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凯盛新能源股份有限公司

Triumph New Energy Company Limited

*(Formerly known as “LUOYANG GLASS COMPANY LIMITED 洛陽玻璃股份有限公司”
(a joint stock limited company incorporated in the People’s Republic of China with limited liability))*

(Stock code: 01108)

TRIUMPH NEW ENERGY COMPANY LIMITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

I. IMPORTANT NOTICE

The board (the “**Board**”) of directors (the “**Directors**”) of Triumph New Energy Company Limited (the “**Company**”) is pleased to announce the consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2023.

The Company’s financial information has been reviewed by the Audit Committee and the auditor of the Company.

II. FINANCIAL STATEMENTS AND NOTES THERETO

(I) Financial Statements

Consolidated Balance Sheet

Item	31 December 2023 (RMB)	31 December 2022 (RMB)
Current assets:		
Monetary funds	273,462,436.65	689,022,322.44
Notes receivable	187,071,244.67	607,645,160.15
Accounts receivable	1,290,872,150.78	981,111,286.02
Accounts receivable financing	1,413,397,411.65	754,316,996.75
Prepayments	187,441,429.34	176,309,507.09
Other receivables	154,396,647.29	106,661,629.98
Inventories	686,887,235.96	695,508,197.62
Assets held for sales	5,874,065.75	
Other current assets	114,962,230.83	59,289,265.40
Total current assets	4,314,364,852.92	4,069,864,365.45
Non-current assets:		
Long-term receivables		
Fixed assets	4,947,322,586.75	4,021,905,180.15
Construction in progress	1,772,629,520.09	1,158,626,308.86
Right-to-use assets	9,695,700.09	13,007,301.50
Intangible assets	745,115,048.52	699,580,215.54
Development expenditure	14,895,294.06	9,242,547.95
Goodwill	17,583,473.33	17,583,473.33
Long-term deferred expenses		
Deferred income tax assets	15,963,295.75	16,836,091.52
Other non-current assets	590,128,892.55	559,257,426.12
Total non-current assets	8,113,333,811.14	6,496,038,544.97
Total assets	12,427,698,664.06	10,565,902,910.42

Item	31 December 2023 (RMB)	31 December 2022 (RMB)
Current liabilities:		
Short-term borrowings	760,656,246.99	1,097,924,601.61
Notes payable	486,886,737.12	429,242,468.26
Accounts payable	1,535,170,636.56	1,728,154,819.46
Payments received in advance	20,377.36	271,590.44
Contract liabilities	8,352,702.13	18,314,969.87
Employee compensation payable	84,343,288.15	49,200,604.16
Taxes payable	45,217,814.58	19,546,491.47
Other payables	173,708,687.56	232,485,514.56
Non-current liabilities due within one year	453,468,886.35	57,813,133.81
Other current liabilities	606,787,982.57	514,209,429.62
Total current liabilities	4,154,613,359.37	4,147,163,623.26
Non-current liabilities:		
Long-term borrowings	3,123,923,613.81	1,703,779,270.66
Lease liabilities	5,857,164.28	9,405,001.94
Deferred income	52,752,295.00	51,344,031.93
Deferred income tax liabilities	37,305,857.31	40,568,717.91
Total non-current liabilities	3,219,838,930.40	1,805,097,022.44
Total liabilities	7,374,452,289.77	5,952,260,645.70
Shareholders' equity:		
Share capital	645,674,963.00	645,674,963.00
Capital reserve	3,780,818,962.41	3,780,818,962.41
Surplus reserve	51,365,509.04	51,365,509.04
Undistributed profit	149,292,032.10	-245,428,527.10
Total equity attributable to shareholders of the Company	4,627,151,466.55	4,232,430,907.35
Minority interests	426,094,907.74	381,211,357.37
Total shareholders' equity	5,053,246,374.29	4,613,642,264.72
Total liabilities and shareholders' equity	12,427,698,664.06	10,565,902,910.42

Balance Sheet of the Company

Item	31 December 2023 (RMB)	31 December 2022 (RMB)
Current assets:		
Monetary funds	53,177,840.32	304,124,727.90
Notes receivable		
Accounts receivable	89,691,502.93	276,801,400.86
Accounts receivable financing	149,183,816.17	213,294,478.37
Prepayments	122,593.67	35,638.46
Other receivables	904,521,378.82	660,172,421.07
Inventories	8,100.00	8,509.00
Other current assets		65,466.27
Total current assets	<u>1,196,705,231.91</u>	<u>1,454,502,641.93</u>
Non-current assets:		
Long-term receivables		
Long-term equity investment	3,903,415,248.62	3,703,415,248.62
Fixed assets	1,598,445.25	1,864,728.54
Construction in progress	544,608.33	53,857.88
Intangible assets	47,612,927.51	46,933,795.67
R&D expenses		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		55,049,500.00
Total non-current assets	<u>3,953,171,229.71</u>	<u>3,807,317,130.71</u>
Total assets	<u>5,149,876,461.62</u>	<u>5,261,819,772.64</u>

Item	31 December 2023 (RMB)	31 December 2022 (RMB)
Current liabilities:		
Short-term borrowings	100,063,326.16	411,004,486.12
Notes payable		
Accounts payable	74,652,326.75	277,840,273.82
Contract liabilities		27,270.95
Employee compensation payable	5,626,986.40	10,581,733.02
Taxes payable	398,247.30	244,614.35
Other payables	7,915,823.80	62,831,631.70
Non-current liabilities due within one year	34,108,009.04	13,291,218.59
Other current liabilities	141,223,759.51	116,961,766.71
Total current liabilities	363,988,478.96	892,782,995.26
Non-current liabilities:		
Long-term borrowings	887,926,813.81	541,972,270.66
Lease liabilities		
Deferred income		
Deferred income tax liabilities		
Total non-current liabilities	887,926,813.81	541,972,270.66
Total liabilities	1,251,915,292.77	1,434,755,265.92
Shareholders' equity:		
Share capital	645,674,963.00	645,674,963.00
Capital reserve	3,857,589,394.08	3,857,589,394.08
Surplus reserve	51,365,509.04	51,365,509.04
Undistributed profit	-656,668,697.27	-727,565,359.40
Total shareholders' equity	3,897,961,168.85	3,827,064,506.72
Total liabilities and shareholders' equity	5,149,876,461.62	5,261,819,772.64

Consolidated Income Statement

Item	Amount for the period (RMB)	Amount for previous period (RMB)
I. Operating revenue	6,595,249,704.60	5,030,111,246.27
Less: Operating costs	5,831,249,729.90	4,433,991,033.17
Taxes and surcharges	44,449,874.51	38,235,862.71
Selling expenses	19,774,485.40	17,430,076.24
Administrative expenses	147,118,075.69	126,261,780.54
R&D expenses	251,522,948.01	173,792,882.39
Finance expenses	74,130,669.00	73,534,231.49
Including: Interest expenses	83,663,235.87	87,180,142.81
Interest income	7,614,286.41	11,189,421.19
Add: Other income	235,282,495.33	157,399,524.47
Investment income (losses are represented by “-”)	-13,205,737.32	160,659,078.93
Impairment losses on credit (losses are represented by “-”)	6,380,169.95	-2,632,386.05
Impairment losses on assets (losses are represented by “-”)	302,115.54	-16,772,916.69
Gains on disposal of assets (losses are represented by “-”)	45,107,451.69	1,552,752.45
II. Operating profit (loss is represented by “-”)	500,870,417.28	467,071,432.84
Add: Non-operating income	699,596.38	3,319,010.17
Less: Non-operating expenses	196,388.78	123,796.26
III. Total profit (total loss is represented by “-”)	501,373,624.88	470,266,646.75
Less: Income tax expenses	36,556,151.73	11,096,956.38

Item	Amount for the period (RMB)	Amount for previous period (RMB)
IV. Net profit (net loss is represented by “-”)	464,817,473.15	459,169,690.37
(I) Classified on a going concern basis:		
1. Net profit from continued operation (net loss is represented by “-”)	464,817,473.15	327,505,482.08
2. Net profit from discontinued operation (net loss is represented by “-”)		131,664,208.29
(II) Classified by ownership:		
1. Net profit attributable to shareholders of the Company (net loss is represented by “-”)	394,720,559.20	409,038,651.70
2. Profit or loss of minority interest (net loss is represented by “-”)	70,096,913.95	50,131,038.67
V. Other comprehensive income net of tax		
(I) Other comprehensive income attributable to shareholders of the Company, net of tax		
(II) Other comprehensive income attributable to minority interests, net of tax		
VI. Total comprehensive income	464,817,473.15	459,169,690.37
(I) Total comprehensive income attributable to shareholders of the Company	394,720,559.20	409,038,651.70
(II) Total comprehensive income attributable to minority interests	70,096,913.95	50,131,038.67
VII. Earnings per share		
(I) Basic earnings per share	0.61	0.63
(II) Diluted earnings per share	0.61	0.63

