



信義玻璃控股有限公司

XINYI GLASS HOLDINGS LIMITED *Since 1988*

(Incorporated in the Cayman Islands with limited liability)

Stock code: 00868.hk



2025

INTERIM REPORT

Hang Seng
Index Constituents

滬港通

深港通



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Financial Highlights

	Six months ended 30 June	Year ended 31 December	
(in RMB'000)	2025 (Unaudited)	2024 (Unaudited) (restated)	2024 (Audited)
Revenue	9,821,324	10,881,695	22,323,569
Profit before income tax	1,334,979	2,989,647	4,248,029
Profit attributable to Company's equity holders	1,012,838	2,509,339	3,369,173
Dividends	497,918	1,225,025	1,633,469
Equity attributable to Company's equity holders	35,000,670	33,508,891	34,284,785
(number of ordinary shares ("Share") in '000)			
Weighted average number of Shares in issue	4,357,193	4,223,722	4,252,139
Earnings per Share - basic	23.25 RMB cents	59.41 RMB cents	79.23 RMB cents
Earnings per Share - diluted	23.25 RMB cents	59.41 RMB cents	79.23 RMB cents
Dividends per Share	12.5 HK cents	31.0 HK cents	41.0 HK cents
Equity attributable to Company's equity holders per Share	803.28 RMB cents	793.20 RMB cents	786.85 RMB cents

Dear Shareholders

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Xinyi Glass Holdings Limited (the “**Company**”), I am pleased to present herewith the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**1H2025**”).

In comparison with the six months ended 30 June 2024 (the “**1H2024**”), revenue of the Group decreased by 9.7% to RMB9,821.3 million during the 1H2025. The profit attributable to equity holders of the Company for the 1H2025 decreased by 59.6% to RMB1,012.8 million. Basic earnings per share was 23.25 RMB cents, as compared with 59.41 RMB cents for the 1H2024.

The Board considers that the Group has achieved a reasonable level of profitability in an unfavorable market condition. Hence, the Board is pleased to declare an interim dividend of 12.5 HK cents per share.

I present below an overview of the business of the Group for the 1H2025 and key development highlights for the coming half year.

BUSINESS REVIEW

During the 1H2025, despite the PRC government's initiatives continued to encourage timely completion and delivery of the property projects, the volume of the property developments completed within the period continued to decrease. Amid challenges of the complicated external environment and the domestic supply-side structural reforms, the PRC's glass industry is under subdued conditions. Demand in the PRC's glass market has slowdown, with the property sector remaining weak since the fourth quarter of 2021 due to the debt crises and the liquidity constraints faced by the highly leveraged developers.

Chairman's Statement

In response to the macro-economic uncertainties and high HKD interest rates, the Group utilised its financial resources to re-finance all HKD bank loans with the lower interest rate RMB bank loans. Such re-financing enabled the Group to reduce the interest expenses in the 1H2025. Declining average costs of raw materials and energy also mitigated the negative impact of the low ASP for the float glass products. As a result, the Group's operations in the automobile glass, architectural glass and float glass segments encountered different challenges and more importantly, opportunities that emerged from the global market.

The Group's net profit decreased by 59.6% for the 1H2025 primarily due to the net effect of lower gross profits of the float glass products and the architectural glass products and the decreased amount of profits shared from Xinyi Solar Holdings Limited ("Xinyi Solar") in the 1H2025.

The Group implemented stringent policies on production costs and energy conservation to enhance the cost efficiency. Also, the Group focused on the high value-added components and features, different colours and thickness of the float glass, automobile glass and architectural glass products as well as window structure-upgraded and energy-saving coating glass products. As for operations, the Group streamlined the production flow and the logistics and adopted flexible global marketing strategies for its float glass, architectural glass and automobile glass products.

Given the widespread liquidity issues among the private property developers in the PRC, the Group's architectural glass business has focused on the new glass window installation projects which are mainly led by the government related entities, PRC State-owned enterprises or the property developers with strong financial position. The sales volume of the architectural glass products decreased due to the unfavourable condition in the new construction projects in the PRC during the period.

The demand for the architectural energy-saving Low-E coating glass products continued to increase, because of the Group's strong reputation with outstanding track records, aggressive and flexible marketing strategies and the selection of a wide range of advanced coating materials and compound structured glass products.

During the 1H2025, the Group's automobile glass segment continued to be affected by the US additional import tariff, elevated financing costs and intense local competition. The business segment has developed and will launch new glass products for the advanced driver assistance systems ("ADAS"), head-up displays ("HUD"), noise insulation, low-emissivity coatings, sunroofs and thermal management, which are tailored for both new and existing vehicle models (including EVs).

The Group actively explored new opportunities domestically and internationally, strengthening the relationships the existing and new customers to boost sales of new and existing products. The Group also participated in a wide range of overseas exhibitions and actively visited the overseas customers in the 1H2025. The Group's automobile glass products are sold to customers in over 140 countries or territories.

As a global industry leader, the Group consolidated its position through strategic expansions and acquisitions, deploying streamlined and automated production across facilities in China, Malaysia and Indonesia. The new float glass and automobile glass production facilities in Gresik, Indonesia, provides better production cost structure and lower U.S. import tariffs.

The operational enhancements included tighter cost controls for raw materials, ownership of silica sand mines and transport vessels, optimised the supply chains and increased the percentage of recycling. The Group also upgraded the production process with automation, centralised control systems, rooftop solar panels, and residual heat systems to generate electricity and hot water aligning with national carbon neutrality goals.

To enhance the competitiveness, the Group continues developing unique glass products with specialised colours, thicknesses, coatings, structural designs and other value-added features. It leverages proactive pricing, flexible marketing strategies and incentives under China's 14th Five-Year Plan.

Chairman's Statement

Improved productivity, product quality and features, technology and economies of scale to enhance production efficiency, new products, new equipment, automation and advanced float glass line design by new research and development ("R&D") investments

The Group's ongoing R&D investments in new materials, coatings, production technologies, automation and information technology, the use of big data analytics and environmental controls improved the capacity, yield and the sustainability, reducing emissions, waste, labour, production and energy costs in 1H2025.

The Group's engineering teams designed world-class, eco-friendly float glass production lines in China, Malaysia, and Indonesia with high capacity and energy efficiency and yield. The achieved economies of scale has reduced the procurement and production costs while optimising the use of fuel and raw material. The use of clean energy (solar and residual heat recovery) further controlled the energy expenses and emissions.

The use of natural gas for high-quality float glass production reduced the carbon emissions, improved the air quality, supported the carbon neutrality goals, enhanced the product quality and optimised the energy cost structure.

The Group's R&D teams continue developing new glass products improving the low-emissivity, coatings, automotive components and process improvement to capture the emerging opportunities.

Expanding Differentiated Portfolios and Global Reach

Amid the global inflation, geopolitical logistics disruptions and intense competition in the 1H2025, the Group achieved a reasonable level of profitability in the automobile glass, architectural glass and the high-quality float glass businesses. These demonstrate the Group's diversified product segments, integrated production and supply chain, global market coverage, strategically located overseas production facilities, upgraded product mix, state-of-art production lines, expanded high value-added and differentiated product offerings and strong cashflow. All of these could mitigate the operational pressure and risks in any specific business segment or country in a less favourable market environment.

Robust Finance and Ongoing Funding Optimisation for Expansion

The Group has solid financial position with RMB2,033.0 million cash and bank deposits, current ratio of 1.18 with low net debt gearing ratio of 14.3% and sufficient banking facilities available as of 30 June 2025. The Group's strong credit history has allowed it to reduce the effective borrowing interest rate to 2.74%. For the 1H2025, the Group has new bank borrowings of RMB2,550.8 million with the cash generated from operations of RMB1,564.6 million, demonstrating its ability to secure financing and cash inflow from multiple sources to support its capital expenditure and future expansion. The Group has repaid net amount of RMB258.3 million in bank loans.

BUSINESS OUTLOOK

To sustain the global leadership and the competitive position among the global glass manufacturers, the Group will continue to enhance its operational efficiency through the use of advanced technology, central management, integrated supply chains, automation, logistics, including self-operated vessels to reduce freight costs, and proactive strategies for differentiated product portfolios and marketing to strengthen customer's loyalty.

Responding to the tightening emissions and energy standards under China's carbon neutrality policy, the government continues the implementation of rigorous supply-side reforms—restricting the new float glass capacity acquisitions and phasing out the non-compliant facilities. The Group adopts a prudent yet flexible strategy to navigate the competitive markets globally, for the purpose of strengthening the risk management and production cost controls.

Soda ash prices in 2025 are expected to remain low level compared to 2024 due to increased supply in China and overseas. Energy costs trended downward in 1H2025 as global crude oil prices remained relatively stable.

The U.S.-China trade tensions continue impacting the aftermarket automobile glass customers. These effects are gradually mitigated by the Group's new automobile glass production lines in Malaysia. Another new automobile glass production lines in Gresik, East Java, Indonesia, commenced operations in 1H2025. The Group intends to further explore overseas capacity expansion to address different tariff risks.

Chairman's Statement

The PRC government is expected to continue introducing additional economic initiatives and monetary policies to boost the domestic consumption cycle and stabilise the domestic property market. The policies would put less pressure on the funding channels for completion of designated properties and the delivery of new property projects to the property buyers, which would result in more construction and window installation activities in future, in turn increasing the demand for float and architectural glass.

The Directors remain optimistic about the continuous development of the Group's automobile glass aftermarket and OEM business in the global market as the number of vehicles and the new cars sales globally and in the PRC are expected to increase in 2025, as well as on the prospects of increasing sales in the advanced glass window structure products, such as the energy-saving and single and double-insulated Low-E glass segments, with the target of carbon neutrality in the PRC in the future.

After years of expansion across major economic zones of China and Southeast Asia, the Group continues seeking acquisition and greenfield opportunities offering market access, lowering labour and raw material costs, more favourable tax treatment and energy advantages. The new float glass production facilities in Gresik, Indonesia, alongside the automotive and architectural glass facilities, have strengthened its ASEAN presence.

Since 2021, the Group has formed a new business division dedicated to the carbon neutrality, which is vested with responsibility for the planning, implementation and monitoring of the Group's carbon neutrality policies and targets. Its energy conservation plan also helps to improve the overall energy cost structure and promote the employees' awareness of the carbon neutrality objective of the Group.

