

Sungrow Power Supply Co., Ltd.

2023 Annual Report

SUNGROW

April 2024

2023 Annual Report

Section I Important Notes, Contents and Definitions

The Board of Directors, the Board of Supervisors, directors, supervisors and executives of the Company hereby guarantee that the information presented in this annual report is truthful, accurate and integrate, free of any false records, misleading statements or material omissions, and assume individual and joint legal liabilities thereof.

Cao Renxian as the President of the Company, Tian Shuai as the Chief Accountant, and Li Pan as the head of accounting department (accounting supervisor) hereby guarantee the truthfulness, integrity, and accuracy of financial statements in this annual report.

All directors have attended the board meeting to review this report.

Contents in this report concerning future plans, performance forecasts, and etc., do not constitute any commitment made by the Company to any investor or related party. Investors and related parties should maintain adequate risk awareness and understand the possible difference between plans, forecasts, and commitments. Investors are kindly advised to pay attention to investment risks.

(1) Policy-related risks

Although technologies related to renewable energy power generation are still evolving and grid parity has been achieved in most regions around the world, there are still a few regions where the power generation cost or the on-grid electricity price is higher than that of fossil energy, and the unit electricity cost per kilowatt-hour from wind-solar-storage integrated applications remains relatively high. In addition, considering the various constraints including grid consumption, intermittent fluctuations in new energy availability, as well as land and taxation, policy support and encouragement from governments are still necessary. Since the supportive policies are formulated by the governments of various countries, despite of the constant global trend of energy conservation and emission reduction, major changes in the macro economies of major markets or relevant supportive policies will affect the growth pace of the industry and the Company's profitability to a certain extent. To this end, the Company actively makes global presence, and continually delves into the global market to minimize the impact of policy fluctuations within a single country.

(2) Risk of gross margin reduction due to intensified competition

As the world's largest PV inverter manufacturer, the Company's core product, PV inverters, enjoys an obvious market advantage. However, the huge potential of Chinese and foreign markets has also attracted fierce market competition. If the Company fails to maintain the leading edge in technological innovation, new product development, and cost control, the products will face the risk of gross margin declination. As such, the Company needs to further accelerate new product upgrade and iteration through R&D innovation and increasing R&D investment, speed up the research and application of AI technologies, so as to continually provide customers with value-added services, deliver better customer experience, and consolidate product advantages in the market.

(3) Risk of collecting accounts receivables

As the Chinese market grows rapidly, the Company puts more efforts in product sales. On perusal of the huge project investment and long payment term prevailing in China's PV industry, fast business growth of the Company will lead to a quick increase of receivables and certain risks in payment collection. To prevent credit risks and accelerate capital turnover, the Company has formulated strict credit management systems and sale-on-credit policies, and actively reduce the risk of non-performing loans and bad accounts through legal actions.

(4) Risk of international trade frictions

Currently, some countries restrict PV-related imports and exports, raise tariffs, or set other trade barriers in order to grow their native PV industry, posing foreign trade risks on the PV industry where the Company operates in. The Company has developed a series of defensive measures and lean production plans to actively respond to the complicated global situation and expand the global market. By strengthening the global manufacturing and supply chain layout, improving supply chain management, the Company strives to reduce trade frictions and other adverse impacts, ensuring that the annual tasks are completed on time.

(5) Risk of exchange rate fluctuation

USD, AUD and EUR are the three major currencies used for the Company's overseas revenue settlement. The impact of exchange rate fluctuations is mainly reflected in the following two aspects: a. Because of the CNY exchange rate fluctuation, changes in operating income measured in local currency pose a direct impact on the gross margin of main products; b. From the moment sales revenue is confirmed and accounts receivable is generated to the moment of foreign currency collection, the Company is subject to exchange gains/losses from the fluctuations in the CNY exchange rate, hence the Company's performance is also affected. On the foundation of normal operation and relying on specific businesses, the Company takes various means, including hedging, continuous monitoring, and timely settling foreign currency sales to reduce exchange-related loss and control operating risks.

(6) Risks in construction management of new energy investment and development projects

New energy projects feature large amount of investment and short project lead time. Such projects involve not only ground resources but also commercial and residential roofs. For such projects, the investment decision-making is quite challenging, and a lot of uncertainties exist in project engineering and implementation, which may lead to project delays and jeopardize timely grid connection for power generation. While challenging the Company's project management, the projects also require a huge amount of working capital. In response to such risks, the Company makes cautious considerations when selecting new energy power generation projects to prioritize those with better grid connection conditions, controllable construction cost and higher gross margin. Meanwhile, the Company enhances engineering management and improves project management. After entering into sales contracts with customers, the Company reinforces project construction management in a timely manner, adequately communicates with customers on project progress, and adjusts the work schedule according to the result of communication, so that the impact of project delay on the Company's production and operation is eliminated or alleviated to the most extent. By providing customers with safe, efficient and intelligent new energy power stations to their satisfaction, the Company's brand reputation in new energy investment and development is improved.