Income Statement of the Company

Item	Amount for the period (RMB)	Amount for previous period (RMB)
I. Operating revenue	851,747,680.78	813,585,949.34
Less: Operating costs	844,324,122.08	809,523,960.85
Taxes and surcharges	1,096,437.44	1,060,914.59
Selling expenses		875,093.64
Administrative expenses	25,683,847.82	28,328,483.36
R&D expenses		
Finance expenses	6,164,695.81	-2,347,222.59
Including: Interest		
expenses	29,736,309.73	25,887,015.21
Interest		
income	23,594,691.44	28,297,430.55
Add: Other income	15,298,717.25	56,188,645.54
Investment income (loss		
is represented by “-”)	69,677,283.76	-58,163,074.42
Impairment losses		
on credit (loss is		
represented by “-”)	-457,518.65	440,293,567.05
Impairment losses		
of assets (loss is		
represented by “-”)		
Gains on disposal		
of assets (loss is		
represented by “-”)	11,315,700.00	
II. Operating profit (loss is		
represented by “-”)	70,312,759.99	414,463,857.66
Add: Non-operating income	583,902.14	1,669,474.23
Less: Non-operating expenses		24,229.59
III. Total profit (total loss is		
represented by “-”)	70,896,662.13	416,109,102.30
Less: Income tax expenses		

Item	Amount for the period (RMB)	Amount for previous period (RMB)
IV. Net profit (net loss is represented by “-”)	70,896,662.13	416,109,102.30
(I) Net profit from continued operation (net loss is represented by “-”)	70,896,662.13	416,109,102.30
(I) Net profit from discontinued operation (net loss is represented by “-”)		
V. Other comprehensive income net of tax		
VI. Total comprehensive income	70,896,662.13	416,109,102.30
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

Consolidated Cash Flow Statement

Item	Amount for the period (RMB)	Amount for previous period (RMB)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	4,769,347,179.83	2,560,221,493.35
Tax refunds received	177,376,537.75	175,002,704.82
Other cash received from activities related to operation	182,004,319.13	210,832,382.02
Sub-total of cash inflow from operating activities	<u>5,128,728,036.71</u>	<u>2,946,056,580.19</u>
Cash paid for purchase of goods and services rendered	4,361,253,815.59	2,776,221,225.75
Cash paid to and on behalf of employees	387,995,741.51	364,127,033.64
Tax payments	163,617,444.56	124,771,768.35
Other cash paid for activities related to operation	72,354,767.11	78,981,784.84
Sub-total of cash outflow from operating activities	<u>4,985,221,768.77</u>	<u>3,344,101,812.58</u>
Net cash flow from operating activities	<u><u>143,506,267.94</u></u>	<u><u>-398,045,232.39</u></u>

Item	Amount for the period (RMB)	Amount for previous period (RMB)
II. Cash flow from investment activities:		
Cash received from recovery of investments		
Net cash received from disposal of fixed assets, intangible assets and other long term assets	79,278,267.67	214,128.32
Net cash received from disposal of subsidiaries and other operating entities	160,173,650.00	591,662,259.58
Other cash received from investment activities		
Sub-total of cash inflow from investment activities	<u>239,451,917.67</u>	<u>591,876,387.90</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	1,864,752,946.91	926,028,874.94
Cash paid for investments		
Net cash paid for acquisition of subsidiaries and other operating entities	132,969,212.49	327,666,092.88
Sub-total of cash outflow from investment activities	<u>1,997,722,159.40</u>	<u>1,253,694,967.82</u>
Net cash flow from investment activities	<u>-1,758,270,241.73</u>	<u>-661,818,579.92</u>

Item	Amount for the period (RMB)	Amount for previous period (RMB)
III. Cash flow from financing activities:		
Cash received from investments		
Proceeds from loans	2,988,994,035.16	2,884,010,942.76
Other cash received from financing- related activities	130,885,148.92	806,627,932.44
Sub-total of cash inflow from financing activities	<u>3,119,879,184.08</u>	<u>3,690,638,875.20</u>
Cash paid for repayment of loans	1,554,163,189.34	2,089,390,000.00
Cash payment for distribution of dividends, profits or repayment of interest	136,353,507.16	121,575,364.51
Including: Dividends and profits paid to minority interests by subsidiaries	25,213,363.58	20,536,874.80
Other cash paid for financing-related activities	73,240,372.81	897,145,629.77
Sub-total of cash outflow from financing activities	<u>1,763,757,069.31</u>	<u>3,108,110,994.28</u>
Net cash flow from financing activities	<u><u>1,356,122,114.77</u></u>	<u><u>582,527,880.92</u></u>
IV. Effects of changes in exchange rate on cash and cash equivalents	2,250,787.56	1,404,511.13
V. Net increase in cash and cash equivalents	-256,391,071.46	-475,931,420.26
Add: Opening balance of cash and cash equivalents	485,547,816.11	961,479,236.37
VI. Closing balance of cash and cash equivalents	<u><u>229,156,744.65</u></u>	<u><u>485,547,816.11</u></u>

Cash Flow Statement of the Company

Item	Amount for the period (RMB)	Amount for previous period (RMB)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	726,345,818.85	315,699,206.47
Tax refunds received		11,417,001.19
Other cash received from activities related to operation	60,603,945.18	65,936,083.29
Sub-total of cash inflow from operating activities	<u>786,949,764.03</u>	<u>393,052,290.95</u>
Cash paid for goods purchased and services rendered	645,093,887.73	263,398,766.59
Cash paid to and on behalf of employees	21,151,113.26	17,243,387.75
Tax payments	2,924,545.38	2,624,808.96
Other cash paid for activities related to operation	17,911,089.61	11,698,341.72
Sub-total of cash outflow from operating activities	<u>687,080,635.98</u>	<u>294,965,305.02</u>
Net cash flow from operating activities	<u><u>99,869,128.05</u></u>	<u><u>98,086,985.93</u></u>
 II. Cash flow from investment activities:		
Cash received from recovery of investments	160,173,650.00	702,827,350.00
Cash received from investments income	65,334,253.05	117,322,519.57
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	66,315,700.00	
Other cash received from activities related to investment		
Sub-total of cash inflow from investment activities	<u>291,823,603.05</u>	<u>820,149,869.57</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	1,946,050.00	745,518.15
Cash paid for investment	332,969,212.49	741,143,520.00
Sub-total of cash outflow from investment activities	<u>334,915,262.49</u>	<u>741,889,038.15</u>
Net cash flow from investment activities	<u><u>-43,091,659.44</u></u>	<u><u>78,260,831.42</u></u>

Item	Amount for the period (RMB)	Amount for previous period (RMB)
III. Cash flow from financing activities:		
Cash received from investments		
Proceeds from loans	482,807,632.49	807,785,360.00
Other cash received from activities related to financing	2,982,320,932.14	3,950,542,869.46
Sub-total of cash inflow from financing activities	<u>3,465,128,564.63</u>	<u>4,758,328,229.46</u>
Cash paid for repayment of loans	556,313,089.34	879,990,000.00
Cash paid for distribution of dividends, profits, or repayment of interest	28,380,667.37	31,673,150.89
Other cash paid for financing-related activities	3,188,159,310.56	3,995,074,393.97
Sub-total of cash outflow from financing activities	<u>3,772,853,067.27</u>	<u>4,906,737,544.86</u>
Net cash flow from financing activities	<u><u>-307,724,502.64</u></u>	<u><u>-148,409,315.40</u></u>
IV. Effects of changes in exchange rate on cash and cash equivalents	146.45	542.41
V. Net increase in cash and cash equivalents	-250,946,887.58	27,939,044.36
Add: Opening balance of cash and cash equivalents	304,124,727.90	276,185,683.54
VI. Closing balance of cash and cash equivalents	<u><u>53,177,840.32</u></u>	<u><u>304,124,727.90</u></u>

Consolidated Statement of Changes in Owners' Equity

Item	Current period												
	Equity attributable to shareholders of the Company												
	Other equity instruments			Less:		Other			Total				
	Share capital	Preferential shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Subtotal	Minority interest	shareholders' equity
I. Balance at the end of last year	645,674,963.00				3,780,818,962.41				51,365,509.04	-245,428,527.10	4,232,430,907.35	381,211,357.37	4,613,642,264.72
Business combination under common control													
II. Balance at the beginning of the year	645,674,963.00				3,780,818,962.41				51,365,509.04	-245,428,527.10	4,232,430,907.35	381,211,357.37	4,613,642,264.72
III. Increase/decrease in the period (decrease is represented by “-”)													
(I) Total comprehensive income										394,720,559.20	394,720,559.20	44,883,550.37	439,604,109.57
(II) Shareholders' contribution and decrease in capital										394,720,559.20	394,720,559.20	70,096,913.95	464,817,473.15
1. Ordinary shares contributed by shareholders													
2. Others													
(III) Profit distribution													
1. Appropriation to surplus reserve													
2. Distribution to shareholders													
3. Others													
(IV) Internal carry-forward of shareholders' equity													
Special reserve													
IV. Balance at the end of the period	645,674,963.00				3,780,818,962.41				51,365,509.04	149,292,032.10	4,627,151,466.55	426,094,907.74	5,053,246,374.29

Item	Equity attributable to shareholders of the Company										Total shareholders' equity		
	Share capital	Preferential shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit		Subtotal	Minority interest
I. Balance at the end of last year	645,674,963.00				3,792,235,992.58				51,365,509.04	-654,467,178.80	3,834,809,285.82	504,068,363.34	4,338,877,649.16
Business combination under common control													
II. Balance at the beginning of the year	645,674,963.00				3,792,235,992.58				51,365,509.04	-654,467,178.80	3,834,809,285.82	504,068,363.34	4,338,877,649.16
III. Increase/decrease in the period (decrease is represented by "-")													
(I) Total comprehensive income					-11,417,030.17				409,038,651.70	409,038,651.70	397,621,621.53	-122,857,005.97	274,764,615.56
(II) Shareholders' contribution and decrease in capital									409,038,651.70	409,038,651.70	409,038,651.70	50,131,038.67	459,169,690.37
1. Ordinary shares contribution from shareholders											-11,417,030.17	-152,451,169.84	-163,868,200.01
2. Others													
(III) Profit distribution													
1. Appropriation to surplus reserve													
2. Distribution to shareholders													
(IV) Internal carry-forward of shareholders' equity													
(V) Special reserve													
IV. Balance at the end of the period	645,674,963.00				3,780,818,962.41				51,365,509.04	-245,428,527.10	4,232,430,907.35	381,211,357.37	4,613,642,664.72

Statement of Changes in Owners' Equity of the Company

Item	Current period							Total shareholders' equity			
	Other equity instruments			Other							
	Share capital	Preferential shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Less: comprehensive income	Special reserve	Surplus reserve	Undistributed profit	
I. Balance at the end of last year	645,674,963.00				3,857,589,394.08				51,365,509.04	-727,565,359.40	3,827,064,506.72
II. Balance at the beginning of the year	645,674,963.00				3,857,589,394.08				51,365,509.04	-727,565,359.40	3,827,064,506.72
III. Increase/decrease in the period (decrease is represented by "-")											
(I) Total comprehensive income											
(II) Shareholders' contribution and decrease in capital											
1. Ordinary shares contributed by shareholders											
2. Others											
(III) Profit distribution											
(IV) Internal carry-forward of shareholders' equity											
(V) Special reserve											
IV. Balance at the end of the period	645,674,963.00				3,857,589,394.08				51,365,509.04	-656,668,697.27	3,897,961,168.85

Item	Prior period											
	Other equity instruments					Other					Total shareholders' equity	
	Share capital	Preferential shares	Perpetual bonds	Others	Capital reserve	Treasury stock	Less:	comprehensive income	Special reserve	Surplus reserve		Undistributed profit
I. Balance at the end of last year	645,674,963.00				3,857,589,394.08					51,365,509.04	-1,143,674,461.70	3,410,955,404.42
II. Balance at the beginning of the year	645,674,963.00				3,857,589,394.08					51,365,509.04	-1,143,674,461.70	3,410,955,404.42
III. Increase/decrease in the year (decrease is represented by "-")												
(I) Total comprehensive income												
(II) Shareholders' contribution and decrease in capital												
1. Ordinary shares contribution from shareholders												
2. Others												
(III) Profit distribution												
(IV) Internal carry-forward of shareholders' equity												
(V) Special reserve												
IV. Balance at the end of the year	645,674,963.00				3,857,589,394.08					51,365,509.04	-727,565,359.40	3,827,064,506.72

(II) NOTES TO THE FINANCIAL STATEMENTS *(Expressed in Renminbi)*

1. *Background of the Company*

Triumph New Energy Company Limited (the “**Company**”) was incorporated in the People’s Republic of China (the “**PRC**”) as a joint stock limited company. The Company is mainly engaged in the manufacturing and sales of new energy materials, and its business scope covers the manufacturing and sale of photovoltaic equipment and components; the manufacturing and sale of non-metallic mineral products; solar energy generation technology services; research and development of new material technology; and research and development of new energy technology.

2. *Significant Accounting Policies*

(1) Basis of preparation of the financial statements

The financial statements of the Company have been prepared on a going concern basis in respect of the actual transactions and events in accordance with the requirements of the Accounting Standards for Business Enterprises, the Application Guidelines for Accounting Standards for Business Enterprises, the Interpretations of the Accounting Standards for Business Enterprises and other regulations issued by the Ministry of Finance, and based on the following significant accounting policies and accounting estimates.

(2) Accounting period

Accounting year of the Company is the calendar year from 1 January to 31 December.

(3) Functional Currency

The Company’s functional currency is the Renminbi.

(4) Preparation method of consolidated financial statements

(1) Scope of consolidation

The scope of consolidation of the consolidated financial statements is determined on the basis of control. The term “control” refers to the fact that the Company has power over the investee and is entitled to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of those returns. A subsidiary is an entity controlled by the Company (including an enterprise, a separable part of an investee, a structured entity, etc.).

(2) Preparation method of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. In preparing the consolidated financial statements, the accounting policies and accounting periods of the Company and its subsidiaries shall be consistent, and intra-company significant transactions and balances are eliminated.

A subsidiary and its business acquired through a business combination involving entities under common control during the reporting period shall be included in the scope of the consolidation of the Company from the date of being controlled by the ultimate controlling party, and its operating results and cash flows from the date of being controlled by the ultimate controlling party are included in the consolidated income statement and the consolidated cash flow statement, respectively.

For a subsidiary and its business acquired through a business combination involving entities not under common control during the reporting period, its income, expenses and profits are included in the consolidated income statement, and cash flows are included in the consolidated cash flow statement from the acquisition date to the end of the reporting period.

The shareholders' equity of the subsidiaries that is not attributable to the Company is presented under shareholders' equity in the consolidated balance sheet as minority interest. The portion of net profit or loss of subsidiaries for the period attributable to minority interest is presented in the consolidated income statement under the "profit or loss of minority interest". When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount are still allocated against minority interests.

(3) Acquisition of minority interests in subsidiaries

The difference between the long-term equity investments costs acquired by the acquisition of minority interests and the share of the net assets from subsidiaries from the date of acquisition or the date of combination based on the new shareholding ratio on a continuous basis, as well as the difference between the proceeds from the partial disposal of the equity investment without losing control over its subsidiary and the disposal of the long-term equity investment corresponding to the share of the net assets of the subsidiaries from the date of acquisition or the date of combination on a continuous basis, are adjusted to the capital reserve, if the capital reserve is not sufficient, any excess is adjusted to retained earnings.

(4) Accounting treatment for loss of control over subsidiaries

When the control over the original subsidiaries is lost due to reasons such as disposal of part of the equity investment, the remaining shareholding will be remeasured based on the fair value on the date of loss of control. The difference between the sum of disposal consideration and fair value of the remaining equity less the sum of the share of the carry value of net assets of the original subsidiaries calculated at the original shareholding percentage on a continuous basis from the date of acquisition and the goodwill shall be recorded into the investment income for the period when the control is lost.

Other comprehensive income related to the equity investment in the original subsidiaries will be transferred to income for the period when the control is lost, excluding other comprehensive income resulting from changes in net liabilities or net assets arising from the designated benefit plan through the re-measurement on the investee.

3. Segment Reporting

(1) Determination basis and accounting policies of reporting segments

The operations of the Company are organized into two reportable segments on the basis of its internal organizational structure, management requirements and internal report system. These reportable segments are determined on the basis of the financial information required for the day-to-day internal management of the Company. The management of the Group regularly evaluates the operating results of these reportable segments to make decisions about resources to be allocated to the segments and to assess their performance.

An operating segment is a component of the Company that meets the following conditions simultaneously:

- (1) The component is able to generate revenues and incur expenses from its ordinary activities;
- (2) Its operating results are regularly evaluated by the Company's management to make decisions about resources to be allocated to the segment and assess its performance;
- (3) Its accounting information on financial position, operating results and cash flows and others is available to the Company. Two or more operating segments may be aggregated into a single operating segment if they have similar economic characteristics and meet specified conditions.

The operating segments of the Company include new energy glass segment and other functional glass segment.

Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The measurement criteria are consistent with the accounting policies and measurement criteria in the preparation of the financial statements. Segment assets exclude deferred income tax assets, and segment liabilities exclude deferred income tax liabilities.

Intersegment transactions are measured based on the actual transaction price. Segment revenue and segment expenses are recognized based on the actual revenue generated and actual expenses incurred by the respective segments. Assets and liabilities are allocated according to the assets used or liabilities assumed that are attributable to the operating segment in their daily operating activities.

(2) *Financial information of the reporting segments*

Segment information for the year 2023 and as at 31 December 2023:

Unit: Yuan Currency: RMB

The current period or the end of the current period	New energy glass segment	Other functional glass segment	Unallocated items	Intersegment elimination	Total
Operating revenue	6,399,627,883.92	177,127,132.80	851,747,680.78	-833,252,992.90	6,595,249,704.60
Including: Revenue from principal operations	6,384,095,724.08	150,293,592.42			6,534,389,316.50
Operating costs	5,639,827,181.07	177,091,333.14	844,324,122.08	-829,992,906.39	5,831,249,729.90
Including: Principal operating costs	5,637,215,987.79	158,618,352.52			5,795,834,340.31
Impairment losses of credit	8,301,663.40	-1,463,974.80	-457,518.65		6,380,169.95
Impairment losses of assets	-69,724.83	371,840.37			302,115.54
Depreciation expenses and amortization expenses	328,018,055.33	19,574,499.90	1,463,381.68		349,055,936.91
Total profit	446,641,155.29	49,269,422.52	79,057,386.63	-73,594,339.56	501,373,624.88
Income tax expenses	31,986,227.35	4,569,924.38			36,556,151.73
Net profit	414,654,927.94	44,699,498.14	79,057,386.63	-73,594,339.56	464,817,473.15
Total assets	11,457,714,194.15	848,277,809.92	5,149,876,461.62	-5,028,169,801.63	12,427,698,664.06
Total liabilities	6,719,906,426.58	427,011,032.87	1,251,915,292.77	-1,024,380,462.45	7,374,452,289.77

(3) *Operating revenue by customer's geographical location*

Unit: Yuan Currency: RMB

Geographical location	Amount for the period	Amount for previous period
China (excluding Hong Kong, Macau and Taiwan)	6,185,892,780.43	4,712,969,132.33
Other countries and regions	409,356,924.17	317,142,113.94
Total	<u>6,595,249,704.60</u>	<u>5,030,111,246.27</u>

(4) *Non-current assets by its geographical location*

Unit: Yuan Currency: RMB

Geographical location	Closing balance	Balance as at the end of last year
China (excluding Hong Kong, Macau and Taiwan)	8,079,787,042.06	6,461,618,980.12

(5) *Reliance on major customers*

In 2023, the transaction amount of four customers (customers who are controlled by the same controller are deemed to be the same customer) from the new energy reporting segment of the Company exceeds 10% of the Company's revenue, and the amounts are RMB1,351,101,510.33, RMB1,079,728,283.89, RMB843,015,603.18 and RMB769,904,618.88, respectively.

4. Auditors' remuneration

Unit: Yuan Currency: RMB

Auditor remuneration	Amount for current period	Amount for previous period
Total	<u>1,350,000.00</u>	<u>1,200,000.00</u>

5. Remuneration of directors, supervisors and staff

(1) Remuneration of directors and supervisors

The remuneration of each director and supervisor in 2023 is as follows:

Unit: Yuan Currency: RMB

Remuneration of directors and supervisors in 2023							
Name	Position	Fees	Bonus	Salary, allowance and benefit in kind	Defined contribution, plan contribution	Total	Date of resignation or appointment
Executive directors:							
Xie Jun	Chairman			325,002.00	36,010.48	361,012.48	
Zhang Rong	Executive Director, President			1,200,000.00	259,347.98	1,459,347.98	
He Qingbo	Executive Director						
Wang Leilei	Executive Director, Secretary to the Board			654,100.00	128,946.60	783,046.60	
Ma Yan	Executive Director, President (resigned)			561,100.00	60,717.52	621,817.52	2023-07-21
Liu Yuquan	Executive Director (resigned)			234,100.00	27,524.68	261,624.68	2023-05-23
Independent directors:							
Zhao Hulin	Independent Director (resigned)			75,000.00		75,000.00	2023-12-22
Chen Qisuo	Independent Director			75,000.00		75,000.00	
Fan Baoqun	Independent Director			75,000.00		75,000.00	
Zhang Yajuan	Independent Director			75,000.00		75,000.00	

Remuneration of directors and supervisors in 2023

Name	Position	Fees	Bonus	Salary, allowance and benefit in kind	Defined contribution, plan contribution	Total	Date of resignation or appointment
Supervisors:							
Li Yang	Chairman of the Supervisory Committee			288,600.00	36,096.45	324,696.45	
Jiao Jiajia	Chairman of the Supervisory Committee (resigned)						2023-07-21
Li Ping	Supervisor						
Zhang Pingwei	Employee Supervisor			400,000.00	70,874.50	470,874.50	
Li Huadong	Employee Supervisor			700,000.00	94,652.64	794,652.64	
Independent supervisors:							
Wang Juan	Independent Supervisor			40,000.00		40,000.00	
Wang Junqiao	Independent Supervisor			40,000.00		40,000.00	
Total				<u>4,742,902.00</u>	<u>714,170.85</u>	<u>5,457,072.85</u>	

The remuneration of each director and supervisor in 2022 is as follows:

Unit: Yuan Currency: RMB

Remuneration of directors and supervisors in 2022

Name	Position	Fees	Bonus	Salary, allowance and benefit in kind	Defined	Total	Date of resignation or appointment
					contribution, plan contribution		
Executive directors:							
Wang Guoqiang	Executive Director, Deputy General Manager			183,333.33	24,561.84	207,895.17	Resignation: 2022.04.29
Xie Jun	Chairman			774,169.00	45,927.54	820,096.54	Appointment: 2022.05.26
Ma Yan	Executive Director, President			750,000.00	107,786.28	857,786.28	Appointment: 2022.05.26
Zhang Rong	Executive Director, Executive President			665,000.00	153,060.94	818,060.94	Appointment: 2022.05.26
Liu Yuquan	Executive Director			600,000.00	76,629.84	676,629.84	Appointment: 2022.05.26
Wang Leilei	Executive Director, Secretary to the Board			400,269.00	104,720.57	504,989.57	Appointment: 2022.05.26
Independent directors:							
He Baofeng	Independent Director			25,000.00		25,000.00	Expiry
Ye Shuhua	Independent Director			25,000.00		25,000.00	Expiry
Zhao Hulin	Independent Director			58,333.00		58,333.00	Appointment: 2022.05.26
Chen Qisuo	Independent Director			58,333.00		58,333.00	Appointment: 2022.05.26
Fan Baoqun	Independent Director			58,333.00		58,333.00	Appointment: 2022.05.26
Zhang Yajuan	Independent Director			83,333.00		83,333.00	Appointment: 2022.05.26
Supervisors:							
Li Wenge	Supervisor			87,500.00	18,421.38	105,921.38	Expiry

Remuneration of directors and supervisors in 2022

Name	Position	Fees	Bonus	Salary, allowance and benefit in kind	Defined	Total	Date of resignation or appointment
					contribution, plan contribution		
Employee supervisors:							
Wang Jian	Employee Supervisor			13,964.30	6,156.29	20,120.59	Expiry
Ma Jiankang	Employee Supervisor			43,650.75	29,740.74	73,391.49	Expiry
Zhang Pingwei	Employee Supervisor			186,667.00	40,298.01	226,965.01	Appointment: 2022.05.26
Li Huadong	Employee Supervisor			84,000.00	47,012.68	131,012.68	Appointment: 2022.05.26
Independent supervisors:							
Qiu Mingwei	Independent Supervisor			12,500.00		12,500.00	Expiry
Yan Mei	Independent Supervisor			12,500.00		12,500.00	Expiry
Wang Juan	Independent Supervisor			29,166.00		29,166.00	Appointment: 2022.05.26
Wang Junqiao	Independent Supervisor			29,166.00		29,166.00	Appointment: 2022.05.26
Total				4,180,217.38	654,316.11	4,834,533.49	

(2) The five individuals whose remunerations were the highest

The five individuals whose remuneration were the highest during 2023 include three directors (2022: five directors), whose remuneration was set out as above.

6. Turnover

(1) Details of operating revenue

Item	<i>Unit: Yuan Currency: RMB</i>	
	Amount for the period	Amount for previous period
I. Revenue from principal operating activities	6,534,389,316.50	5,006,346,937.18
II. Revenue from other operating activities	60,860,388.10	23,764,309.09
Total	<u>6,595,249,704.60</u>	<u>5,030,111,246.27</u>

(2) Revenue from principal operating activities by product

Item	<i>Unit: Yuan Currency: RMB</i>	
	Amount for the period	Amount for previous period
Information display glass		22,320,590.62
New energy glass	6,384,095,724.08	4,671,301,573.00
Other functional glass	150,293,592.42	312,724,773.56
Total	<u>6,534,389,316.50</u>	<u>5,006,346,937.18</u>

7. *Other Income*

	<i>Unit: Yuan</i>	<i>Currency: RMB</i>
Item	Amount for the period	Amount for previous period
Subsidy for production and operation	189,765,712.13	150,578,933.70
Value-added tax input credit	38,634,295.08	
Subsidy for photovoltaic power generation	4,933,468.50	3,524,372.40
Subsidy for stabilizing employment	1,491,730.10	934,922.24
R&D, technological renovation subsidy	339,300.00	2,196,551.00
Refunds of individual income tax handling fees	108,691.16	45,045.13
Gains on debt restructuring	9,298.36	119,700.00
	<hr/>	<hr/>
Total	<u>235,282,495.33</u>	<u>157,399,524.47</u>

8. Gains on Disposal of Assets

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for previous period
Gains on disposal of fixed assets (losses are represented by “-”)	29,650,265.45	13,066.58
Gains on disposal of construction in progress (losses are represented by “-”)	1,983,584.59	
Gains on disposal of intangible assets (losses are represented by “-”)	2,157,901.65	1,539,685.87
Gains on disposal of other non- current assets (losses are represented by “-”)	11,315,700.00	
Total	45,107,451.69	1,552,752.45

9. Non-Operating Income

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for previous period	Amount recognized as non-recurring gain or loss for the period
Payables approved but not payable	667,068.05	1,717,536.08	667,068.05
Others	32,528.33	1,601,474.09	32,528.33
Total	699,596.38	3,319,010.17	699,596.38

10. Profit Before Tax

Profit before tax is arrived at after (charging)/crediting:

(1) Finance expenses

Item	Unit: Yuan Currency: RMB	
	Amount for the period	Amount for previous period
Interest expense	102,839,339.12	103,699,967.95
Less: interest capitalization	19,176,103.25	16,519,825.14
Interest income	7,614,286.41	11,189,421.19
Exchange gains and losses	-4,081,185.71	-4,354,362.11
Handling charges and other expenses	2,162,905.25	1,897,871.98
Total	<u>74,130,669.00</u>	<u>73,534,231.49</u>

(2) Operating costs

Item	Unit: Yuan Currency: RMB	
	Amount for the period	Amount for previous period
I. Principal operating costs	5,795,834,340.31	4,425,678,789.64
II. Other operating costs	35,415,389.59	8,312,243.53
Total	<u>5,831,249,729.90</u>	<u>4,433,991,033.17</u>

(3) *Business tax and surcharges*

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for previous period
Property tax	16,976,568.36	13,532,051.09
Land-use tax	11,227,491.48	12,203,287.52
Urban maintenance and construction tax	1,251,974.81	1,651,900.73
Education surcharges	1,150,956.17	1,567,804.94
Stamp duty	6,541,394.00	6,275,512.49
Environmental tax	2,183,452.77	1,705,473.21
Others	5,118,036.92	1,299,832.73
Total	<u>44,449,874.51</u>	<u>38,235,862.71</u>

(4) *Selling expenses*

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for previous period
Employee compensation	13,554,632.73	13,133,251.68
Rental expenses	3,599,651.65	1,052,766.46
Property insurance expenses	605,871.89	720,917.38
Office expenses	178,193.12	716,185.62
Business travel expenses	287,696.08	463,747.47
Sample and product depletion	554,347.95	307,084.51
Depreciation charges	20,010.77	171,364.87
Other selling expenses	974,081.21	864,758.25
Total	<u>19,774,485.40</u>	<u>17,430,076.24</u>

(5) *Administrative expenses*

	<i>Unit: Yuan Currency: RMB</i>	
Item	Amount for the period	Amount for previous period
Employee compensation	73,397,496.95	66,957,172.00
Depreciation of fixed assets	22,631,615.23	13,852,461.50
Amortization of intangible assets	12,674,660.00	13,399,454.12
Intermediary engagement fees	7,974,126.26	8,805,263.23
Office expenses	5,671,467.21	5,741,240.94
Utilities	2,258,776.78	1,000,652.12
Technical service fee	1,973,801.18	895,413.12
Property management fee	1,071,222.47	2,845,784.39
Business travel expenses	1,906,363.52	1,238,865.95
Business entertainment expenses	1,837,035.39	1,462,374.27
Transportation expenses	608,247.19	993,233.19
Consultancy fee	488,426.17	380,717.50
Others	14,624,837.34	8,689,148.21
Total	147,118,075.69	126,261,780.54

(6) *Impairment loss on assets*

	<i>Unit: Yuan Currency: RMB</i>	
Item	Amount for the period	Amount for previous period
Impairment loss on inventories	302,115.54	-6,550,215.02
Impairment loss on fix assets		-3,200,647.49
Impairment loss on construction in progress		-7,022,054.18
Total	302,115.54	-16,772,916.69

(7) *Impairment loss on credit*

Item	<i>Unit: Yuan Currency: RMB</i>	
	Amount for the period	Amount for previous period
Bad debt losses on notes receivable	7,308,288.27	-4,486,293.49
Bad debt losses on accounts receivable	1,382,085.66	2,340,609.93
Bad debt losses on other receivables	-2,310,203.98	-486,702.49
Total	<u>6,380,169.95</u>	<u>-2,632,386.05</u>

(8) *Non-operating expenses*

Item	<i>Unit: Yuan Currency: RMB</i>		
	Amount for the period	Amount for previous period	Amount recognized as non-recurring gain or loss for the period
Penalties and overdue fine	132,655.55	99,566.67	132,655.55
Losses on retirement and damage of assets	63,733.23	24,229.59	63,733.23
Total	<u>196,388.78</u>	<u>123,796.26</u>	<u>196,388.78</u>

11. *Income Tax Expenses*

Item	<i>Unit: Yuan Currency: RMB</i>	
	Amount for the period	Amount for previous period
Income tax expenses for the period calculated in accordance with tax laws and relevant regulations	38,946,216.56	14,677,115.43
Deferred income tax expenses	-2,390,064.83	-3,580,159.05
Total	<u>36,556,151.73</u>	<u>11,096,956.38</u>

12. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the consolidated net profit attributable to holders of ordinary share of the Company by the weighted average number of ordinary shares outstanding:

<i>Unit: Yuan Currency: RMB</i>		
Item	Amount for the period	Amount for previous period
Net profits attributable to the holders of ordinary shares of the Company	394,720,559.20	409,038,651.70
Weighted average number of ordinary shares in issue of the Company	645,674,963	645,674,963
Basic earnings per share (<i>RMB/share</i>)	<u>0.61</u>	<u>0.63</u>

No diluted earnings per share was calculated as the Company did not have any potential dilutive shares during the year ended 31 December 2023.

13. Accounts Receivable and Notes Receivable

(1) Accounts receivable:

<i>Unit: Yuan Currency: RMB</i>		
Item	Closing balance	Opening balance
Accounts receivable	1,380,219,781.22	1,081,703,210.12
Less: Provision for bad debts	<u>89,347,630.44</u>	<u>100,591,924.10</u>
Accounts receivable, net	<u>1,290,872,150.78</u>	<u>981,111,286.02</u>

The aging of accounts receivable based on their recording dates is analysed as below:

Unit: Yuan Currency: RMB

Aging	Closing balance	Opening balance
Within 1 year	1,275,825,464.37	981,932,220.54
1-2 years	26,198,706.51	12,643,082.28
2-3 years	2,100,410.48	3,491,423.40
3-4 years	3,488,385.20	10,353,157.23
4-5 years	4,944,998.86	14,846,358.31
Over 5 years	67,661,815.80	58,436,968.36
Subtotal	<u>1,380,219,781.22</u>	<u>1,081,703,210.12</u>
Less: Provision for bad debts	<u>89,347,630.44</u>	<u>100,591,924.10</u>
Total	<u><u>1,290,872,150.78</u></u>	<u><u>981,111,286.02</u></u>

(2) *Notes receivable by category*

Unit: Yuan Currency: RMB

Category of notes	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Bank acceptance						
Trade acceptance	<u>188,766,020.48</u>	<u>1,694,775.81</u>	<u>187,071,244.67</u>	<u>616,648,224.23</u>	<u>9,003,064.08</u>	<u>607,645,160.15</u>
Total	<u><u>188,766,020.48</u></u>	<u><u>1,694,775.81</u></u>	<u><u>187,071,244.67</u></u>	<u><u>616,648,224.23</u></u>	<u><u>9,003,064.08</u></u>	<u><u>607,645,160.15</u></u>

(3) *Accounts receivable financing*

Unit: Yuan Currency: RMB

Item	Closing balance	Opening balance
Notes receivable	824,006,594.24	754,316,996.75
Receivable from electronic creditor's rights certificate	589,390,817.41	
Less: Other comprehensive income – changes in fair value		
Fair value as at the end of the period	<u><u>1,413,397,411.65</u></u>	<u><u>754,316,996.75</u></u>

14. Accounts Payable and Notes Payable

(1) The aging of accounts payable based on their recording dates is analysed as below

Unit: Yuan Currency: RMB

Item	Closing Balance	Opening balance
Within 1 year (inclusive)	1,327,096,444.34	1,652,565,082.55
1-2 years (inclusive)	192,843,850.10	19,581,402.05
2-3 years (inclusive)	3,023,473.65	4,402,358.85
Over 3 years (inclusive)	12,206,868.47	51,605,976.01
Total	<u>1,535,170,636.56</u>	<u>1,728,154,819.46</u>

(2) Notes payable by category

Unit: Yuan Currency: RMB

Category	Closing Balance	Opening balance
Commercial acceptance	111,265,210.00	23,481,377.00
Bank acceptance	375,621,527.12	405,761,091.26
Total	<u>486,886,737.12</u>	<u>429,242,468.26</u>

15. Reserves

(1) Capital reserve

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Share capital premium	3,538,238,816.69			3,538,238,816.69
Other capital reserves	242,580,145.72			242,580,145.72
Total	<u>3,780,818,962.41</u>	<u></u>	<u></u>	<u>3,780,818,962.41</u>

(2) *Surplus reserve*

Unit: Yuan Currency: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Statutory surplus reserve	<u>51,365,509.04</u>	<u></u>	<u></u>	<u>51,365,509.04</u>

(3) *Undistributed profit*

Unit: Yuan Currency: RMB

Item	Amount for current period	Amount for previous period
Undistributed profit at the end of the previous period before adjustment	-245,428,527.10	-654,467,178.80
Adjustment for total undistributed profit at the beginning of the period (increase expressed with +, and decrease expressed with -)		
Undistributed profit at the beginning of the period after adjustment	-245,428,527.10	-654,467,178.80
Add: Net profit attributable to shareholders of the Company for the period	394,720,559.20	409,038,651.70
Undistributed profit at the end of the period	<u>149,292,032.10</u>	<u>-245,428,527.10</u>

16. *Subsequent Matters*

Not Applicable

III. DISCUSSION AND ANALYSIS OF THE OPERATIONS DURING THE REPORTING PERIOD

Business review

The year of 2023 is the beginning of the comprehensive implementation of the spirit of the 20th National Congress of the Communist Party of China, and the year of economic recovery and development after three years of prevention and control of the pandemic outbreak. Facing the highly competitive market environment, the Company was united as a whole, striving for progress amidst difficulties, accumulating potentials and storing energy in climbing over hurdles, and coordinating to push forward the cost-cutting and efficiency enhancement, business integration, green and low-carbon, reform and upgrading, and safety and environmental protection, coupled with stable production and operation, achieving the main annual development goals.

Focusing on the main business to enhance quality and efficiency and stabilize growth in its entirety

During the reporting period, the Company fully realized the structural adjustment of its main business to the new energy material transformation, anchored its strategic objectives, accelerated the optimization and upgrading, and made every effort to build a new energy material industry group with photovoltaic glass as its leading product. On 16 February 2023, the name of the Company was officially changed to “Triumph New Energy Company Limited”.

As of 2023, the Company has a production capacity of 5,270 tons for raw photovoltaic glass per day, representing a year-on-year growth of approximately 13%; annual production capacity recorded 339 million square meters in deep-processed products, with an annual sales volume of 364 million square meters, representing year-on-year growth of 91.02% and 69.50%, respectively. The shipment of 2.0mm photovoltaic glass for double-glass modules accounted for more than 90% of the total shipment, and the products have entered into the supply chain system for major domestic photovoltaic module manufacturers.

According to the changes in market supply and demand conditions, the Company continued to expand effective investment, rationally control the production capacity pace, and promote the project construction with high standards and quality. During the reporting period, Yixing New Energy’s photovoltaic battery packaging material project for solar energy equipment has been put into operation.

Promoting management integration with efficient synergy

The Company will strengthen its marketing strategy, fully utilize the advantages in products, technology and regions of each production base, adhere to the strategy of differentiated products, and clearly distinguish its market positioning in the industry.

The Company will establish a marketing management mechanism consisting of “excellent products, precise decision-making, precise pricing and sophisticated communication” to maximize customer satisfaction, focus on high-quality customers with advantageous resources, expand the scope of cooperation and ensure the ability to fulfill supply contracts.

The Company will implement centralized procurement of bulk raw fuel materials, integrate supplier resources, optimize supply chain processes, improve procurement quality and supply chain security, realize scale effect and cost effect, effectively reduce procurement implementation costs and avoid potential risks.

The Company will launch a special operation to create value by benchmarking against world-class enterprises, focusing on indicators such as the overall labour productivity, the return on net assets, and the value-added economic rate, so as to promote the attainment of standards by benchmarking, and promote the creation of standards by attaining standards.

Driving high quality development with innovation

In 2023, the total investment in R&D amounted to RMB262 million, and the proportion of total investment in R&D to operating revenue was 3.97%. During the year, 72 technological innovation projects were launched; 89 new patents were applied, of which 48 were invention patents; 74 new patents were authorized, including 32 invention patents.

The Company has achieved significant results in promoting intelligent manufacturing and green transformation. The Company was honored with the “China Photovoltaic 20 Years – Excellent Contribution Award” at the 6th China International Photovoltaic Industry Conference in 2023. Hefei New Energy was successfully selected as a national-level “small giant” enterprise with specialized, unique and new features and a national intelligent manufacturing demonstration factory in 2023; Yixing New Energy actively builds a “integrated platform for photovoltaic glass manufacturing, operation, management and control based on the Internet of Things” and was selected as a typical case of Internet of Things-enabled industry development in 2023 by the Ministry of Industry and Information Technology; Tongcheng New Energy was selected as one of the “specialized, unique and new” small and medium-sized enterprises in Anhui Province in 2023; Zhangzhou New Energy won the honorary title of “Green Factory” in Fujian Province and Zigong New Energy won the honorary title of “Green Factory” in Sichuan Province.

Industrial landscape during the reporting period

Against the backdrop of “carbon peak” and “carbon neutrality”, the photovoltaic industry has broad room for long-term growth, with rapid growth in domestic installed capacity during the 14th Five-Year Plan period becoming more obvious. Driven by both policy guidance and market demand, the photovoltaic industry, after more than a decade of development, has become a strategic emerging industry in which China is able to participate in international competition at the same time and is expected to reach the global leading level, and it has also become an important engine for China to promote the energy transformation. In 2023, the amount of new domestic installed capacity reached 216.88GW, representing a year-on-year increase of 129.47GW compared to the amount of new installed capacity in 2022, or a year-on-year increase of 148.12%; with the continuous increase in installed capacity, the amount of photovoltaic glass also recorded a growth.

Analysis of major operations during the reporting period

The Company is principally engaged in the research and development, production and sales of new energy materials. The main products include double-glass module glass, AR photovoltaic coated glass, high-transmittance photovoltaic glass tempered sheet and other photovoltaic battery packaging materials for solar energy equipment.

In recent years, leveraging on the continuous and rapid development of domestic photovoltaic industry, the Company has focused on the field of new energy materials, accelerated the adjustment of its business structure and optimized its regional allocation, and has set up seven intelligent photovoltaic glass production bases in East China, Central China, North China and Southwest China. As at the end of 2023, the Company had a production capacity of 5,270 tons/day for raw photovoltaic glass, and 42 production lines for deep-processed lids and backsheets, with a combined annual production capacity reaching about 339 million square meters.

During the reporting period, the Company’s operating revenue amounted to RMB6,595,249,704.60, representing a year-on-year increase of 31.12%; operating profit amounted to RMB500,870,417.28, representing a year-on-year increase of 7.24%; net profit attributable to the shareholders of the Company amounted to RMB394,720,559.20, representing a year-on-year decrease of 3.50%; and basic earnings per share attributable to the shareholders of the Company amounted to RMB0.61. During the reporting period, the gearing ratio was 59.34%, representing an increase of 3.01 percentage points from the end of 2022.

(I) Principal operating activities

1. Analytical statement of changes in relevant items in the income statement and cash flow statement

Unit: Yuan Currency: RMB

Item	Amount for current period	Amount for the same period last year	Change (%)
Operating revenue	6,595,249,704.60	5,030,111,246.27	31.12
Operating costs	5,831,249,729.90	4,433,991,033.17	31.51
R&D expenses	251,522,948.01	173,792,882.39	44.73
Other income	235,282,495.33	157,399,524.47	49.48
Investment income	-13,205,737.32	160,659,078.93	-108.22
Impairment losses on assets	302,115.54	-16,772,916.69	-101.80
Gains on disposal of assets	45,107,451.69	1,552,752.45	2,805.00
Income tax expenses	36,556,151.73	11,096,956.38	229.43
Net cash flow from operating activities	143,506,267.94	-398,045,232.39	136.05
Net cash flow from investment activities	-1,758,270,241.73	-661,818,579.92	165.67
Net cash flow from financing activities	1,356,122,114.77	582,527,880.92	132.80

Reasons for the changes in operating revenue: Increase in production capacity and sales volume of photovoltaic glass during the reporting period;

Reasons for the changes in operating costs: Year-on-year increase in costs resulting from the increase in sales volume of photovoltaic glass during the reporting period;

Reasons for the changes in research and development expenses: The continuous increase in research and development investment during the reporting period;

Reasons for the changes in other income: Increase in government subsidies recognized during the reporting period;

Reasons for change in investment income: Gain on disposal of equity interests in subsidiaries during the prior reporting period;

Reasons for the change in impairment loss on assets: The asset structure and utilization rate of assets during the reporting period were generally stable as compared with the same period, with no significant provision for impairment of assets recorded;

Reasons for the change in gain on disposal of assets: Gain on disposal of property, production line equipment and other assets during the reporting period;

Reasons for the changes in income tax expense: year-on-year increase in taxable income during the reporting period;

Reasons for the changes in net cash flows from operating activities: During the reporting period, on the one hand, the Company's operating profit increased, and on the other hand, the structure of payment collection was further optimized;

Reasons for the change in net cash flows from investment activities: During the reporting period, on the one hand, cash outflows from the purchase of fixed assets and other long-term assets increased year-on-year due to the continuous progress of project construction, and on the other hand, there was no impact of factors such as the disposal of subsidiaries' shareholdings during the same period;

Reasons for the change in net cash flows from financing activities: During the reporting period, the repayment of debts decreased year-on-year while the acquisition of loans and other new financing remained generally at the same level.

2. *Analysis of revenue and costs*

During the reporting period, the Company recorded revenue of RMB6,595,249,704.60, representing an increase of 31.12% as compared with that of the same period of last year. The operating costs amounted to RMB5,831,249,729.90, representing an increase of 31.51% as compared with that of the same period of last year. The increase was mainly due to the increase in product capacity of photovoltaic glass of the Company and the growth in sales volume in 2023.

(1) Principal operations by industry, by product and by region

Unit: Yuan Currency: RMB

Principal operations by industry

By industry	Operating revenue	Operating costs	Gross profit margin (%)	Increase/decrease of operating revenue as compared with last year (%)	Increase/decrease of operating costs as compared with last year (%)	Increase/decrease of gross profit margin as compared with last year (%)
New materials	6,534,389,316.50	5,795,834,340.31	11.30	30.52	30.96	Decreased by 0.30 percentage point

Principal operations by product

By product	Operating revenue	Operating costs	Gross profit margin (%)	Increase/decrease of operating revenue as compared with last year (%)	Increase/decrease of operating costs as compared with last year (%)	Increase/decrease of gross profit margin as compared with last year (%)
New energy glass	6,384,095,724.08	5,637,215,987.79	11.70	36.67	36.41	Increased by 0.17 percentage point
Other functional glass	150,293,592.42	158,618,352.52	-5.54	-51.94	-43.53	Decreased by 15.72 percentage points

Principal operations by region

By region	Operating revenue	Operating costs	Gross profit margin (%)	Increase/decrease of operating revenue as compared with last year (%)	Increase/decrease of operating costs as compared with last year (%)	Increase/decrease of gross profit margin as compared with last year (%)
PRC (excluding Hong Kong, Macau and Taiwan)	6,125,032,392.33	5,436,258,324.24	11.25	30.62	30.96	Decreased by 0.22 percentage point
Other countries and regions	409,356,924.17	359,576,016.07	12.16	29.08	30.97	Decreased by 1.27 percentage points

(2) Analytical statement of production and sales volume

Major product	Unit	Production volume	Outsourcing production volume	Sales volume	Storage volume	Increase/decrease of production volume as compared with last year (%)	Increase/decrease of sales volume as compared with last year (%)	Increase/decrease of storage volume as compared with last year (%)
New energy glass	'0,000 square meters	33,865.13	2,834.52	36,428.12	1,870.75	65.40	58.98	40.19
Other functional glass	'0,000 square meters	638.39	0.00	694.28	192.67	-52.58	-42.90	-22.50

(3) Analytical statement of costs

Unit: Yuan Currency: RMB

By industry	Component of cost	By industry		Amount for the same period last year	Percentage over total cost for the same period last year (%)	Percentage of changes in amount for the current period over the same period last year (%)
		Amount for current period	Percentage over total cost for the current period (%)			
New materials	Raw materials/energy power/direct labour/manufacturing expenses	5,795,834,340.31	100.00	4,425,678,789.64	100.00	30.96

By product	Component of cost	By product			Percentage over total cost for the same period last year (%)	Percentage of changes in amount for the current period over the same period last year (%)
		Amount for current period	Percentage over total cost for the current period (%)	Amount for the same period last year		
New energy glass	Raw materials/energy power/direct labour/manufacturing expenses	5,637,215,987.79	97.26	4,132,591,067.74	93.37	36.41
Other functional glass	Raw materials/energy power/direct labour/manufacturing expenses	158,618,352.52	2.74	280,882,802.39	6.35	-43.53

(4) Major sales to customers and major suppliers

During the reporting period, the amount of sales to the top five customers amounted to RMB4,677,101,300 (tax exclusive), representing 70.92% of the total amount of annual sales revenue of the Group, in particular, the largest customer accounted for approximately 20.49% of the Group's total annual sales revenue.

During the reporting period, the Group's purchases from the top five suppliers amounted to RMB2,597,177,300 (tax exclusive), representing 48.19% of the total annual purchases, in particular, the largest supplier accounted for approximately 25.58% of the Group's total annual purchase amount. Among the top five suppliers, the purchase amount was calculated on a consolidated basis based on the principle that the Company's de facto controller, CNBMG, and its subsidiaries were considered as the same supplier, and CNBMG was the largest supplier of the Group.

Save for the disclosed above, during the financial year ended 31 December 2023, none of the Directors of the Company or any of their associates or any shareholders who, to the best of the Directors' knowledge, owned more than 5% of the issued share capital of the Company had any beneficial interest in the Group's top five largest customers and suppliers.

3. Expenses

Unit: Yuan Currency: RMB

Item	2023	2022	Changes (%)	Reasons of changes
Selling expenses	19,774,485.40	17,430,076.24	13.45	Increase in sales during the reporting period
Administrative expenses	147,118,075.69	126,261,780.54	16.52	During the reporting period, the production scale expanded, leading to an increase in labor costs and asset depreciation
R&D expenses	251,522,948.01	173,792,882.39	44.73	Increase in laboratory materials consumption due to continuous increase in R&D investment during the reporting period
Finance expenses	74,130,669.00	73,534,231.49	0.81	Increase in the scale of interest-bearing liabilities on the one hand, decrease in financing rates on the other hand, meanwhile increase in financial subsidies, resulting in a slight increase in overall finance costs during the reporting period
Income tax expenses	36,556,151.73	11,096,956.38	229.43	The year-on-year increase in taxable income resulted in an increase in current income tax calculated in accordance with the tax law and related regulations during the reporting period

4. R&D expenditures

Unit: Yuan Currency: RMB

Expensed R&D investment in current period	235,389,551.95
Capitalized R&D investment in current period	26,421,285.98
Total of R&D investment	261,810,837.93
Percentage of total R&D investment to operating revenue (%)	3.97
Number of the Company's R&D staff	605
Percentage of R&D staff number to the Company's total number of employees (%)	15.92
Proportion of capitalization of R&D investment (%)	10.09

5. Cash flow

- (1) Net cash flow from operating activities amounted to RMB143,506,267.94, representing an increase of RMB541,551,500.33 as compared with that of RMB-398,045,232.39 in the corresponding period of last year, which was mainly attributable to the increase in the Company's operating profit on the one hand and the further optimization of the structure of payment collection on the other hand, during the reporting period.
- (2) Net cash outflow from investment activities amounted to RMB1,758,270,241.73, representing an increase of RMB1,096,451,661.81 as compared with a net outflow of RMB661,818,579.92 in the corresponding period of last year, which was mainly attributable to the year-on-year increase in cash outflows from the purchase of fixed assets and other long-term assets resulting from the continuous progress of project construction during the reporting period on the one hand, and there was no impact of factors such as the disposal of subsidiaries' shareholdings during the same period on the other hand.
- (3) Net cash inflow from financing activities amounted to RMB1,356,122,114.77, representing an increase of RMB773,594,233.85 as compared with a net inflow of RMB582,527,880.92 in the corresponding period of last year, which was mainly attributable to the year-on-year decrease in repayment of debts during the reporting period, while the acquisition of loans and other new financing remained generally at the same level.

(II) Assets and liabilities

Unit: Yuan Currency: RMB

Item	Closing balance of current period	Percentage of closing balance of current period over the total assets (%)	Closing balance of last period	Percentage of closing balance of last period over the total assets (%)	Percentage of changes in closing balance of current period over the closing balance of last period (%)	Explanation
Monetary funds	273,462,436.65	2.20	689,022,322.44	6.52	-60.31	Payments for production, operation and investment during the reporting period
Notes receivable	187,071,244.67	1.51	607,645,160.15	5.75	-69.21	Decrease in collection of payment of trade acceptances during the reporting period
Accounts receivable	1,290,872,150.78	10.39	981,111,286.02	9.29	31.57	Increase in sales revenue and increase in end-of-period receivables during the reporting period
Accounts receivable financing	1,413,397,411.65	11.37	754,316,996.75	7.14	87.37	Increase in repayment of bank acceptances and other instruments during the reporting period
Other receivables	154,396,647.29	1.24	106,661,629.98	1.01	44.75	Increase in current accounts during the reporting period
Other current assets	114,962,230.83	0.93	59,289,265.40	0.56	93.90	Increase in input to be deducted of value-added tax during the reporting period
Construction in progress	1,772,629,520.09	14.26	1,158,626,308.86	10.97	52.99	Increase in project construction investment during the reporting period
Development expenditure	14,895,294.06	0.12	9,242,547.95	0.09	61.16	Increase in capitalized R&D investment during the reporting period
Short-term borrowing	760,656,246.99	6.12	1,097,924,601.61	10.39	-30.72	Repayment of short-term loans during the reporting period
Contract liabilities	8,352,702.13	0.07	18,314,969.87	0.17	-54.39	Decrease in closing balance of receipts in advance from customers due to fulfillment of contracts during the reporting period

Item	Closing balance of current period	Percentage of closing balance of current period over the total assets (%)	Closing balance of last period	Percentage of closing balance of last period over the total assets (%)	Percentage of changes in closing balance of current period over the closing balance of last period (%)	Explanation
Employee compensation payable	84,343,288.15	0.68	49,200,604.16	0.47	71.43	Increase in the number of employees and increase in their remuneration during the reporting period
Taxes payable	45,217,814.58	0.36	19,546,491.47	0.18	131.33	Increase in end-of-period enterprise income tax payable during the reporting period
Non-current liabilities due within one year	453,468,886.35	3.65	57,813,133.81	0.55	684.37	Increase in end-of-period long-term loans due within one year during the reporting period
Long-term borrowings	3,123,923,613.81	25.14	1,703,779,270.66	16.13	83.35	Increase in long-term loans raised for project construction during the reporting period
Lease liabilities	5,857,164.28	0.05	9,405,001.94	0.09	-37.72	Gradual expiration of lease terms during the reporting period

(III) Major controlled companies

Unit: Yuan Currency: RMB

Company name	Industry	Major products or services	Registered capital	Total assets	Net assets	Net profit
CNBM (Hefei) New Energy Co., Ltd.*	New materials	New energy glass	868,000,000	2,801,144,449.76	1,115,203,996.97	43,008,261.61
CNBM (Tongcheng) New Energy Materials Co., Ltd.*	New materials	New energy glass	933,388,980	3,040,257,600.07	1,263,079,411.26	128,222,500.36
CNBM (Yixing) New Energy Resources Co., Ltd.*	New materials	New energy glass	313,700,000	2,850,750,783.65	580,208,281.45	108,274,595.34
Kaisheng (Zigong) New Energy Co., Ltd.*	New materials	New energy glass	500,000,000	1,153,587,667.63	635,102,050.02	97,552,175.57

IV. CAPITAL LIQUIDITY AND FINANCIAL RESOURCES

Capital liquidity

As at 31 December 2023, the Group's liquidity ratio was 1.04 (31 December 2022: 0.98) and quick ratio was 0.80 (31 December 2022: 0.76). The turnover rate of accounts receivable for the year was 5.31 times (2022: 6.16 times); and the turnover rate of inventory was 8.03 times (2022: 6.12 times).

Financial resources

As at 31 December 2023, the Group's cash and cash equivalents amounted to RMB229,156,744.65, including 99.52% denominated in RMB and 0.48% denominated in US\$ and other foreign currencies.

As at 31 December 2023, the Group's borrowings from financial institutions amounted to RMB4,334,501,761.60 (31 December 2022: RMB2,856,129,722.06), including short-term borrowings amounting to RMB760,656,246.99 (31 December 2022: RMB1,097,924,601.61) and long-term borrowings amounting to RMB3,573,845,514.61 (31 December 2022: RMB1,758,205,120.45).

V. CAPITAL STRUCTURE

As at 31 December 2023, the Group's current liabilities amounted to RMB4,154,613,359.37 (31 December 2022: RMB4,147,163,623.26), representing an increase of 0.18% from 2022; non-current liabilities amounted to RMB3,219,838,930.40 (31 December 2022: RMB1,805,097,022.44), representing an increase of 78.37% from 2022; and equity attributable to the shareholders of the Company amounted to RMB4,627,151,466.55 (31 December 2022: RMB4,232,430,907.35), representing an increase of 9.33% from 2022.

VI. MAJOR RESTRICTED ASSETS AS AT THE END OF THE REPORTING PERIOD

Unit: Yuan Currency: RMB

Book balance	At the end of the period		
	Book value	Carrying value	Restricted type
Monetary funds	44,305,692.00	44,305,692.00	Security deposit for the bank acceptance, security deposit for letter of credit, maintenance fund, payments for specific projects
Accounts receivable financing	10,000,000.00	10,000,000.00	Pledge
Fixed assets	625,878,098.15	547,539,188.58	Mortgage
Intangible assets	114,293,381.67	108,970,089.42	Mortgage
Total	<u>794,477,171.82</u>	<u>710,814,970.00</u>	

VII. CONTINGENT LIABILITIES

As at 31 December 2023, the Group did not have any material contingent liabilities.

VIII. EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2023, the total number of employees in the Group is 3,801. An annual remuneration system is adopted for the management of the Company and its subsidiaries while a position plus skill-based salary system is adopted for the employees. In addition, according to relevant national, provincial and municipal policies, employees of the Company are also entitled to the “five insurance payments and housing provident fund”, paid leave, paid training and other benefits.

IX. DIVIDENDS

The Board of the Company did not recommend any distribution of dividends for the year ended 31 December 2023.

X. DISCUSSION AND ANALYSIS OF THE FUTURE DEVELOPMENT OF THE COMPANY

Industry landscape and trend

With environmental pollution, energy shortages and other problems becoming increasingly prominent, the concept of low-carbon environmental protection has gradually become a global consensus, further reducing the reliance on fossil fuels and accelerating the promotion and application of new energy has become the focus of worldwide attention. Solar photovoltaic power generation by virtue of its reliability, safety, environmental protection and other aspects of the advantages, is accelerating the substitution of traditional fossil fuels, coupled with the introduction of relevant policies to support the development of the photovoltaic industry in various countries around the world.

The future growth expectation of the photovoltaic industry is evident. From a global perspective, on 13 December 2023, more than 100 countries reached an agreement at the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28) to triple the global installed capacity of renewable energy to at least 11,000 GW by 2030, with photovoltaic installed capacity increasing from 1,055GW in 2022 to 5,457GW in 2030.

According to the statistical data of Bloomberg New Energy Finance (BNEF), the global photovoltaic installation hit another record high in 2023, with the capacity reaching 444GW coupled with a growth rate of 76%; and its issued report “Global Photovoltaic Market Outlook for the First Quarter of 2024”, optimistically forecasted that the global photovoltaic installed capacity will increase to 655GW in 2024 from 444GW in 2023.

The Chinese photovoltaic industry occupies a dominant position in the world. on 29 January 2024, the Ministry of Industry and Information Technology and seven other departments jointly issued the “Implementation Opinions on Promoting the Innovative Development of Future Industries”, comprehensively laying the groundwork for future industries and focusing on the development of future energy and other industries in six major directions. According to the data released by China Photovoltaic Industry Association (CPIA), the global photovoltaic new installed capacity are expected to be 390~430GW in 2024, and China’s photovoltaic new installed capacity are forecasted to be 190~220GW. It is expected that the global GW-sized market will reach 39 in 2024, and the GW-sized market is expected to reach 53 in 2025.

Photovoltaic glass is an essential material for the production of photovoltaic modules and is an important component of the photovoltaic industry chain. Benefiting from the continuous growth of photovoltaic installed capacity and the increasing penetration rate of double-glass modules, the demand for photovoltaic glass will also exhibit a steady growth trend. According to the analysis of Research and Markets, a leading global research organization, the global photovoltaic glass market will reach US\$8.6 billion in 2022, and is expected to grow to US\$53.2 billion by 2030, with a compound annual growth rate of 25.6%.

Business plan in 2024

The year of 2024 is a critical year for the implementation of the “14th Five-Year Plan”, and it is also the year for the Company to strengthen the innovation drive and accelerate the construction of a world-class new energy materials group. The Company will focus on the “14th Five-Year Plan” of CNBMG and the “3+1” strategic layout for new glass materials of Triumph Science & Technology Group, focusing on value creation, insisting on increasing growth for stability, improving quality while progressing, and expanding effective investment; focusing on optimization and upgrading, and driving innovation to strengthen core competitiveness. In addition, the Company is fully committed to achieving the annual business objectives for steady improvement in the quality and efficiency of operations and management, coordinated growth in total profit, net profit and net profit attributable to the shareholders of the Company, maintaining a stable but decreasing balance sheet ratio, year-on-year improvements in return on net assets, overall workforce productivity and operating cash ratio, as well as continued improvement in the R&D investment intensity and efficiency of technological output.

XI. CORPORATE GOVERNANCE CODE

During the reporting period, the Company had complied strictly with the requirements of the Code on Corporate Governance Practices and the Corporate Governance Report as set out in Appendix 14 (currently Appendix C1) to the Listing Rules of the Stock Exchange. The Company regularly reviews its corporate governance practices to ensure its compliance with the Corporate Governance Code.

The Board is of the view that the Company has adopted and always complied with all the applicable code provisions as set out in the Corporate Governance Code during the year ended 31 December 2023.

XII. SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 (currently Appendix C3) to the Listing Rules of the Stock Exchange as its own code of conduct regarding securities transactions by the Directors. During the reporting period, all the Directors of the Company had strictly complied with the code of conduct in relation to the securities transactions by the Directors under the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 (currently Appendix C3) to the Listing Rules of the Stock Exchange.

XIII. AUDIT COMMITTEE

The audit committee of the Board of the Company has reviewed the audited annual results for the year ended 31 December 2023 and the 2023 annual report.

XIV. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the reporting period, the Company did not purchase, sell or redeem any listed securities of the Company.

XV. CONTINUING CONNECTED TRANSACTIONS IN 2023

For the year 2023, the total amount of continuing connected transactions incurred by the Group was RMB2,654,390,000, and the total annual caps for the year as reviewed and approved was RMB9,028,000,000, and the continuing connected transactions did not exceed their respective annual cap disclosed in the relevant announcement.

All continuing connected transactions of the Group are inseparable from the Group's daily operations, and are subject to the general commercial terms and conditions or the transaction clauses are not inferior to the terms and conditions available to or provided by the independent third parties. The transaction price is fair and reasonable, and in the interests of the shareholders of the Company as a whole.

The Company's continuing connected transaction projects in 2023 have passed the corresponding review and approval procedures according to the relevant listing regulations of Stock Exchange of Hong Kong Limited and SSE, and the actual total transaction volumes have not exceeded the approved upper limit. The Company's independent auditor has reviewed the relevant continuing connected transactions and has issued the audit report of the projects. The Company's independent directors have also reviewed and confirmed the continuing connected transactions in 2023.

XVI. AUDITED ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The data contained in the annual results announcement of the Company for the year ended 31 December 2023 has been agreed by Grant Thornton LLP, the auditor of Company, and is consistent with the data of the Company's 2023 annual report. The 2023 annual report will be dispatched to the shareholders and published on Stock Exchange by the Company in due course.

By order of the Board
Triumph New Energy Company Limited
Xie Jun
Chairman

28 March 2024

As at the date of this announcement, the Board comprises four executive Directors: Mr. Xie Jun, Mr. Zhang Rong, Mr. He Qingbo and Ms. Wang Leilei; three non-executive Directors: Mr. Zhang Chong, Mr. Sun Shizhong and Dr. Pan Jingong; and four independent non-executive Directors: Ms. Zhang Yajuan, Mr. Chen Qisuo, Mr. Zhao Hulin and Mr. Fan Baoqun.