The Directors believe that clean and renewable energy will become the major energy source, with demand surging in both China and international markets. Solar power represents an efficient, reliable and safe renewable source of energy, offering lower installation costs and faster deployment than hydropower, nuclear or wind. Consequently, a significant growth in the solar farm construction is anticipated globally and in China, driven by the national carbon neutrality goal like China's 2060 target. The European market, in particular, has seen accelerated growth spurred by the post-2022 energy crisis.

To capitalise on this, the Group will allocate sufficient resources to R&D, product quality enhancement and the development of new products, materials, models, features, equipment and automation. The Group will also focus on the improvement in the production flows, development of new markets, increase the operational efficiency, advance our carbon neutrality initiatives and optimise the logistics. Concurrently, enhanced staff training will ensure production safety, enhance competitiveness and marketing skills and ultimately drive greater the increase in the profitability.

CONCLUSION

Despite the global volatility, financial risks, geopolitical tensions and energy price pressures, the Group continues to tackle and overcome challenges amidst changes in the global market, by bolstering its efficiency and increasing its profitability through more effective and flexible management strategies across its cash management, credit control, information technology, logistics, procurement and supply chain, production, sales and marketing, operational and R&D activities, as well as the expansion of its business collaboration with its customers, suppliers and business partners. These efforts enhance the Group's efficiency and profitability. The Directors believe that such measures will maximise the investment returns from China and emerging overseas markets while maintaining cautious optimism for the long-term growth.

The Group will continue to refine its proven business strategies to sustain its performance. To retain the industry leadership and seek opportunities to expand across the global glass and upstream markets in a wide spectrum of industries, applications and product mix, while cultivating mutually beneficial partnerships for the benefit of its business, employees and shareholders.

Chairman's Statement

APPRECIATION

The Board would like to take this opportunity to express its gratitude to all shareholders, customers, suppliers, employees and business partners of the Group for their continuous support.

Dr. LEE Yin Yee, S.B.S.

Chairman

Hong Kong, 1 August 2025

FINANCIAL REVIEW

During the 1H2025, the revenue and the net profit attributable to the shareholders of the Company amounted to RMB9,821.3 million and RMB1,012.8 million, respectively, representing a decrease of 9.7% and of 59.6%, as compared to RMB10,881.7 million and RMB2,509.3 million for the 1H2024.

Revenue

The decrease in the amount of revenue for the 1H2025 was mainly attributable to the continuous decreases in the average selling prices (“ASP”) of the float glass products during the 1H2025. As a result, the revenue contributed by the sales of the float glass products decreased by 16.4%, as compared to the 1H2024.

The PRC property market continued to be sluggish during the 1H2025. The funding liquidity was tight and the number of newly completed property projects decreased significantly.

The increase in the amount of revenue generated from the automobile glass business was due to the increase in sales generated from the overseas market and the OEM market in the PRC as a result of the good quality and the efforts in attracting new customers.

With the PRC government policies on the environmental protection, carbon neutrality and the encouragement of the construction of the energy-saving buildings, the Group continued to invest in the double and triple glazing architectural low emission (“Low-E”) coating and compound structure glass products. As a leading Low-E glass manufacturer in Asia, the Group enjoys the benefits generated from the economies of scale and a comprehensive sales and delivery network covering the entire region. The Group focused on the customers which are supported by the government, the PRC State-owned enterprises and the financially-sound property developers. The decrease in the sales of architectural glass projects was mainly attributable to the decrease in the sales volume and ASP of a wide range of the Low-E coating glass products because of the decrease in the newly completed property projects in the PRC.

Management Discussion and Analysis

Gross profit

The Group's gross profit for the 1H2025 decreased by 16.7% to RMB3,101.7 million, as compared to RMB3,724.4 million for the 1H2024. The gross profit margin also decreased to 31.6% during the 1H2025, as compared to 34.2% for the 1H2024.

The decrease in the gross profit margin was due to the continuous decreases in the ASP of float glass products, which have been mitigated by the low average costs of raw materials and energy, during 1H2025.

Other income

Other income decreased to RMB253.7 million, as compared to RMB376.8 million for the 1H2024. The decrease was mainly attributable to the decrease in government grants and income from sale of automatic machineries during the 1H2025.

Other (losses)/gains - net

Other losses were RMB273.8 million for the 1H2025. As compared to other gains of RMB221.4 million for the 1H2024, the significant difference was mainly due to both of losses on disposal and impairment losses of property, plant and equipment in the 1H2025 and the significant other foreign exchange gains in the 1H2024.

Selling and marketing costs

Selling and marketing costs increased by 17.4% to RMB661.3 million for the 1H2025. The increase was mainly due to the increase of the additional import duties expenses in the USA.

Administrative expenses

Administrative expenses increased by 1.8% to RMB1,107.1 million for the 1H2025. The increase was principally attributable to the increase in the staff costs for new production facilities in the 1H2025.

Share of profits of associates

Share of profits of associates were mainly contributed by Xinyi Solar and Xinyi Energy Holdings Limited, none of which is considered a subsidiary of the Company. The amount of profits shared decreased to RMB202.9 million during the 1H2025, as compared to RMB419.8 million for the 1H2024. The decrease was mainly due to the decreased profit contribution from Xinyi Solar.

Finance costs

Finance costs decreased by 47.4% to RMB62.8 million for the 1H2025. The decrease was principally due to the refinancing of all of the Hong Kong dollars loans with the RMB loans which have lower interest rates during the 1H2025. A portion of the interest expenses were capitalised as part of the total cost in the purchase of plant and machinery and the construction of the Group's production facilities in the PRC, Malaysia and Indonesia, and these expenses have been charged to the income statement of the Group following the commencement of commercial production at the relevant production facilities. Interest amounting to RMB36.4 million was capitalised under construction-in-progress for the 1H2025.

Earnings before interest, taxation, depreciation and amortisation ("EBITDA")

EBITDA decreased by 43.3% to RMB2,102.9 million for the 1H2025, as compared to RMB3,710.7 million for the 1H2024.

Income tax expense

Income tax expense decreased by 32.8% to RMB316.9 million in the 1H2025 due to the decreased amount of profits generated and the payment of PRC dividend withholding tax. The effective tax rate of the Group was increased to 23.7%, as compared to 15.8% for the 1H2024. The effective tax rate was higher in the 1H2025 mainly due to less profits shared from the associate companies as compared to the 1H2024. Most of the Group's PRC subsidiaries are qualified as high technology enterprises with a preferential profit tax rate of 15.0% under the applicable the PRC corporate income tax laws and regulations

Management Discussion and Analysis

Net profit

Net profit was RMB1,012.8 million for the 1H2025, representing a decrease of 59.6%, as compared to the 1H2024. The net profit margin for the 1H2025 also decreased to 10.3% from 23.1% for the 1H2024, principally due to the decreases in the gross profits of float glass business and reduction of share of profits of associates.

Trade and other receivable

Trade and other receivables increased 3.1% to RMB6,843.4 million for the 1H2025, as compare to the year ended 31 December 2024. The increase is mainly due to the higher short term trade receivables.

CAPITAL EXPENDITURE AND COMMITMENTS

For the 1H2025, the Group's capital expenditure amounted to RMB980.6 million for the purchase of plant and machinery and the construction of production facilities in the PRC, Malaysia and Indonesia. Capital commitment contracted for but not incurred by the Group as of 30 June 2025 amounted to RMB988.1 million (31 December 2024: RMB1,174.0 million), which were mainly related to the new capacities of architectural glass, automobile glass and float glass to be added in the PRC, Malaysia and Indonesia.

CAPITAL STRUCTURE

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

NET CURRENT ASSETS AND CURRENT RATIO

As of 30 June 2025, the Group had net current assets of RMB1,960.8 million (31 December 2024: RMB666.0 million), with the current ratio of 1.18 (31 December 2024: 1.06). The increase of current ratio represented a decrease of short term bank borrowings but no impact to the financial position maintained in the current period. The Group has adequate funds to meet the payment obligation of the current liabilities.

FINANCIAL RESOURCES AND LIQUIDITY

During the 1H2025, the Group's primary sources of funding included cash generated from operating activities and credit facilities provided by principal banks in Hong Kong and China. As of 30 June 2025, the net cash inflow from operating activities amounted to RMB1,564.6 million (30 June 2024: RMB1,987.7 million) and the Group had cash and bank balances (including fixed deposits and pledged bank deposits) of RMB2,033.0 million (31 December 2024: RMB1,709.3 million).

BANK BORROWINGS

As of 30 June 2025, total bank borrowings were RMB7,054.8 million, representing a decrease of 3.5%, as compare to the year ended 31 December 2024.

The net debt gearing ratio calculated based on net debt, which is calculated as total borrowings plus lease liabilities less cash and cash equivalents, fixed bank deposits and pledged bank deposits, divided by total shareholders' equity, was at 14.3% as of 30 June 2025, as compared to 16.3% as of 31 December 2024.

PLEDGE OF ASSETS

As of 30 June 2025, a bank balance of RMB79.3 million (31 December 2024: RMB83.1 million) has been pledged as collateral principally for import duties payable to the US government.

CONTINGENT LIABILITIES

As of 30 June 2025, the Group did not have any significant contingent liabilities (2024: Nil).

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

There was no material acquisition and disposal of subsidiaries and associated companies during the 1H2025.

Management Discussion and Analysis

TREASURY POLICIES AND EXPOSURE TO FLUCTUATION IN FOREIGN EXCHANGE RATES

The Group's transactions are mainly denominated in RMB, United States Dollars, Malaysia Ringgit, Indonesian Rupiah, Euro, Australian Dollars, Japanese Yen and Hong Kong Dollars ("HKD"), with principal production activities conducted in the PRC, Malaysia and Indonesia. As of 30 June 2025, the Group's bank borrowings have the bearing effective interest rates at 2.74% per annum.

Hence, the Group's exposure to foreign exchange fluctuations was limited. The Group has not experienced any material difficulty and liquidity problems resulting from foreign exchange fluctuations. The Group may use financial instruments for hedging purposes as and when required. During the 1H2025, the Group did not use any financial instrument for hedging purposes.

EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2025, the Group had 16,410 full-time employees of whom 14,726 were based in the PRC and 1,684 in Hong Kong and other countries and territories. The Group maintains good relationship with all of its employees and provides employees with sufficient training in business and professional knowledge including information about the applications of the Group's products and skills in maintaining good client relationship. Remuneration packages offered to the Group's employees are generally consistent with prevailing markets terms and reviewed on a regular basis. Discretionary bonuses may be awarded to employees taking into consideration the Group's performance and that of individual staff.