The board meeting has reviewed and approved the following profit distribution proposal: Based on a base quantity of 1,468,642,351 shares, a cash dividend of CNY 9.65 per 10 shares (tax inclusive) will be distributed to all shareholders, no bonus share (tax inclusive) will be distributed, and 4 shares will be transferred from capital reserve to every 10 shares held by shareholders.

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Documents for Future Reference

1. Accounting statements signed and stamped by the Legal Representative, the Chief Accountant, and the head of the accounting department of the Company.
2. The original Audit Report signed and stamped by the certified public accountants and stamped by the accounting firm.
3. The originals of company documents and announcements publicly disclosed on www.cninfo.com.cn during the reporting period.
4. Other relevant documents.

Definitions

Term	Definition
Sungrow, the Company	Sungrow Power Supply Co., Ltd.
Sungrow Renewables	Sungrow Renewables Development Co., Ltd., the Company's holding subsidiary
PV	Solar photovoltaic effect, refers to the light-caused potential difference inside uneven semiconductors or combinations of semiconductors and metals
Inverter, PV inverter	One of the critical devices in a solar PV power generation system, which converts DC power from solar cells into AC power that meets the grid power quality requirements
Centralized PV inverter	Connecting a number of parallel PV modules to the DC input of a centralized inverter for maximum power point tracking (MPPT), then connecting them into the grid after inversion. With a relatively high power, it is mainly used in large-scale centralized ground PV power stations with uniform lighting and other centralized PV power generation systems
String PV inverter	Performing separate MPPT on several groups (in general 1 to 4 groups) of PV modules, and connecting them into the AC grid after inversion. A string inverter may have multiple MPPT modules. With a relatively low small power, it is mainly used in distributed power generation systems, and sometimes also in centralized PV power generation systems
Energy storage converter	Power conversion devices between the energy storage batteries and the AC power grid, capable of charging and discharging the batteries. They are used in PV, power smoothing for wind power generation, peak load shifting, micro-grid and other scenarios
Wind power converter	Devices that convert the electric energy with unstable voltage frequency and amplitude generated by wind turbine generators under the actions of natural wind into electric energy with stable frequency and amplitude that meets the grid requirements, and connect it to the grid
Distributed power supply	Distributed power supply units, that is, small and modular standalone power supplies ranging from several kilowatts to 50 MW that are environment-compatible
Energy storage	Storage of electrical energy
UL	One of the globally renowned testing and certification bodies and standard development bodies
TüV	A safety certification mark granted by the TüV Group to products, which is widely recognized around the world
CE	A certification that must be obtained by products entering the European market
Enel-GUIDA	A standard developed by the Italian State Power Board (Enel), which is widely recognized in Italy
AS4777	An Australian standard. PV modules and inverters must comply with this standard in order to be used in the design and installation of PV systems in Australia
CEC	Abbreviation of the California Energy Commission. External power supplies exported to California must obtain this certification
CSA	Canadian Standards Association, the largest non-profit organization for defining industrial standards in Canada
VDE	One of the most experienced certification bodies in Europe with a high reputation in the world that is directly involved in developing the German national standards
IPD	Integrated product development management process
Watt (W), Kilowatt (kW), Megawatt (MW), Gigawatt (GW)	The unit of measure for power of electricity, in specific, 1 GW = 1,000 MW = 1,000,000 kW = 1,000,000,000 W
CNY, 10K CNY, 100 million CNY	Renminbi yuan, renminbi 10,000 yuan, renminbi 100 million yuan
Reporting period, current reporting period, this period	January 1, 2023 to December 31, 2023

Section II Company Profile & Key Financial Indicators

I. Company Profile

Stock abbreviation	Sungrow	Stock code	300274
Name of the Company in Chinese	阳光电源股份有限公司		
Abbreviation of the Company in Chinese	阳光电源		
Name of the Company in English (if any)	Sungrow Power Supply Co., Ltd.		
Abbreviation of the Company in English (if any)	Sungrow Power Supply		
Legal representative	Cao Renxian		
Registered address	No. 1699 Xiyou Road, High-tech Zone, Hefei, Anhui Province		
Zip code of registered address	230088		
Changes in the Company's registered address	The registered address has not changed since the Company went public in 2011		
Business address	No. 1699 Xiyou Road, High-tech Zone, Hefei, Anhui Province		
Zip code of business address	230088		
Company website	http://www.sungrowpower.com		
E-mail	dshms@sungrow.cn , kangml@sungrowpower.com		

II. Contacts and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Lu Yang	Kang Maolei
Address	No. 1699 Xiyou Road, High-tech Zone, Hefei, Anhui Province	No. 1699 Xiyou Road, High-tech Zone, Hefei, Anhui Province
Phone	0551-65325617	0551-65325617
Fax	0551-65327800	0551-65327800
E-mail	dshms@sungrow.cn	kangml@sungrowpower.com

III. Information Disclosure and Place of the Report

Website of the stock exchange specified for disclosing the Annual Report	http://www.cninfo.com.cn
Media and websites specified for disclosing the Annual Report	<i>China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily</i>
Place where the Annual Report is available for	Office of the Board of Directors

IV. Other Relevant Information

Accounting firm engaged by the Company

Name of the accounting firm	RSM China (Special General Partnership)
Business address of the accounting firm	29/F, Block A, the Landmark, Shushan District, Hefei City, Anhui Province
Name of the undersigning accountants	Wan Yunlong, Jiang Wei, Pan Lili

Sponsor institution engaged by the Company for continuous supervision during the reporting period

Applicable Not Applicable

Name of sponsor institution	Business address of sponsor institution	Sponsor representative	Period of continuous supervision
China International Capital Corporation Limited	Floors 27/28, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 100004, P.R. China	Liu Chengli, Li Jizhe	October 22, 2021 to December 31, 2023 (The continuous supervision and guidance period by China International Capital Corporation Limited has ended on December 31, 2023. However, the funds raised by the Company have not been fully utilized, therefore, continuous supervision and guidance by China International Capital Corporation Limited is required before the funds are fully utilized.)

Financial advisor engaged by the Company for continuous supervision during the reporting period

Applicable Not Applicable

V. Key Accounting Data and Financial Indicators

Whether the Company performed a retroactive adjustment or restatement of previous accounting data

Yes No

Reason for retroactive adjustment or restatement

Changes in Accounting Policies

	2023	2022		YOY Change	2021	
		Before Adjustment	After Adjustment	After Adjustment	Before Adjustment	After Adjustment
Operating income (CNY)	72,250,674,93 9.46	40,257,239,15 5.34	40,257,239,15 5.34	79.47%	24,136,598,72 6.55	24,136,598,72 6.55
Net profit attributable to shareholders of the Company (CNY)	9,439,561,800 .25	3,593,410,009 .26	3,593,446,514 .09	162.69%	1,582,707,374 .76	1,583,620,593 .57
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses (CNY)	9,215,604,036 .77	3,385,797,303 .38	3,385,833,808 .21	172.18%	1,334,589,366 .45	1,335,502,585 .26
Net cash flows from operating activities (CNY)	6,981,838,977 .28	1,210,498,485 .89	1,210,498,485 .89	476.77%	- .77	- .77
Basic earnings per share (CNY/share)	6.36	2.42	2.42	162.81%	1.08	1.08
Diluted earnings per share (CNY/share)	6.36	2.42	2.42	162.81%	1.08	1.08
Weighted average return on equity	40.96%	20.95%	20.95%	20.01%	13.05%	13.05%
	As at Dec. 31 2023	As at Dec. 31 2022		YOY Change	As at Dec. 31 2021	
		Before Adjustment	After Adjustment	After Adjustment	Before Adjustment	After Adjustment
Total assets (CNY)	82,876,506,72 7.57	61,626,211,52 7.11	61,627,440,16 7.96	34.48%	42,840,130,91 5.46	42,841,222,04 7.31
Net assets attributable to shareholders of the Company (CNY)	27,705,218,36 4.40	18,666,305,38 9.67	18,667,293,75 9.12	48.42%	15,655,063,48 5.71	15,656,015,35 0.33

Reasons for changes in accounting policies and correction of accounting errors

On November 30, 2022, the Ministry of Finance issued the *No. 16 Interpretation of Accounting Standards for Business Enterprises* (hereinafter referred to as the *Interpretation No. 16*). The Company started implementing the “Accounting treatment for deferred income tax related to assets and liabilities arising from individual transactions that is not subject to initial recognition exemption” as of January 1, 2023, and adjusted applicable individual transactions throughout the period from the beginning of the earliest period in financial statements where the provision was implemented for the first time to the first day of implementation. For lease liabilities and right of use assets recognized at the beginning of the earliest period in financial statements where the provision was implemented for the first time, and for estimated liabilities and corresponding assets related to abandonment obligations recognized, should there be taxable temporary differences and deductible temporary differences, the cumulative impact should be adjusted in the initial retained earnings and other related financial statement items of the earliest period in accordance with this provision and the provisions in *Accounting Standards for Business Enterprises No. 18—Income Tax*.

The lower of the Company's net profit including extraordinary and net profit excluding extraordinary is negative in the last three fiscal years, and the audit report for the last year shows that uncertainties exist in the Company's business continuity

Yes No

The lower of net profit including extraordinary and net profit excluding extraordinary is negative

Yes No

VI. Key Financial Indicators by Quarter

(in CNY)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Operating income	12,580,349,961.26	16,041,874,001.06	17,792,410,869.64	25,836,040,107.50
Net profit attributable to shareholders of the Company	1,507,649,034.35	2,846,426,342.58	2,868,901,117.37	2,216,585,305.95
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	1,458,553,118.15	2,823,316,713.82	2,793,225,277.35	2,140,508,927.45
Net cash flows from operating activities	-793,931,336.59	5,563,441,170.68	-217,205,993.25	2,429,535,136.44

Whether there are significant differences between above financial indicators or their sums and the relevant financial indicators in the quarterly and half-year reports disclosed by the Company

Yes No

VII. Differences in Accounting Data between Chinese and Overseas Accounting Standards

1. Differences in the net profits and net assets disclosed in the financial statements as per the international accounting standards and China accounting standards

Applicable Not Applicable

There is no difference in the net profits and net assets disclosed in the financial statements as per the international accounting standards and China accounting standards.

2. Differences in the net profits and net assets disclosed in the financial statements as per the local (overseas) accounting standards and China accounting standards

Applicable Not Applicable

There is no difference in the net profits and net assets disclosed in the financial statements as per the local (overseas) accounting standards and China accounting standards.

VIII. Non-recurring Items and Their Gains/Losses

Applicable Not Applicable

(in CNY)

Item	Amount in 2023	Amount in 2022	Amount in 2021	Remarks
Gains or losses from disposal of non-current assets (including the write-off accrued for impairment of assets)	-13,874,372.86	-3,361,515.27	198,734,481.06	
Government grants accounted for, in the Gains or losses for the current period (except for those closely related to the Company's normal business operation, compliant with national policies and regulations, and granted to a certain standard or at a fixed amount)	118,675,145.65	140,744,784.09	110,269,947.66	
Gains or losses from changes in fair value arising from holding trading financial assets and trading financial liabilities, as well as investment gains from disposal of trading financial assets, trading financial liabilities, and salable financial assets, except for the effective hedging business associated with the Company's normal business operation	162,726,489.74	114,038,405.73	12,598,837.40	

Reversal of impairment provisions for accounts receivable which are separately tested for impairment	5,822,834.44	5,784,209.13	2,883,005.14	
Gains entitled to the Company when the investment cost of acquiring subsidiaries, associates or joint ventures is no more than the fair value of identifiable net assets of invested unit at the time of investment	69,649.51		266,221.04	
Gains or losses from debt restructuring	-154,355.00		8,019,908.32	
Other non-operational income and expenditure in addition to the items listed above	2,254,304.98	-6,748,079.29	-198,891.28	
Less: Income tax impact	42,613,860.90	39,295,421.32	42,695,728.48	
Minority shareholders' equity impact (after tax)	8,948,072.08	3,549,677.19	41,759,772.55	
Total	223,957,763.48	207,612,705.88	248,118,008.31	--

Details of other gains or losses that fit in the definition of extraordinary items:

Applicable Not Applicable

There are no other gains or losses in the Company that fit in the definition of extraordinary items.

Explanation on defining the extraordinary items listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Publicly Offering Securities - Extraordinary Items* as recurring gains or losses

Applicable Not Applicable

Item	Amount Involved (CNY)	Reason
Equity gains from transfer of power station projects	-1,004,622.00	Equity transfer of power station projects is one of the Company's day-to-day businesses
Gains from changes in fair value of power station projects in possession	-54,578,073.34	Equity transfer of power station projects is one of the Company's day-to-day businesses

Section III Management's Discussion and Analysis

I. Discussion and Analysis of Business Situation

In the reporting period, the PV industry grew sustainably and vigorously under the guidance of the global low-carbon goals thanks to the joint efforts of policy guidance, economic growth, and technological advancement. According to data from the National Energy Administration, China Photovoltaic Industry Association, and third-party institutions, installed capacity of PV increased by 390 GW (ac) worldwide in 2023, a year-on-year increase of 69%. In addition to traditional markets such as China, Europe, and North America, emerging markets such as the Asia Pacific, Latin America, the Middle East, and Africa benefited from the continuous reduction in PV costs and the advantages of clean and flexible PV power generation, developed rapidly with huge potential ahead. In 2023, GW-level markets increased from 26 to 32, and the diversification of the global PV installation market accelerated. Among them, China's PV market application grew beyond expectation, with an annual installed capacity of 216.8 GW (ac) and a year-on-year increase of 148% hitting a historic high. In addition, China's PV industry achieved remarkable results in various aspects. In terms of the industrial chain, growth continued in the output of main components, including 1.43 million tons of polycrystalline silicon, 622 GW of silicon wafers, 545 GW of cells, and 499 GW of modules, accounting for a year-on-year growth of more than 60%. In terms of export, although the export amount declined slightly due to the decrease in export prices, rapid growth was maintained in export volume. In terms of technological innovation, the speed of technological iteration accelerated further, industrialization of TOPCon, HJT, and BC cell technologies speeded up, the conversion efficiency of perovskite solar cells and stacked solar cells set world records repeatedly, hitting a world-leading technological level.

In the reporting period, developing renewable energy was once again established as a global consensus on sustainable development. At COP28, the installation targets for global solar power and wind power were increased. China and the United States released *The Sunnylands Statement on Enhancing Cooperation to Address the Climate Crisis*, pursuing efforts to triple renewable energy capacity globally by 2030 and intending to sufficiently accelerate renewable energy deployment in their respective economies through 2030 from 2020 levels. The Central Economic Work Conference of China further specified the widespread application of green technology, the development of green consumption, the emphasis on supporting energy conservation, emission reduction, and carbon reduction, thereby actively and steadily promoting carbon peaking and carbon neutrality, and accelerating the establishment of a new energy system. Globally speaking, confidence in developing new energy became stronger. According to the International Energy Agency (IEA) and third-party institutions, the cumulative installed capacity of PV worldwide will exceed that of hydropower in 2024, and PV will become the largest non-fossil energy source for power generation. In 2026, the cumulative installed capacity of PV systems worldwide will exceed that of natural gas. By 2027, the cumulative installed capacity of PV systems worldwide will exceed that of coal, and PV will become the world's largest form of electricity with a broad prospect.

II. Business Scope in the Reporting Period

Sungrow Power Supply Co., Ltd. is a national key high-tech enterprise specializing in R&D, manufacturing, sales and service of solar energy, wind energy, energy storage, electric vehicles, and other new energy power supply equipment. With a wide range of products including PV inverters, wind energy converters, energy storage systems, electric drive system for new energy vehicles, floating PV systems, and smart energy operation and maintenance service, the Company is committed to providing world-class solutions for the full life cycle of clean energy.

1. PV inverters

Since the establishment in 1997, the Company has been concentrating on the R&D and manufacturing of PV system equipment, with PV inverters being the core product. Adhering to the mission of "Clean power for all", the Company provides cutting-edge PV system solutions to users around the globe.

PV inverter is one of the main components in a PV power generation system, which connects PV arrays to the grid and plays a critical role in ensuring the long-term and reliable operation of PV power stations and improving the project investment return. Sungrow's PV inverter family, consisting of residential inverters, string inverters, centralized inverters, and modular inverters, covers a power range from 3 kW to 8,800 kW, and is widely used in residential, industrial and commercial, large ground power station, among other application scenarios.

Residential PV inverters feature high power density, appealing exterior design, and simple installation and maintenance, which can automatically adapt to complicated grid environment, prolong power generation, and effectively improve power generation revenue. With built-in lightning protection and high-precision leakage current protection, as well as energy storage interfaces and various communication modes, they can meet various application requirements indoor and outdoor, and are widely used in residential PV power generation systems on residential roofs or in courtyards.

String PV inverters feature high power density and simple installation and maintenance, which are suitable for different indoor and outdoor applications, hence are widely used in small and medium PV power generation systems in parking lots or on commercial roofs,

as well as in large-scale ground power stations on complex terrains.

Centralized PV inverters feature high conversion efficiency, safety and reliability, are highly grid-friendly and cost effective. They can cope with various environments such as extremely low temperature and high altitude, and are widely used in large and medium-sized PV power generation systems in deserts, plateaus, and on commercial roofs.

Modular inverters mark a new category in the industry. At a unit power of 1.1 MW, modules can be connected in parallel to form a flexible subarray configuration of 1.1 MW to 8.8 MW. Integrating the advantages of centralized inverters and string inverters, each module features an independent MPPT design and operates independently, is built with higher tracking accuracy and plug-and-play operation and maintenance, capable of addressing the diverse needs and application scenarios of different markets around the world.

Sungrow Cloud: Capitalizing on the Internet of Things, artificial intelligence, big data, and blockchain technologies, Sungrow Cloud enables group customers to collectively operate and manage solar energy, energy storage, charging poles and other energies, and creates a smart energy brain. It comprehensively satisfies the management needs of customers at different levels throughout the entire energy lifecycle, and delivers four core values: stabilizing investment returns, guaranteeing asset safety, standardizing operation and management, and assisting the group's decision-making.

Sungrow's PV inverters are exported to more than 170 countries around the world. For the second time, the Company topped the S&P Global's list of 2022 Global PV Inverter Shipment with a total shipment of 77 GW.

2. Energy storage system (ESS)

As one of the first companies involved in energy storage, Sungrow relies on the world-leading technology integration of power electronics, electrochemistry, and grid support to build professional energy storage systems. With a focus on the R&D, production, sales, and service of lithium battery ESS, the Company offers a range of ESS solutions for auxiliary new energy grid connection, power frequency and peak regulation, demand side response, micro-grid, and residential scenarios, and is acknowledged a world-class supplier of energy storage equipment and system solutions.

3. New energy investment and development

In recent years, Sungrow Renewables, as the Company's new energy project development and investment platform, has upheld to the development concept of "More Power Generation in a Friendlier Way" to comprehensively advance development efforts for residential PV stations, industrial and commercial PV stations, energy storage stations, centralized PV and wind power stations, exploring a new model of green and ecological development featuring multiple-energy complementation and industrial synergy. Under the dual propulsion of technology and market, Sungrow has established a diversified and collaborative business landscape featuring a solid foundation in China and rapid development overseas. As of end 2023, the Company has developed and built PV and wind power stations with a cumulatively capacity of more than 40 million kilowatts.

Residential PV power stations: The annual installed capacity of Sungrow residential PV power stations has increased by 200%. By implementing the "Rest-assured installation" service strategy and redefining residential PV, Sungrow provides users with assuring services and leads the industry into a quality service era of higher values. With intelligence and digitalization as the foundation, the Company upgrades products for various installation scenarios such as flat roofs, flat-to-slope roofs, slope roofs, courtyards, and sunrooms. The proprietary iSolarRoof intelligent design software for residential PV is widely used by channel partners. Featuring optimized component layout, system wiring, rack cutting, and quick design drawing, the software helps improve power station design efficiency by 400%.

Industrial and commercial PV power stations: The Company capitalizes on its world-leading new energy technological strength as well as innovative and efficient industrial and commercial PV power station products to provide enterprises with new energy full lifecycle solutions covering consulting, development, investment, and delivery. In response to the surging demand for green energy across various industries, Sungrow continually explores the channel ecosystem and implement the 2188 Galaxy Project, and establishes a multi-win landscape for the brand, channel operators, partners, industrial and commercial enterprises based on the core advantages of "technology + platform". With in-depth insights on energy consumption scenarios and characteristics of industries, Sungrow has developed innovative zero carbon solutions for automobiles, home appliances, cement, warehousing, logistics, among other industries to address the green energy demand and accelerate the zero carbon transformation of various industries.

Centralized PV power stations: Covering various application scenarios, centralized PV power stations leverage advanced R&D capabilities and extensive project experiences to largely improve the ROI of PV power stations, creating greater value for customers. In the meanwhile, comprehensive development models such as PV desertification control, reclamation of saline and alkaline land, PV-agriculture complement, and floating systems are adopted to enable efficient and composite utilization of wind, solar, and land resources, providing integrated development examples for comprehensive environmental treatment and new energy industry application.

Wind power station: Wind farms can fit in different operating environments such as high/low temperatures, high altitude, low wind speed, coastal areas, and are intended for plain wind power, mountain wind power, decentralized wind power, wind-PV complementary systems and other healthy ecosystems and development patterns to meet the diverse needs of customers and maximize value.

Multi-energy integration: Relying on the PowMart smart energy solution featuring independent intellectual property, Sungrow incorporates advanced system integration technology into the wind-PV-storage integration, wind-PV-hydrogen production, PV-storage-charging integration and other new energy integration application scenarios, establishes innovative examples in multi-energy collaboration, intelligent scheduling, grid friendliness, safety and reliability, and provides support for building a new type of power system running on new energies.

4. Wind power converters

Sungrow's Wind Energy Division is committed to promoting high-power and high-performance power electronic conversion technology and its engineering applications. It specializes in high-power energy conversion, high-performance grid connection control, and high-power motor drive and control technologies, with a business scope covering wind power converters, wind power pitch drives, wind power aftermarkets, grid simulation power supplies, and drive frequency converters. The Company's shipment of wind power converters ranked first in the world. In the future, Sungrow Wind Energy Division will keep exploring high-power energy conversion and control, and strive to become the leader in global wind power conversion and transmission technology.

5. Smart operation and maintenance

Relying on the Company's 20+ years of power electronic conversion technology and power station investment and development practice, Sungrow Smart Operation adheres to the service concept of "Secure with technology, be reliable and trustworthy" to provide one-stop asset management services for new energy assets, and continues to ensure customers' stable return and asset safety with advanced technology.

In the reporting period, Sungrow Smart Operation was recognized as the National High-Tech Industry enterprise, the National SRDI (Specialized, Refined, Differential and Innovative) Little Giant enterprise, the Anhui Provincial Enterprise Technology Center, and the Anhui Provincial Big Data Enterprise, achieved a 60% increase in business size. As of end 2023, Sungrow Smart Operation had contracted a cumulative operation and maintenance capacity of 31 GW, gained extensive experiences in PV power station, wind farm, and energy storage operation and maintenance thanks to the One Strategy for One Station solution. The SolarEye smart energy operation and maintenance platform developed independently by the Company experienced the fifth upgrade in the reporting period. By focusing on four types of business scenarios and establishing a 1+3+N product ecosystem strategy, Sungrow Smart Operation enabled 100% online treatment for core operations and maintenance tasks. By using drone inspection, expected power generation assessment, and other intelligent tools, the team quickly identified and dealt with anomalies and defects in power stations, hence ensuring the safety of owners' assets and maximizing their returns.

6. New energy vehicle drive system

With the profound accumulation of clean power conversion technology and R&D advantages, Sungrow has extended inverter application into the electric vehicle industry, providing new energy vehicles with quality drive systems.

Sungrow Electric Power is a national key high-tech enterprise specializing in R&D, production, sales, and service of electronic control, power supply, and other products for new energy vehicles. Based on more than a decade of R&D and manufacturing experience and the robust global supply chain, Sungrow Electric Power brings together high-level automotive electronics professionals and is committed to providing quality electric control and power supply products for energy-saving and new energy vehicles. Sungrow Electric Power has been providing products and services for manufacturers of quality passenger vehicles, commercial vehicles, and construction machineries since 2010. Having adopted a platform based design, the serialized products boast high efficiency, high reliability, and flexible adaptation.

Sungrow Electric Power has obtained the IATF16949, ISO14001, ISO45001 and other system certifications, as well as the ISO 26262 Automotive Safety Integrity Level ASIL-D certification, and instituted a product development and management system to the highest level of functional safety. With multiple electric control and power supply automation production lines built, the Company is capable of producing 1.5 million units per annum. Thanks to professional technological competence, trustworthy product quality, and stable delivery capability, the company has won a number of honors, such as the Red Dot: Best of the Best, the First Prize in Science and Technology of the China Electrotechnical Society, the First Prize of Science and Technology Award of China Power Supply Society, and Top 100 Excellent Automotive Parts Suppliers in China. Moreover, the company was recognized as the National SRDI Enterprise as well as the Anhui Provincial Enterprise R&D Center and the Anhui Provincial Enterprise Technology Center.

7. Floating PV system

Sungrow Floating Modules (Sungrow FM) is a national high-tech enterprise specializing in floating PV modules and system solutions.

The company is committed to creating eco-friendly, reliable, and efficient floating PV systems, and delivering one-stop floating PV system solutions suitable for different water bodies.

Specializing in R&D, design, and manufacturing of floating systems for water surface PV power stations, Sungrow Floating Modules (Sungrow FM) has fostered an R&D team with extensive R&D experience and strong innovation capabilities. The team has mastered key technologies of floating power stations, including system design, materials, product structure and arrays, anchoring system, made more than 230 patent applications, led and participated in the formulation of multiple standards related to floating systems, and their products have been certified and tested by a number of international certification bodies including TÜV, DNV, WARS, and CGC.

The production base for floating PV systems is built with a fully intelligent management system, advanced raw material R&D and product mechanical performance testing laboratories, and intelligent production workshops. Its annual production capacity can meet the requirements of building GW-level floating PV power stations.

Sungrow FM had received a wide range of honors, including 2023 China's Leading Enterprise in Floating PV Systems, 2022 Anhui Province's Small- and Medium-Sized SRDI (Specialized, Refined, Differential and Innovative) Enterprises, 2021 Asian Photovoltaic Innovative Enterprise, 2019 China's Largest Floating Power Station Project Award, and 2017 China PV+ Floating Bodies Gold Award. As of December 2023, the cumulative application of Sungrow's floating PV systems worldwide exceeded 3 GW, accounting for the largest market share globally for six consecutive years, and making Sungrow the world's first GW-level floating PV system supplier.

8. Charging equipment

Rooted in Sungrow's 20+ years of design and application experiences in outdoor high-power-rating power supply products as well as the profound power electronics technology background, Sungrow Lechong builds EV charging equipment based on the core principles of "Reliable, Efficient, and Intelligent", has introduced DC charging poles and AC charging poles series. The industry's first "integrated DC charging pole" has adopted an innovative integrated design that delivers high reliability, maintenance free, and long service life, leading technological transformation of the charging industry. The products were quickly applied in many benchmark projects after the launch, such as the Shanghai urban road charging project and the Shenzhen freeway service area project, receiving wide praise from operators and electric vehicle owners.

In the reporting period, Sungrow delivered 30 kW charging poles in batch in Europe, continually leading the charging technology transformation. In the meanwhile, Sungrow Lechong's 180 kW integrated charging poles were launched globally with batch deliveries made. Sungrow charging poles can be connected to Sungrow's PV and energy storage systems to provide charging stations with an integrated PV-storage-charging solution, offering new energy to new energy vehicles and helping to deliver the dual carbon target earlier.

9. Hydrogen energy





As the very first new energy company that set foot in the hydrogen energy field in China, Sungrow Hydrogen is committed to offering efficient, intelligent and safe hydrogen production systems and solutions based on renewable energy. The company is capable of developing and delivering PWM hydrogen production power supply, ALK and PEM water electrolysis equipment, gas-liquid separation and purification equipment, smart hydrogen energy management system, and other integrated system equipment. It has also developed hydrogen production system solutions in off-grid, grid-connected, and micro-grid modes. Sungrow Hydrogen is the first to build a nationally-leading 20 MW demonstration base for electrolyzed water hydrogen production system, a demonstration platform for renewable energy variable-power hydrogen production and hydrogen storage power generation, a joint laboratory of PEM electrolysis for hydrogen production technology, an electrolysis hydrogen production material research center, and a hydrogen research institute in Germany.





In the reporting period, Sungrow Hydrogen passed a number of certifications including ISO9001/14001/45001, ASME, GC2, and TÜV, implemented TPM/TQM in operations. The company optimized structure and key component materials for the 1,000 m³/h ALK electrolysis cell, with cell body energy consumption reaching an industry-leading level; developed the 300 m³/h PEM electrolysis cell and the 500 m³/h container-based PEM hydrogen production system; upgraded the smart hydrogen energy management system that won the iF Design Award for superior product capabilities and interactive experiences. With the construction of phase II automated and intelligent manufacturing plants, production capacity of the campus will be increased to 3 GW by 2024. The concept of flexible hydrogen production from renewable energy put forward by Sungrow Hydrogen has been introduced to the market, attracting high attention from the industry.





In the reporting period, Sungrow Hydrogen Energy received a number of honors, including the 2023 Industry Leading Enterprise by the Hydrogen Energy Observation, the 2023 Leading Enterprise in Alkaline Electrolyzed Water Hydrogen Production Equipment by Solarbe, the Top 50 Companies in the Hydrogen Energy Industry in 2023 by GG-FC, the 2022 Hydrogen Energy Influence Enterprise by the Hydrogen Energy Industry Committee of China Energy Conservation Association, and the 2022 Most Influential Enterprise in China's Hydrogen Energy Industry by the Hydrogen Energy Industry Promotion Association. In terms of hydrogen production project



contracts entered in 2023, Sungrow Hydrogen Energy ranked top two in China, securing a leading position in the hydrogen production industry.

Sungrow Hydrogen's flexible hydrogen production system is applicable for various scenarios such as energy and power, industry, and transportation, which has been widely used in wind-PV-water renewable energy hydrogen production projects across Jilin, