes of this announcement, excludes Hong Kong and Macau Special Administrative Region of the PRC
"Company" or "GCL Technology"	GCL Technology Holdings Limited
"Director(s)"	director(s) of the Company or any one of them
"GNE" or "GCL New Energy"	GCL New Energy Holdings Limited, a limited liability company incorporated in Bermuda with its shares listed on the Stock Exchange (Stock Code: 451)
"GNE Group"	GNE and its subsidiaries
"Group"	the Company and its subsidiaries

"GW"	gigawatts
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"MT"	metric tonnes
"MW"	megawatts
"MWh"	megawatt hour
"PV"	photovoltaic
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"USA"	the United States of America
"W"	watts

By order of the Board
GCL Technology Holdings Limited
協鑫科技控股有限公司
Zhu Gongshan
Chairman

Hong Kong, 15 March 2024

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Yufeng, Mr. Zhu Zhanjun, Mr. Lan Tianshi, Ms. Sun Wei and Mr. Yeung Man Chung, Charles as executive Directors; Ir. Dr. Ho Chung Tai, Raymond, Mr. Yip Tai Him and Dr. Shen Wenzhong as independent non-executive Directors.

* *English name for identification only*