Pursuant to applicable laws and regulations, the Group has participated in relevant defined contribution retirement schemes administered by responsible government authorities in the PRC for its employees there. The Group's employees in Hong Kong are all participating in mandatory provident fund arrangements as required by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong).

Condensed Consolidated Balance Sheet

(All amounts in Chinese Renminbi thousands unless otherwise stated)

		As at	
		30 June 2025	31 December 2024
	Note	(Unaudited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	18,794,747	18,911,460
Right-of-use assets	5(A)	4,188,326	3,874,347
Investment properties	7	1,967,989	1,769,631
Prepayments for property, plant and equipment, right-of-use assets and intangible assets	9	800,393	1,312,026
Intangible assets		1,135,210	1,141,163
Investments in associates	8	9,452,032	9,203,629
Fixed bank deposits	10	40,000	70,000
Deferred income tax assets		4,858	5,152
		<u>36,383,555</u>	<u>36,287,408</u>
Current assets			
Inventories		3,860,789	3,492,205
Trade and other receivables	9	6,843,398	6,637,503
Financial assets at fair value through profit and loss	21	32,312	21,928
Pledged bank deposits	10	79,276	83,137
Fixed bank deposits	10	60,000	100,000
Cash and cash equivalents	10	1,853,697	1,456,115
		<u>12,729,472</u>	<u>11,790,888</u>
Total assets		<u>49,113,027</u>	<u>48,078,296</u>

Condensed Consolidated Balance Sheet

(All amounts in Chinese Renminbi thousands unless otherwise stated)

		As at	
		30 June 2025 (Unaudited)	31 December 2024 (Audited)
	Note		
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	11	408,378	408,378
Share premium	11	2,639,646	3,048,090
Other reserves	12	3,241,827	3,256,030
Retained earnings	12	28,710,819	27,572,287
		<u>35,000,670</u>	<u>34,284,785</u>
Non-controlling interests		<u>94,448</u>	<u>92,356</u>
Total equity		<u>35,095,118</u>	<u>34,377,141</u>
LIABILITIES			
Non-current liabilities			
Bank borrowings	14	2,540,047	1,882,219
Deferred income tax liabilities		601,299	579,096
Lease liabilities	5(B)	150	2,743
Other payables	13	107,763	112,231
		<u>3,249,259</u>	<u>2,576,289</u>
Current liabilities			
Trade, other payables and contract liabilities	13	5,260,656	4,653,190
Current income tax liabilities		987,117	1,034,471
Lease liabilities	5(B)	6,164	6,336
Bank borrowings	14	4,514,713	5,430,869
		<u>10,768,650</u>	<u>11,124,866</u>
Total liabilities		<u>14,017,909</u>	<u>13,701,155</u>
Total equity and liabilities		<u>49,113,027</u>	<u>48,078,296</u>
Total assets less current liabilities		<u>38,344,377</u>	<u>36,953,430</u>

Condensed Consolidated Income Statement

(All amount in Chinese Renminbi thousands unless otherwise stated)

		Unaudited	
		Six months ended 30 June	
	Note	2025	2024 (restated) (Note 3)
Revenue	4	9,821,324	10,881,695
Cost of sales	15	(6,719,640)	(7,157,320)
Gross profit		3,101,684	3,724,375
Other income		253,707	376,842
Other (losses)/gains – net	16	(273,784)	221,379
Selling and marketing costs	15	(661,272)	(563,285)
Administrative expenses	15	(1,107,069)	(1,087,352)
Net impairment losses on financial assets		(131,432)	(7,843)
Operating profit		1,181,834	2,664,116
Finance income	17	13,095	25,156
Finance costs	17	(62,815)	(119,385)
Share of profits of associates	8	202,865	419,760
Profit before income tax		1,334,979	2,989,647
Income tax expense	18	(316,944)	(471,549)
Profit for the period		1,018,035	2,518,098
Profit for the period attributable to:			
– Equity holders of the Company		1,012,838	2,509,339
– Non-controlling interests		5,197	8,759
Profit for the period		1,018,035	2,518,098
Earnings per share for profit attributable to equity holders of the Company during the period (expressed in RMB cents per Share)			
– Basic and diluted	20	23.25	59.41

Condensed Consolidated Statement of Comprehensive Income

(All amount in Chinese Renminbi thousands unless otherwise stated)

	Unaudited Six months ended 30 June	
	2025	2024 (restated) (Note 3)
Profit for the period	<u>1,018,035</u>	<u>2,518,098</u>
Other comprehensive income		
Items that will not be reclassified subsequently to the consolidated income statement:		
Currency translation differences	(103,158)	81,506
Items that may be reclassified subsequently to the consolidated income statement:		
Currency translation differences	119,408	(292,157)
Share of other comprehensive income of investments accounted for using the equity method	<u>48,733</u>	<u>6,673</u>
Total comprehensive income for the period	<u>1,083,018</u>	<u>2,314,120</u>
Total comprehensive income for the period attributable to:		
– Equity holders of the Company	1,076,265	2,305,870
– Non-controlling interests	<u>6,753</u>	<u>8,250</u>
	<u>1,083,018</u>	<u>2,314,120</u>

Condensed Consolidated Statement of Changes in Equity

(All amount in Chinese Renminbi thousands unless otherwise stated)

	Note	Unaudited						
		Attributable to equity holders of the Company					Non-controlling interests	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 31 December 2024 and 1 January 2025		408,378	3,048,090	3,256,030	27,572,287	34,284,785	92,356	34,377,141
Comprehensive income								
Profit for the period		—	—	—	1,012,838	1,012,838	5,197	1,018,035
Other comprehensive income								
Currency translation differences		—	—	14,694	—	14,694	1,556	16,250
Share of other comprehensive income of investments accounted for using equity method		—	—	48,733	—	48,733	—	48,733
Total comprehensive income		—	—	63,427	1,012,838	1,076,265	6,753	1,083,018
Transactions with owners								
Employees share option scheme:								
– value of employee services		—	—	48,064	—	48,064	—	48,064
– adjustment relating to expired share options		—	—	(127,463)	127,463	—	—	—
Transfer to reserve		—	—	1,769	(1,769)	—	—	—
Dividends relating to 2024	19	—	(408,444)	—	—	(408,444)	—	(408,444)
Dividend paid to non-controlling interests		—	—	—	—	—	(4,661)	(4,661)
Total transactions with owners		—	(408,444)	(77,630)	125,694	(360,380)	(4,661)	(365,041)
Balance at 30 June 2025		408,378	2,639,646	3,241,827	28,710,819	35,000,670	94,448	35,095,118

Condensed Consolidated Statement of Changes in Equity

(All amount in Chinese Renminbi thousands unless otherwise stated)

	Unaudited						
	Attributable to equity holders of the Company						
Note	Share capital (restated) (Note 3)	Share premium (restated) (Note 3)	Other reserves (restated) (Note 3)	Retained earnings (restated) (Note 3)	Total (restated) (Note 3)	Non-controlling interests (restated) (Note 3)	Total equity (restated) (Note 3)
Balance at 31 December 2023 and 1 January 2024	396,222	2,246,103	2,979,129	26,968,445	32,589,899	104,753	32,694,652
Comprehensive income							
Profit for the period	—	—	—	2,509,339	2,509,339	8,759	2,518,098
Other comprehensive income							
Currency translation differences	—	—	(210,142)	—	(210,142)	(509)	(210,651)
Share of other comprehensive income of investments accounted for using equity method	—	—	6,673	—	6,673	—	6,673
Total comprehensive income	—	—	(203,469)	2,509,339	2,305,870	8,250	2,314,120
Transactions with owners							
Employees share option scheme:							
– Proceeds from shares issued	184	17,942	(1,946)	—	16,180	—	16,180
– Value of employee services	—	—	43,884	—	43,884	—	43,884
– Adjustment relating to expired share options	—	—	(23,100)	23,100	—	—	—
Liquidation of a subsidiary	—	—	—	—	—	(4,302)	(4,302)
Dividends relating to 2023	19	—	—	(1,446,942)	(1,446,942)	—	(1,446,942)
Dividend paid to non-controlling interests	—	—	—	—	—	(10,122)	(10,122)
Total transactions with owners	184	17,942	18,838	(1,423,842)	(1,386,878)	(14,424)	(1,401,302)
Balance at 30 June 2024	396,406	2,264,045	2,794,498	28,053,942	33,508,891	98,579	33,607,470

Condensed Consolidated Cash Flow Statement

(All amount in Chinese Renminbi thousands unless otherwise stated)

	Unaudited Six months ended 30 June	
	2025	2024 (restated) (Note 3)
Cash flows from operating activities		
Cash generated from operations	2,007,242	2,608,607
Interest paid	(98,980)	(157,163)
Income tax paid	(343,622)	(463,742)
Net cash from operating activities	1,564,640	1,987,702
Cash flows from investing activities		
Purchase of property, plant and equipment	(863,897)	(2,307,076)
Purchase of intangible assets	—	(2,010)
Additions to investment properties	(6,606)	(392)
Payment for right-of-use assets	(86,065)	(221,717)
Addition to investment in an associate	(30,000)	—
Proceeds from disposal of investment in an associate	8,087	—
Advanced to an associate	(61,453)	(258,810)
Decrease in fixed deposits	70,000	1,015,000
Interests received	13,095	25,156
Other investing activities	63,046	22,097
Net cash used in investing activities	(893,793)	(1,727,752)

Condensed Consolidated Cash Flow Statement

(All amount in Chinese Renminbi thousands unless otherwise stated)

	Unaudited Six months ended 30 June	
	2025	2024 (restated) (Note 3)
Cash flows from financing activities		
Proceeds from bank borrowings	2,550,760	2,750,639
Repayment of bank borrowings	(2,809,088)	(3,567,352)
Repayment of lease liabilities	(3,455)	(3,488)
Dividend paid to non-controlling interests	(4,661)	(10,122)
Net proceeds from issuance of ordinary shares by share options	—	16,180
Net cash used in financing activities	(266,444)	(814,143)
Net increase/(decrease) in cash and cash equivalents	404,403	(554,193)
Cash and cash equivalents at beginning of the period	1,456,115	1,814,614
Effect of foreign exchange rate changes	(6,821)	(9,464)
Cash and cash equivalents at end of the period	1,853,697	1,250,957

Notes to the Condensed Consolidated Financial Information

1 GENERAL INFORMATION

Xinyi Glass Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) is principally engaged in the production and sales of automobile glass, architectural glass and float glass products through production complexes located in the People’s Republic of China (the “**PRC**”), Malaysia and Indonesia.

The principal place of business of the Group in Hong Kong is situated at Unit 2101-2108, 21st Floor, Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

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

2 BASIS OF PREPARATION

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

Notes to the Condensed Consolidated Financial Information

3 ACCOUNTING POLICIES

Change in presentation currency

As disclosed in the Company's announcement dated 24 December 2024, the presentation currency of the consolidated financial statements of the Group has been changed from Hong Kong Dollars ("HK\$") to Chinese Reminbi ("RMB"). To conform with the current period presentation, certain comparative amounts in the condensed consolidated financial statements for the six months ended 30 June 2025 have been restated as if RMB had always been the presentation currency of the consolidated financial statements.

Change in accounting policies

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

Notes to the Condensed Consolidated Financial Information

3 ACCOUNTING POLICIES (Continued)

AMENDED STANDARDS ADOPTED BY THE GROUP

The following amendments to standards and interpretations are effective for accounting periods beginning on or after 1 January 2025. The adoption of these amendments to standards and interpretations does not have any material impact to the results and financial position of the Group for the current or prior periods.

		Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HK Int 5	Hong Kong Interpretation 5 presentation of Financial Statements — Classification by the borrower of a Term Loan that contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS10 and HKAS 28	Sale or contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Note:

There are no other amendments to standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on results and financial position of the Group.

Notes to the Condensed Consolidated Financial Information

3 ACCOUNTING POLICIES (Continued)

AMENDED STANDARDS ADOPTED BY THE GROUP (Continued)

The Group has not applied any amendments to standards and interpretations that are not effective for current accounting period.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive Directors that are used to make strategic decisions.

The executive Directors consider the business from an operational entity perspective. Generally, the executive Directors consider the performance of business of each entity within the Group separately. Thus, each entity within the Group is an individual operating segment.

Among these operating segments, these operating segments are aggregated into three segments based on the products sold: (1) float glass; (2) automobile glass; and (3) architectural glass.

The executive Directors assess the performance of the operating segments based on a measure of gross profit. The Group does not allocate other operating costs to its segments as this information is not reviewed by the executive Directors.

Sales between segments are carried out at terms mutually agreed by the relevant parties. The revenue from external parties reported to the executive Directors is measured in a manner consistent with that in the consolidated income statement.

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

The unaudited segment information for the period ended 30 June 2025:

	Float glass	Automobile glass	Architectural glass	Unallocated	Total
Segment revenue	6,271,490	3,322,940	1,117,412	—	10,711,842
Inter-segment revenue	(890,518)	—	—	—	(890,518)
Revenue from external customers	5,380,972	3,322,940	1,117,412	—	9,821,324
Cost of sales	(4,421,660)	(1,512,946)	(785,034)	—	(6,719,640)
Gross profit	959,312	1,809,994	332,378	—	3,101,684
Depreciation charge					
– property, plant and equipment (Note 15)	509,204	77,982	50,898	16,431	654,515
– right-of-use assets (Note 15)	24,207	3,613	1,259	28,617	57,696
Amortisation charge					
– intangible assets (Note 15)	5,349	604	—	—	5,953
Increase in provision for loss allowance, net	129,388	1,389	655	—	131,432
Share of profits of associates (Note 8)	—	—	—	202,865	202,865

	Float glass	Automobile glass	Architectural glass	Unallocated	Total
Total assets	23,938,374	6,318,313	2,240,855	16,615,485	49,113,027
Total assets included:					
Investments in associates (Note 8)	—	—	—	9,452,032	9,452,032
Investment properties (Note 7)	—	—	—	1,967,989	1,967,989
Additions to non-current assets	450,677	219,527	193,591	146,777	1,010,572
Total liabilities	4,652,586	2,094,215	1,098,270	6,172,838	14,017,909

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

The unaudited segment information for the period ended 30 June 2024 and the audited segment assets and liabilities as at 31 December 2024:

	Float glass (restated)	Automobile glass (restated)	Architectural glass (restated)	Unallocated (restated)	Total (restated)
Segment revenue	7,984,204	3,003,921	1,438,624	—	12,426,749
Inter-segment revenue	(1,545,054)	—	—	—	(1,545,054)
Revenue from external customers	6,439,150	3,003,921	1,438,624	—	10,881,695
Cost of sales	(4,612,459)	(1,515,904)	(1,028,957)	—	(7,157,320)
Gross profit	1,826,691	1,488,017	409,667	—	3,724,375
Depreciation charge					
– property, plant and equipment (Note 15)	419,094	80,813	65,187	6,206	571,300
– right-of-use assets (Note 15)	23,698	2,872	1,096	26,442	54,108
Amortisation charge					
– intangible assets (Note 15)	856	604	—	—	1,460
Increase in provision for loss allowance, net	14	2,164	5,665	—	7,843
Share of profits of associates (Note 8)	—	—	—	419,760	419,760

	Assets and liabilities				
	Float glass	Automobile glass	Architectural glass	Unallocated	Total
Total assets	23,622,776	6,173,720	1,965,539	16,316,261	48,078,296
Total assets included:					
Investments in associates (Note 8)	—	—	—	9,203,629	9,203,629
Investment properties (Note 7)	—	—	—	1,769,631	1,769,631
Additions to non-current assets	4,062,894	267,403	342,233	739,760	5,412,290
Total liabilities	4,097,201	1,669,747	836,759	7,097,448	13,701,155

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

A reconciliation of segment gross profit to profit before income tax is provided as follows:

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Segment gross profit	3,101,684	3,724,375
Unallocated:		
Other income	253,707	376,842
Other (losses)/gains - net	(273,784)	221,379
Selling and marketing costs	(661,272)	(563,285)
Administrative expenses	(1,107,069)	(1,087,352)
Net impairment losses on financial assets	(131,432)	(7,843)
Finance income	13,095	25,156
Finance costs	(62,815)	(119,385)
Share of profits of associates	202,865	419,760
Profit before income tax	<u>1,334,979</u>	<u>2,989,647</u>

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

Reportable segments assets/(liabilities) for the period ended 30 June 2025 and the year ended 31 December 2024 are reconciled to total assets/(liabilities) as follows:

	Assets		Liabilities	
	2025 (Unaudited)	2024 (Audited)	2025 (Unaudited)	2024 (Audited)
Segment assets/(liabilities)	32,497,542	31,762,035	(7,845,071)	(6,603,707)
Unallocated:				
Property, plant and equipment	1,916,480	2,068,039	—	—
Right-of-use assets	2,009,041	2,109,392	—	—
Investment properties	1,967,989	1,769,631	—	—
Prepayments for property, plant and equipment, right-of-use assets and intangible assets	48,431	33,004	—	—
Intangible assets	19,056	19,885	—	—
Financial assets at fair value through profit and loss	32,312	21,928	—	—
Investments in associates	9,452,032	9,203,629	—	—
Prepayments, deposits and other receivables	988,004	921,632	—	—
Cash and cash equivalents	177,282	163,969	—	—
Deferred income tax assets	4,858	5,152	—	—
Other payables	—	—	(320,485)	(436,142)
Dividend payables	—	—	(408,444)	—
Current income tax liabilities	—	—	(59,547)	(68,857)
Deferred income tax liabilities	—	—	(385,709)	(375,709)
Bank borrowings	—	—	(4,998,653)	(6,216,740)
Total assets/(liabilities)	49,113,027	48,078,296	(14,017,909)	(13,701,155)

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

Breakdown of the revenue from the sales of products is as follows:

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Sales of float glass	5,380,972	6,439,150
Sales of automobile glass	3,322,940	3,003,921
Sales of architectural glass	1,117,412	1,438,624
Total	9,821,324	10,881,695

The Group's revenue is mainly derived from customers located in the Greater China (including Hong Kong and the PRC) and the Group's business activities are conducted predominately in the Greater China. An analysis of the Group's sales by geographical locations of its customers is as follows:

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Greater China	6,197,043	7,744,077
Other countries	3,624,281	3,137,618
	9,821,324	10,881,695

Notes to the Condensed Consolidated Financial Information

4 SEGMENT INFORMATION (Continued)

An analysis of the Group's non-current assets by geographical area in which the assets are located is as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Greater China	32,783,541	32,999,611
Malaysia	1,552,454	1,525,871
Other countries	<u>2,047,560</u>	<u>1,761,926</u>
	<u>36,383,555</u>	<u>36,287,408</u>

5 LEASES

5 (A) The information for leases where the Group is a lessee is analysed as follows:

	Leasehold lands and land-use rights	Buildings	Total
Period ended 30 June 2025 (Unaudited)			
Opening net book amount	3,838,076	36,271	3,874,347
Currency translation differences	(417)	(11)	(428)
Additions	444,494	440	444,934
Transfer to investments properties	(72,302)	—	(72,302)
Depreciation charges	<u>(53,669)</u>	<u>(4,556)</u>	<u>(58,225)</u>
Closing net book amount	<u>4,156,182</u>	<u>32,144</u>	<u>4,188,326</u>

Notes to the Condensed Consolidated Financial Information

5 LEASES (Continued)

5 (B) Lease liabilities

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current	6,164	6,336
Non-current	150	2,743
As at 30 June/31 December	6,314	9,079

Notes:

- (a) The total cash outflow for the leases during the period was RMB3,455,000.
- (b) Lands in the PRC are state-owned. The Group acquired leasehold lands from mainland China government by one-off prepayment with lease terms of 20 to 50 years. The leasehold lands were classified as "right-of-use assets". The Group also leases various offices and warehouses. Rental contracts are typically made for fixed periods of 1 year to 3 years.

Lease terms for offices and warehouses are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

- (c) Depreciation charges of RMB529,000 were capitalised as direct cost of construction in progress during the period ended 30 June 2025 when the building thereon were not yet ready for production purposes. For the period ended 30 June 2025, depreciation of the Group's right-of-use assets amounted to RMB57,696,000 were charged to the consolidated income statement (Note 15).

Notes to the Condensed Consolidated Financial Information

6 PROPERTY, PLANT AND EQUIPMENT

	Unaudited Six months ended 30 June 2025					
	Construction in progress	Freehold land	Buildings	Plant and machinery	Office equipment	Total
Opening net book amount as at 1 January 2025	4,133,150	148,968	4,504,944	10,033,261	91,137	18,911,460
Currency translation differences	(26,666)	6,981	18,151	23,267	40	21,773
Additions	896,913	—	71,992	68,473	3,726	1,041,104
Transfer to investment properties	—	—	(120,775)	—	—	(120,775)
Transfers	(3,319,074)	—	834,728	2,476,426	7,920	—
Disposals	—	—	(19,074)	(180,161)	(120)	(199,355)
Impairment losses (Note)	—	—	—	(100,389)	—	(100,389)
Depreciation charge	—	—	(112,274)	(636,224)	(10,573)	(759,071)
Closing net book amount as at 30 June 2025	<u>1,684,323</u>	<u>155,949</u>	<u>5,177,692</u>	<u>11,684,653</u>	<u>92,130</u>	<u>18,794,747</u>

Note:

Depreciation is calculated using the straight-line method to allocate their costs, net of residual values, over their estimated useful lives, as follows:

- Buildings 20-30 years
- Plant and machinery (note a) 5-20 years
- Office equipment 3-7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

- (a) Only solar energy related equipment is applicable to depreciation of useful lives of 20 years.

Notes to the Condensed Consolidated Financial Information

6 PROPERTY, PLANT AND EQUIPMENT (Continued)

During the period ended 30 June 2025, part of the float glass production facilities in Hainan ceased operations due to suspension on a permanent basis. The impairment provision was determined based on the difference between the assets' carrying amounts and their recoverable amounts. Accordingly, impairment losses of RMB100,389,000 were recognised for the six months ended 30 June 2025 in respect of these impaired assets.

7 INVESTMENT PROPERTIES

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
As at 1 January	1,769,631	1,404,153
Currency translation differences	(1,325)	1,702
Additions	6,606	11,359
Transferred from property, plant and equipment	120,775	190,316
Transferred from right-of-use assets	72,302	105,453
Revaluation gains on investment properties transferred from property, plant and equipment and right-of-use assets	—	139,618
Fair value losses	—	(82,970)
As at 30 June/31 December	<u>1,967,989</u>	<u>1,769,631</u>

As at 30 June 2025, the Group has nine investment properties in the PRC and an investment property in Hong Kong.

The Group's investment properties were valued at 31 December 2024 by independent professionally qualified valuer who holds a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

Notes to the Condensed Consolidated Financial Information

7 INVESTMENT PROPERTIES (Continued)

The Group's interest in the investment properties at their fair values is analysed as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Fair value hierarchy (level 3):		
– Commercial building – Xiamen, the PRC	965,200	965,200
– Commercial building 3 – Shenzhen, the PRC	94,500	94,500
– Office unit – Wuhu, the PRC	109,543	109,543
– Office unit – Hong Kong	45,710	47,035
– Factory building – Jiangsu, the PRC	202,877	160,100
– Factory building 1 – Wuhu, the PRC	256,905	165,200
– Factory building 2 – Wuhu, the PRC	91,121	91,100
– Factory building – Maanshan, the PRC	155,384	134,390
– Factory building – Sichuan, the PRC	44,186	—
	1,965,426	1,767,068
At cost		
– Commercial building 2 – Shenzhen, the PRC	2,563	2,563
	1,967,989	1,769,631

There were no transfers between level 1, 2 and 3 during the period.

Notes to the Condensed Consolidated Financial Information

8 INVESTMENTS IN ASSOCIATES

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
At 1 January	9,203,629	9,066,707
Currency translation differences	(12,791)	102,576
Addition to investment in an associate	30,000	288,313
Disposal of investment in an associate	(8,087)	—
Share of profits of associates	202,865	196,869
Share of other comprehensive income	48,733	57,668
Dividend received	(12,317)	(508,504)
At 30 June/31 December	<u>9,452,032</u>	<u>9,203,629</u>

Notes to the Condensed Consolidated Financial Information

9 TRADE AND OTHER RECEIVABLES

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables (note (a))	2,166,464	1,928,573
Less: provision for loss allowance of trade receivables	<u>(76,215)</u>	<u>(47,417)</u>
	2,090,249	1,881,156
Bills receivables (note (b))	<u>1,075,913</u>	<u>1,403,428</u>
Trade and bills receivables – net	<u>3,166,162</u>	<u>3,284,584</u>
Prepayments, deposits and other receivables	4,649,404	4,735,599
Less: provision for loss allowance of deposits and other receivables	<u>(171,775)</u>	<u>(70,654)</u>
	<u>4,477,629</u>	<u>4,664,945</u>
	7,643,791	7,949,529
Less: non-current portion		
Prepayments for property, plant and equipment, right-of-use assets and intangible assets	<u>(800,393)</u>	<u>(1,312,026)</u>
	<u>6,843,398</u>	<u>6,637,503</u>

Notes to the Condensed Consolidated Financial Information

9 TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) The credit period granted by the Group to its customers is generally from 30 to 90 days. At 30 June 2025 and 31 December 2024, the ageing analysis of the Group's trade receivables, based on the invoice date, was as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
0-90 days	1,664,116	1,535,151
91-180 days	279,754	268,219
181-365 days	139,803	74,551
1-2 years	54,099	30,676
Over 2 years	28,692	19,976
	2,166,464	1,928,573

- (b) All bills receivables are issued by licensed banks in the PRC with maturities ranging within twelve months.

Notes to the Condensed Consolidated Financial Information

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following for the purpose of the condensed consolidated cash flows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Total cash and bank balances	2,032,973	1,709,252
Less:		
– Fixed deposits – long term (note (a))	(40,000)	(70,000)
– Fixed deposits – short term (note (a))	(60,000)	(100,000)
– Pledged bank deposits (note (b))	(79,276)	(83,137)
Cash and cash equivalents	<u>1,853,697</u>	<u>1,456,115</u>

Notes:

- (a) The Group placed fixed bank deposits with major license banks in the PRC, with fixed maturities and fixed interest rates. These bank deposits have an average maturity of 3 years.
- (b) The pledged bank deposits represents deposits pledged as collateral principally as security for import duties payable to the US Customs.

Notes to the Condensed Consolidated Financial Information

11 SHARE CAPITAL

The share capital of the Company comprised ordinary shares (the “Shares”) of HK\$0.1 each.

	Number of Shares	Ordinary shares of HK\$0.1 each HK\$'000	Share Premium HK\$'000	Total HK\$'000
Authorised:				
As at 1 January 2025				
and 30 June 2025	20,000,000,000	2,000,000	—	2,000,000
	Number of Shares	Ordinary shares of HK\$0.1 each RMB'000	Share Premium RMB'000	Total RMB'000
Issued and fully paid:				
As at 1 January 2025	4,357,192,919	408,378	3,048,090	3,456,468
Dividends relating to 2024	—	—	(408,444)	(408,444)
As at 30 June 2025	4,357,192,919	408,378	2,639,646	3,048,024

Notes to the Condensed Consolidated Financial Information

11 SHARE CAPITAL (Continued)

Notes:

- (a) Details of the movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	For the six months ended 30 June			
	2025		2024	
	Average exercise price in HK\$ per Share	Options (thousands)	Average exercise price in HK\$ per Share	Options (thousands)
At 1 January	16.75	122,419	17.64	117,391
Granted	7.88	38,000	8.04	37,500
Exercised	—	—	8.82	(1,991)
Forfeited	12.21	(6,361)	13.36	(5,680)
Expired	23.35	(28,071)	8.82	(23,630)
At 30 June	12.83	125,987	16.75	123,590

Notes to the Condensed Consolidated Financial Information

11 SHARE CAPITAL (Continued)

Notes: (Continued)

Out of the 125,987,000 outstanding options, 28,147,000 options were exercisable as at 30 June 2025. There was no option exercised in 2025.

Share options outstanding at the end of the period have the following expiry date and exercise price:

	Exercise price in HK\$ per Share	Options (thousands)
Expiry date		
31 March 2026	21.80	28,147
31 March 2027	15.524	29,678
31 March 2028	8.04	32,790
31 March 2029	7.88	35,372
		<hr/>
		125,987
		<hr/>

The weighted average fair value of options granted during the period determined using the Black - Scholes valuation model, which was performed by an independent valuer, Greater China Appraisal Limited. The value of share options granted during the period was based on the following assumptions:

Date of grant	9 June 2025
Option valued	HK\$1.9076
Share price at the date of grant	HK\$7.88
Exercisable price	HK\$7.88
Expected volatility	45.1692%
Annual risk-free interest rate	2.1576%
Life of option	3 years and 4 months
Dividend yield	5.2030%

Notes to the Condensed Consolidated Financial Information

12 OTHER RESERVES

	Statutory reserve fund	Enterprise expansion fund	Foreign currency translation reserve	Capital reserve	Share options reserve	Property revaluation reserve	Capital redemption reserve	Financial assets at fair value through other comprehensive income reserve	Other reserve Subtotal	Retained earnings	Total
Balance at 1 January 2025	3,624,295	39,837	(1,163,642)	354,163	254,138	158,747	22,397	(33,905)	3,256,030	27,572,287	30,828,317
Profit for the period	—	—	—	—	—	—	—	—	—	1,012,838	1,012,838
Currency translation differences	—	—	14,694	—	—	—	—	—	14,694	—	14,694
Share of the other comprehensive income of investments accounted for using the equity method	—	—	48,733	—	—	—	—	—	48,733	—	48,733
Employees' share option scheme:— value of employee services— adjustment relating to expired share options	—	—	—	—	48,064	—	—	—	48,064	—	48,064
Transfer to reserve	1,769	—	—	—	(127,463)	—	—	—	(127,463)	127,463	—
									1,769	(1,769)	—
Balance at 30 June 2025	3,626,064	39,837	(1,100,215)	354,163	174,739	158,747	22,397	(33,905)	3,241,827	28,710,819	31,952,646

Notes to the Condensed Consolidated Financial Information

13 TRADE, OTHER PAYABLES AND CONTRACT LIABILITIES

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Trade payables (note (a))	2,050,259	1,781,649
Bill payables (note (b))	90,000	19,000
	<u>2,140,259</u>	<u>1,800,649</u>
Other payables	2,697,942	2,460,663
Contract liabilities	530,218	504,109
Less: non-current portion	<u>(107,763)</u>	<u>(112,231)</u>
Current portion	<u>5,260,656</u>	<u>4,653,190</u>

Notes:

- (a) At 30 June 2025 and 31 December 2024, the ageing analysis of the trade payables, based on the invoice date, was as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
0-90 days	1,971,411	1,666,892
91-180 days	16,590	51,475
181-365 days	26,434	19,988
1-2 years	14,442	21,104
Over 2 years	21,382	22,190
	<u>2,050,259</u>	<u>1,781,649</u>

- (b) Bills payable have maturities ranging within twelve months.

Notes to the Condensed Consolidated Financial Information

14 BANK BORROWINGS

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Non-current		
Bank borrowings	4,257,000	3,262,088
Less: Current portion	(1,716,953)	(1,379,869)
Shown as non-current liabilities	<u>2,540,047</u>	<u>1,882,219</u>
Current		
Short term bank borrowings	2,797,760	4,051,000
Current portion of long-term bank borrowings	1,716,953	1,379,869
Shown as current liabilities	<u>4,514,713</u>	<u>5,430,869</u>
Total bank borrowings	<u>7,054,760</u>	<u>7,313,088</u>

Note:

- (a) The bank borrowings were guaranteed by corporate guarantees provided by the Company and cross guarantees provided by certain subsidiaries of the Group.

At 30 June 2025 and 31 December 2024, the Group's bank borrowings were repayable as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Within 1 year	4,514,713	5,430,869
Between 1 and 2 years	1,533,887	1,587,869
Between 2 and 5 years	977,360	257,150
Over 5 years	28,800	37,200
	<u>7,054,760</u>	<u>7,313,088</u>

Notes to the Condensed Consolidated Financial Information

14 BANK BORROWINGS (Continued)

Note: (Continued)

At 30 June 2025 and 31 December 2024, the carrying amounts of the Group's bank borrowings are denominated in the following currencies:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
RMB	7,054,760	7,033,487
HK\$	—	279,601
	<u>7,054,760</u>	<u>7,313,088</u>

The carrying amounts of bank borrowings approximate their fair values as at 30 June 2025 and 31 December 2024.

The effective interest rates at the balance sheet date were as follows:

	As at	
	30 June 2025	31 December 2024
Bank borrowings	<u>2.74%</u>	<u>3.30%</u>

Note: As at 30 June 2025, the PBOC one-year Loan Prime Rate for Renminbi loan was 3.0% (for reference only).

Notes to the Condensed Consolidated Financial Information

15 EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing costs and administrative expenses are analysed as follows:

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Depreciation and amortisation	718,164	626,868
Employee benefit expenses	1,119,111	1,068,773
Cost of inventories	4,953,475	5,529,785
Other selling expenses (including transportation and advertising costs)	661,272	563,285
Other expenses, net	<u>1,035,959</u>	<u>1,019,246</u>
Total cost of sales, selling and marketing costs and administrative expenses	<u>8,487,981</u>	<u>8,807,957</u>

Notes to the Condensed Consolidated Financial Information

16 OTHER (LOSSES)/GAINS — NET

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Losses on disposal of property, plant and equipment, net	(121,798)	(6,025)
Impairment losses on property, plant and equipment	(100,389)	—
Unrealised fair value losses on financial assets at fair value through profit and loss	(7,988)	(6,295)
Other foreign exchange (losses)/gains, net	(43,609)	232,922
Others	—	777
	<u>(273,784)</u>	<u>221,379</u>

17 FINANCE INCOME AND FINANCE COSTS

FINANCE INCOME

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Interest income on bank deposits	<u>13,095</u>	<u>25,156</u>

Notes to the Condensed Consolidated Financial Information

17 FINANCE INCOME AND FINANCE COSTS (Continued)

FINANCE COSTS

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Interest on lease liabilities	247	437
Interest on bank borrowings	98,980	157,163
Less: interest expenses capitalised on qualified assets	(36,412)	(38,215)
	<u>62,815</u>	<u>119,385</u>

18 INCOME TAX EXPENSE

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Current income tax		
– Hong Kong profits tax (Note (a))	3,597	23,546
– PRC corporate income tax (Note (b))	231,570	333,784
– Overseas income tax (Note (c))	16,785	2,496
– Withholding tax on remitted earnings (Note (d))	49,334	84,283
Deferred income tax	15,658	27,440
	<u>316,944</u>	<u>471,549</u>

Notes to the Condensed Consolidated Financial Information

18 INCOME TAX EXPENSE (Continued)

Notes:

(a) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the period.

(b) PRC corporate income tax ("CIT")

CIT is provided on the estimated taxable profits of the subsidiaries established in the PRC for the period, calculated in accordance with the relevant tax rules and regulations.

The applicable CIT rates in the PRC is 25%. Sixteen (2024: Sixteen) major subsidiaries in Chongqing, Deyang, Dongguan, Guangxi, Jiangmen, Shenzhen, Tianjin, Wuhu, Yingkou and Zhangjiagang enjoy high-tech enterprise income tax benefit and are entitled to a preferential tax treatment of reduction in CIT rate to 15% (2024: 15%).

(c) Overseas income tax

Taxation on overseas profits has been calculated on the estimated assessable profits for the periods ended 30 June 2025 and 2024 at the rates of taxation prevailing in the countries in which the Group operates.

(d) Withholding tax on remitted earnings

Withholding tax on remitted earnings from the PRC companies was ranging from 5% to 10%, and there is no withholding tax on remitted earnings from the Malaysian companies.

Notes to the Condensed Consolidated Financial Information

19 DIVIDENDS

	Six months ended 30 June	
	2025	2024 (restated)
Final dividend payable for 2024 of 10.0 HK cents (2023: 37.0 HK cents) per Share	408,444	1,446,942
Declared interim dividend of 12.5 HK cents (2024: 31.0 HK cents) per Share	497,918	1,225,025
	<u>906,362</u>	<u>2,671,967</u>

Notes:

At a meeting of the Board held on 1 August 2025, the Directors declared an interim dividend of 12.5 HK cents per Share for the six months ended 30 June 2025. The amount of 2025 declared interim dividend is based on 4,357,192,919 Shares in issue as at 30 June 2025.

This interim dividend is not reflected as a dividend payable in this unaudited condensed consolidated financial information, but will be deducted from the share premium or retained earnings of the Company in the year ending 31 December 2025.

Notes to the Condensed Consolidated Financial Information

20 EARNINGS PER SHARE

BASIC

Basic earnings per Share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Shares in issue during the period.

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Profit attributable to equity holders of the Company (RMB'000)	1,012,838	2,509,339
Weighted average number of Shares in issue (thousands)	4,357,193	4,223,722
Basic earnings per Share (RMB cents per Share)	<u>23.25</u>	<u>59.41</u>

DILUTED

For the six months ended 30 June 2025 and 30 June 2024, diluted earnings per share equal basic earnings per share as these were no potential dilutive share.

Notes to the Condensed Consolidated Financial Information

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

FAIR VALUE ESTIMATION

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2025 and 31 December 2024.

At 30 June 2025

Current assets

Financial assets at fair value

through profit and loss

– PRC listed equity securities

– Other financial products

Level 1	Level 2	Level 3	Total
19,626	—	—	19,626
<u>—</u>	<u>—</u>	<u>12,686</u>	<u>12,686</u>
<u>19,626</u>	<u>—</u>	<u>12,686</u>	<u>32,312</u>

At 31 December 2024

Current assets

Financial assets at fair value

through profit and loss

– PRC listed equity securities

– Other financial products

21,821	—	—	21,821
—	—	107	107
21,821	—	107	21,928

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

FAIR VALUE ESTIMATION (Continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

During six months ended 30 June 2025, there were no transfer between Level 1 and Level 2, or transfer into or out of Level 3 (2024: Nil). The group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Notes to the Condensed Consolidated Financial Information

22 COMMITMENTS

Capital expenditure not yet incurred at the end of reporting period is as follows:

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Contracted but not provided for property, plant and equipment, intangible assets and right-of-use assets	<u>988,067</u>	<u>1,173,955</u>

23 RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

(A) TRANSACTIONS WITH RELATED PARTIES

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Purchases of goods from associates		
– Tianjin Wuqing District Xinke Natural Gas Investment Company Limited	159,893	132,014
– Wuxuan Xinbao Mining Co., Ltd.	52,335	15,127
– Jiangsu Lianxun Technology Company Ltd.	<u>2,165</u>	<u>—</u>
Purchase of fixed assets and consumables from an associate		
– Jiangsu Dannai New Material Company Limited	<u>39,183</u>	<u>—</u>

Notes to the Condensed Consolidated Financial Information

23 RELATED PARTY TRANSACTIONS (Continued)

(A) TRANSACTIONS WITH RELATED PARTIES (Continued)

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Purchase of silica sands from an associate – A subsidiary of Xinyi Solar Holding Limited ("Xinyi Solar")	<u>611</u>	<u>35,936</u>
Purchase of electricity from a related party – Subsidiaries of Xinyi Solar	<u>5,814</u>	<u>—</u>
Purchase of fixed assets and consumables from an associate – Subsidiaries of Xinyi Solar	<u>4,673</u>	<u>—</u>
Purchases of fixed assets and consumables from a related party – An entity controlled by a controlling party	<u>872</u>	<u>279</u>
Purchase of electric storage products from a related party – An entity controlled by a controlling party	<u>2,837</u>	<u>5,523</u>
Purchase of electricity from a related party – An entity controlled by a controlling party	<u>1,286</u>	<u>1,272</u>
Sales of goods to an associate – Subsidiaries of Xinyi Solar	<u>1,440</u>	<u>3,752</u>

Notes to the Condensed Consolidated Financial Information

23 RELATED PARTY TRANSACTIONS (Continued)

(A) TRANSACTIONS WITH RELATED PARTIES (Continued)

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Sales of machineries to an associate		
– Subsidiaries of Xinyi Solar	798	74,949
Sales of silica sands to an associate		
– A subsidiary of Xinyi Solar	1,360	—
Sales of goods to related parties		
– Entities controlled by a controlling party	—	1
– An entity controlled by a controlling party	5,266	4,435
Rental income received from associates		
– Subsidiaries of Xinyi Solar	9,095	13,999
– Jiangsu Lianxun Technology Company Ltd	401	—
Rental income received from a related party		
– An entity controlled by a controlling party	294	316
Rental expenses paid to an associate		
– Subsidiaries of Xinyi Solar	3,184	3,184
Rental expenses paid to a related party		
– An entity controlled by a controlling party	1,392	354

Notes to the Condensed Consolidated Financial Information

23 RELATED PARTY TRANSACTIONS (Continued)

(A) TRANSACTIONS WITH RELATED PARTIES (Continued)

	Unaudited Six months ended 30 June	
	2025	2024 (restated)
Shipping service income received from an associate		
– Subsidiaries of Xinyi Solar	15,386	4,570
Consultancy fee income from associates		
– Ordos City Shuangxin New Material Limited	82	—
– Jiangsu Dannai New Material Company Limited	85	—
Wind farm management fee paid to a related party		
– An entity controlled by a controlling party	4,715	849

Notes to the Condensed Consolidated Financial Information

23 RELATED PARTY TRANSACTIONS (Continued)

(B) PERIOD/YEAR-END BALANCES WITH RELATED PARTIES

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Prepayment to associates arising from purchase of goods		
– Beihai Yiyang Mineral Company Limited	—	1,381
– Tianjin Wuqing District Xinke Natural Gas Investment Company Limited	5,592	11,966
Prepayment to associates arising from purchase of fixed assets		
– Jiangsu Lianxun Technology Co., Ltd.	21,798	23,084
– Jiangsu Dannai New Material Limited	—	22,125
Receivable from an associate arising from sales of machineries and land parcel		
– Subsidiaries of Xinyi Solar	102,329	127,130
Receivable arising from sales of goods		
– Subsidiaries of Xinyi Solar	51	782
Receivable arising from provision of shipping service		
– Subsidiaries of Xinyi Solar	1,511	2,006
Receivable from related parties arising from sales of goods		
– An entity controlled by a controlling party	1,068	1,718
Advance to associates		
– Subsidiaries of Xinyi Solar	1,758,639	1,713,028
– Dongyuan County Xinhuali Quartz Sand Company Limited	20,000	20,000

Notes to the Condensed Consolidated Financial Information

23 RELATED PARTY TRANSACTIONS (Continued)

(B) PERIOD/YEAR-END BALANCES WITH RELATED PARTIES (Continued)

	As at	
	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Payable to associates arising from purchase of goods		
– Beihai Yiyang Mineral Company Limited	3,367	—
– Wuxuan Xinbao Mining Co., Ltd.	12,379	5,829
Payable to an associate arising from purchase of fixed assets		
– Jiangsu Dannai New Material Limited	3,821	—
Payable to an associate arising from purchase of goods		
– Subsidiaries of Xinyi Solar	67	757
Payable to an associate arising from EPC service		
– Subsidiaries of Xinyi Solar	137	137
Payable to a related party arising from processing fee and management fee		
– An entity controlled by a controlling party	19,081	23,833
Receipt in advance related parties arising from purchase of goods		
– Entities controlled by a controlling party	1	1

As at 30 June 2025, balances with related parties are unsecured, interest-free and repayable on demand. The amounts approximate their fair value and are denominated in RMB, HK\$, United States Dollars or Malaysian Ringgit.

Key management compensation amounted to RMB42,218,000 for the six months ended 30 June 2025 (2024: RMB66,061,000).

Other Information on the Group

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Group recorded a decrease in the amount of the net profit for the 1H2025, as compared to the 1H2024, and the Directors consider that the Group has achieved a reasonable level of profitability in an unfavorable market condition. The Board has declared an interim dividend (the “**Interim Dividend**”) of 12.5 HK cents per Share for the 1H2025 (1H2024: 31.0 HK cents) to be paid to the shareholders (the “**Shareholders**”) of the Company whose names are recorded on the register of members of the Company at the close of business on Wednesday, 20 August 2025. The Interim Dividend is expected to be payable on or about Friday, 10 October 2025.

The register of members of the Company will be closed from Monday, 18 August 2025 to Wednesday, 20 August 2025 (both days inclusive), during which period no transfer of Shares will be registered. The record date for determining the entitlement of the Shareholder to the Interim Dividend will be Wednesday, 20 August 2025. In order to qualify for the Interim Dividend, all Share transfer documents accompanied by the relevant Share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 15 August 2025.

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

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

PURCHASE, SALE OR REDEMPTION OF SHARES

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

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

No significant events have taken place subsequent to 30 June 2025 and up to the date of this report.

CORPORATE GOVERNANCE

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

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set forth in Appendix C3 to the Listing Rules as the code of conduct for securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set forth in the Model Code during the 1H2025.

Other Information on the Group

AUDIT COMMITTEE

The Company has established an audit committee, comprising four independent non-executive Directors, with written terms of reference in compliance with the requirements of the Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group and to provide comments and give advice to the Board.

REVIEW OF THE INTERIM RESULTS

The Company's unaudited interim results for the 1H2025 have not been reviewed by the external auditor but have been reviewed by the Company's audit committee, comprising four independent non-executive Directors.

SHARE OPTION SCHEMES

The Company has adopted a share option scheme (the **"2015 Share Option Scheme"**) on 18 January 2015 for the purpose of providing incentives and rewards to eligible participants who have contributed to the success of the Group's operations. The 2015 Share Option Scheme was expired on 17 January 2025. During the 1H2025, no share option has been granted, exercised, lapsed and cancelled under the 2015 Share Option Scheme.

The Company has adopted a new share option scheme (the **"2025 Share Option Scheme"**) on 30 May 2025. The following table sets forth movements in the share options of the Company for the 1H2025:

SHARE OPTION SCHEMES (Continued)

Grantee	Grant Date	Exercise price (HK\$)	Closing price of the Company's shares immediately before the grant date (HK\$)	Vesting period	Exercise period	Number of share options					
						At 1 January 2025	Granted	Exercised	Expired	Lapsed	At 30 June 2025
Continuous contract employees	2/3/2021	23.35	23.70	2/3/2021-31/12/2023	1/4/2024-31/3/2025	28,071,300	—	—	—	(28,071,300)	—
	1/3/2022	21.80	20.75	1/3/2022-31/12/2024	1/4/2025-31/3/2026	29,422,060	—	—	—	(1,275,460)	28,146,600
	1/3/2023	15.524	14.66	1/3/2023-31/12/2025	1/4/2026-31/3/2027	30,935,995	—	—	—	(1,275,671)	29,678,324
	1/3/2024	8.04	8.00	1/3/2024-31/12/2026	1/4/2027-31/3/2028	33,990,000	—	—	—	(1,200,004)	32,789,996
	9/6/2025	7.88	7.83	9/6/2025-31/12/2027	1/4/2028-31/3/2029	—	38,000,000 ⁽¹⁾	—	—	(2,628,000)	35,372,000
						<u>122,419,355</u>	<u>38,000,000</u>	<u>—</u>	<u>—</u>	<u>(34,432,435)</u>	<u>125,986,920</u>

Notes:

- (1) The vesting of the share options is subject to satisfaction of certain performance targets as determined by the Board at its absolute discretion. Such performance targets include, but without limitation to, and where appropriate, (a) sales performance (e.g. revenue and profit); (b) operational performance (e.g. production yield and cost control and turnover rate); and (c) financial performance (e.g. profits, cash flow, earnings, market capitalisation and return on equity) of the Group as a whole and of the applicable business. Also, the Company has established a standard performance appraisal system to evaluate the performance and contribution of the grantees, including but not limited to, the individual's overall performance indicators (e.g. strategic driving abilities, talent development capabilities, inter-departmental cooperation capabilities and adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal procedures).

During the 1H2025, 38,000,000 shares options have been granted. The fair value of the equity-settled share options granted under the Share Option Scheme during the 1H2025 is estimated at HK\$72,489,000 and is to be expensed through the Group's income statement over the three-year vesting period of the options.

Other Information on the Group

SHARE OPTION SCHEMES (Continued)

The fair value of share options granted by the Company during the 1H2025 is determined in accordance with the valuation performed by an independent valuer using the Black-Scholes option pricing model. Such model is one of the commonly used models to estimate the fair value of an option. The significant variables and assumptions used in computing the fair value of the share options are set forth in the table below. The value of an option varies with different variables of a number of subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of an option.

Share price at the grant date (HK\$)	HK\$7.88
Exercise price (HK\$)	HK\$7.88
Volatility (%)	45.1692%
Dividend yield (%)	5.2030%
Expected share option life (years)	3 years and 4 months
Annual risk-free interest rate (%)	2.1576%

The number of share options available for grant under the 2015 Share Option Scheme was 117,906,615 share options as of 1 January 2025. The 2015 Share option Scheme was expired on 17 January 2025, therefore no share option was available for grant as of 30 June 2025.

As of 30 June 2025, the number of share options available for grant under the 2025 Share Option Scheme was 397,719,291 and the number of share options available for grant under the service provider sublimit of the 2025 Share Option Scheme was 21,785,964.

The number of Shares that may be issued in respect of the options granted under the 2025 Share Option Scheme during the 1H2025 divided by the weighted average number of Shares in issue for the 1H2025 is 0.87%.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS

As of 30 June 2025, the interests and short positions of the Directors and chief executive of the Company or any of their associates in the Shares, the underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which are required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); (b) entered in the register kept by the Company pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Long positions in the Shares

Name of Directors	Nature of interest	Number of Shares held	Approximate percentage of the Company's issued share capital
Dr. LEE Yin Yee, S.B.S.	Interest of a controlled corporation (Note a)	813,434,504	18.66%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Interest of a controlled corporation (Note b)	75,191,387	1.72%
	Personal interest (Note c)	141,448,185	3.24%
Datuk Wira TUNG Ching Bor D.C.S.M.	Interest of a controlled corporation (Note d)	280,543,441	6.43%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Personal interest (Note e)	70,102,207	1.60%
Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P.	Interest of a controlled corporation (Note f)	280,346,956	6.43%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Spouse interest (Note g)	253,911,137	5.82%
Mr. LI Ching Wai	Interest of a controlled corporation (Note h)	125,306,060	2.87%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Personal interest	10,459,018	0.24%

Other Information on the Group

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS (Continued)

(i) Long positions in the Shares (Continued)

Name of Directors	Nature of interest	Number of Shares held	Approximate percentage of the Company's issued share capital
Mr. NG Ngan Ho	Interest of a controlled corporation (Note i)	86,544,219	1.98%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Personal interest	2,720,663	0.06%
Mr. SZE Nang Sze	Interest of a controlled corporation (Note j)	134,284,567	3.09%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
Mr. LI Ching Leung	Interest of a controlled corporation (Note k)	90,129,739	2.06%
	Interest of a controlled corporation (Note n)	54,364,451	1.24%
	Personal interest	7,422,861	0.17%
	Spouse interest (Note l)	429,936	0.01%
Dr. TRAN	Spouse interest (Note m)	90,000	0.002%
Chuen Wah, John	Personal interest	10,000	0.0002%

Notes:

- (a) Dr. LEE Yin Yee's interests in the Shares are held through Realbest Investment Limited ("Realbest"), a company incorporated in the British Virgin Islands (the "BVI") with limited liability and wholly-owned by Dr. LEE Yin Yee.
- (b) Dr. LEE Yin Yee's interests in the Shares are held through Xin Yuen Investment Limited ("Xin Yuen"), a company incorporated in the British Virgin Islands (the "BVI") with limited liability. Xin Yuen is 100% owned by Xin Wong Investment Limited ("Xin Wong"), a company incorporated in the BVI with limited liability. Xin Wong is 50% owned by Dr. LEE Yin Yee and 50% owned by his spouse, Madam TUNG Hai Chi.
- (c) Dr. LEE Yin Yee's interests in the Shares are held through a joint account with his spouse, Madam TUNG Hai Chi.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS (Continued)

(i) Long positions in the Shares (Continued)

Notes: (Continued)

- (d) Datuk Wira TUNG Ching Bor's interests in the Shares are held through High Park Technology Limited ("**High Park**"), a company incorporated in the BVI with limited liability and wholly-owned by Datuk Wira TUNG Ching Bor.
- (e) Datuk Wira TUNG Ching Bor's interests in the Shares are held through a joint account with his spouse, Madam KUNG Sau Wai.
- (f) Tan Sri Datuk TUNG Ching Sai's interests in the Shares are held through Copark Investment Limited ("**Copark**"), a company incorporated in the BVI with limited liability and wholly-owned by Tan Sri Datuk TUNG Ching Sai.
- (g) Tan Sri Datuk TUNG Ching Sai's interests in the Shares are held through his spouse, Puan Sri Datin SZE Tan Hung.
- (h) Mr. LI Ching Wai's interests in the Shares are held through Goldbo International Limited ("**Goldbo**"), a company incorporated in the BVI with limited liability and wholly-owned by Mr. LI Ching Wai.
- (i) Mr. NG Ngan Ho's interests in the Shares are held through Linkall Investment Limited ("**Linkall**"), a company incorporated in the BVI with limited liability and wholly-owned by Mr. NG Ngan Ho.

Other Information on the Group

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS (Continued)

(i) Long positions in the Shares (Continued)

Notes: (Continued)

- (j) Mr. SZE Nang Sze's interests in the Shares are held through Goldpine Limited ("Goldpine"), a company incorporated in the BVI with limited liability and wholly-owned by Mr. SZE Nang Sze.
- (k) Mr. LI Ching Leung's interests in the Shares are held through Herosmart Holdings Limited ("Herosmart"), a company incorporated in the BVI with limited liability and wholly-owned by Mr. LI Ching Leung.
- (l) Mr. LI Ching Leung's interests in the Shares are held through his spouse, Madam DY Maria Lumin.
- (m) Dr. TRAN Chuen Wah, John's interests in the Shares are held through his spouse, Madam LAM Ying.
- (n) The interest in the Shares are held through Full Guang Holdings Limited ("Full Guang"), a company incorporated in the BVI with limited liability. Full Guang is owned by Dr. LEE Yin Yee, S.B.S. as to 33.98%, Datuk Wira TUNG Ching Bor *D.C.S.M.* as to 16.20%, Tan Sri Datuk TUNG Ching Sai *P.S.M., D.M.S.M., J.P.* as to 16.20%, Mr. LEE Sing Din as to 11.85%, Mr. LI Ching Wai as to 5.56%, Mr. NG Ngan Ho as to 3.70%, Mr. LI Man Yin as to 3.70%, Mr. SZE Nang Sze as to 5.09% and Mr. LI Ching Leung as to 3.70%.

Other Information on the Group

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS (Continued)

(iii) Long positions in the shares of associated corporations

Name of associated corporation	Name of Director	Class and number of shares held in the associated corporation	Approximate percentage of the associated corporation's issued share capital
Realbest	Dr. LEE Yin Yee, S.B.S.	2 ordinary shares	100%
Xin Wong	Dr. LEE Yin Yee, S.B.S.	1 ordinary share	50%
High Park	Datuk Wira TUNG Ching Bor D.C.S.M.	2 ordinary shares	100%
Copark	Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P.	2 ordinary shares	100%
Goldbo	Mr. LI Ching Wai	2 ordinary shares	100%
Linkall	Mr. NG Ngan Ho	2 ordinary shares	100%
Goldpine	Mr. SZE Nang Sze	2 ordinary shares	100%
Herosmart	Mr. LI Ching Leung	2 ordinary shares	100%
Full Guang	Dr. LEE Yin Yee, S.B.S.	734,000 ordinary shares	33.98%
	Datuk Wira TUNG Ching Bor D.C.S.M.	350,000 ordinary shares	16.20%
	Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P.	350,000 ordinary shares	16.20%
	Mr. LI Ching Wai	120,000 ordinary shares	5.56%
	Mr. NG Ngan Ho	80,000 ordinary shares	3.70%
	Mr. SZE Nang Sze	110,000 ordinary shares	5.09%
	Mr. LI Ching Leung	80,000 ordinary shares	3.70%

Other Information on the Group

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATIONS (Continued)

Save as disclosed above, as of 30 June 2025, to the knowledge of the Company, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying Share or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which was required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); (b) entered in the register kept by the Company pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 30 June 2025, the following persons (other than a Director or chief executive of the Company) had, or where deemed to have interests or short positions in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Long positions in the Shares

Name of substantial shareholders	Nature of interest	(L/S)*	Number of Shares held	Approximate percentage of the Company's issued share capital
Realbest	Beneficial owner	(L)	813,434,504	18.66%
High Park	Beneficial owner	(L)	280,543,441	6.43%
Copark	Beneficial owner	(L)	280,346,956	6.43%
Mr. LEE Sing Din	Interest of a controlled corporation (Note a)	(L)	276,941,338	6.35%
	Interest of a controlled corporation (Note b)	(L)	54,364,451	1.24%
	Personal interest (Note c)	(L)	58,995,171	1.35%
Madam SZE Tan Hung	Personal interest	(L)	253,911,137	5.82%
	Spouse interest (Note d)	(L)	334,711,407	7.68%
JPMorgan Chase & Co. ("JPMC")	Beneficial owner	(L)	52,343,156	1.20%
	Investment manager	(L)	327,870	0.007%
	Person having a security interest in shares	(L)	224,920	0.005%
	Approved lending agent	(L)	146,692,636	3.36%
	Sub-total		346,281,218 (Note e)	4.58%
	Beneficial owner	(S)	25,878,260 (Note f)	0.59%

* (L) represents Long Position; (S) represents Short Position.

Other Information on the Group

Notes:

- (a) Mr. LEE Sing Din's interest in the Shares are held through Telerich Investment Limited, a company incorporated in the BVI with limited liability and wholly owned by Mr. LEE Sing Din, brother-in-law of Dr. LEE Yin Yee, S.B.S..
- (b) The interest in the Shares are held through Full Guang, a company incorporated in the BVI with limited liability on 19 December 2005. Full Guang is owned by Dr. LEE Yin Yee, S.B.S. as to 33.98%, Datuk Wira TUNG Ching Bor D.C.S.M. as to 16.20%, Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P. as to 16.20%, Mr. LEE Sing Din as to 11.85%, Mr. LI Ching Wai as to 5.56%, Mr. NG Ngan Ho as to 3.70%, Mr. LI Man Yin as to 3.70%, Mr. SZE Nang Sze as to 5.09% and Mr. LI Ching Leung as to 3.70%.
- (c) Mr. LEE Sing Din also has 2,751,854 Shares held in his own name and 56,243,317 Shares through a joint account with his spouse, Madam LI Kam Ha.
- (d) Madam SZE Tan Hung's interest in the Shares are held through her spouse, Tan Sri Datuk TUNG Ching Sai P.S.M, D.M.S.M, J.P..
- (e) It included an aggregate interest in 25,406,376 underlying Shares through JPMC's holding of certain unlisted derivatives (physically settled: 1,992,288 Shares; cash settled: 23,414,088 Shares).
- (f) It included an aggregate interest in 1,065,201 underlying shares through JPMC's holding of certain unlisted derivatives (physically settled: 1,026,862 Shares; cash settled: 38,339 Shares).

Save as disclosed above, as of 30 June 2025, the Directors were not aware of any other person or corporation having an interests or short positions in the Shares and the underlying Shares as notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

EXECUTIVE DIRECTORS

Dr. LEE Yin Yee, S.B.S. (Chairman) ø~
Datuk Wira TUNG Ching Bor,
D.C.S.M. (Vice Chairman)
Tan Sri Datuk TUNG Ching Sai P.S.M.,
D.M.S.M., J.P. (Chief Executive Officer) <ø
Mr. LEE Shing Kan

NON-EXECUTIVE DIRECTORS

Mr. LI Ching Wai
Mr. SZE Nang Sze
Mr. LI Ching Leung
Mr. NG Ngan Ho

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LAM Kwong Siu, G.B.S. # + <
Mr. WONG Chat Chor Samuel # <ø
Dr. TRAN Chuen Wah, John #
The Hon. Starry LEE Wai-King, G.B.S.,
J.P.* ø <

- * Chairman of audit committee
- # Members of audit committee
- + Chairman of remuneration committee
- ø Members of remuneration committee
- ~ Chairman of nomination committee
- < Members of nomination committee

COMPANY SECRETARY

Mr. LAU Sik Yuen, FCPA, AICPA

REGISTERED OFFICE

Windward 3, Regatta Office Park
PO Box 1350, Grand Cayman
KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN CHINA

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Wuhu Economic and Technology
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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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LEGAL ADVISER

Charles Russell Speechlys LLP
Suite 3418, Level 34
Two Pacific Place
88 Queensway
Hong Kong

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

Corporate Information

PRINCIPAL BANKERS

Bank of China (Hong Kong)
Citibank, N.A.
China Construction Bank
DBS Bank
Hang Seng Bank
HSBC
Huaxia Bank
Industrial Bank
Malayan Banking Berhad
Sumitomo Mitsui Banking Corporation
Bank of China
Bank of Communications
Ping An Bank
China Citic Bank
Huishang Bank
Industrial and Commercial Bank of China
Shanghai Pudong Development Bank

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor
Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350, Grand Cayman
KY1-1108
Cayman Islands

WEBSITE

<http://www.xinyiglass.com>

SHARE INFORMATION

Place of listing: Main Board of The Stock
Exchange of Hong Kong Limited
Stock code: 00868
Listing date: 3 February 2005
Board lot: 1,000 ordinary shares
Financial year end: 31 December
Number of shares issued
as of the date of this interim report:
4,397,417,027 Shares
Share price as of the date of this
interim report: HK\$8.13
Market capitalisation as of the date
of this interim report:
Approximately HK\$35.75 billion

KEY DATES

Closure of register of members:
18 August 2025 to 20 August 2025
(both days inclusive)
Proposed interim dividend payable date:
On or about 10 October 2025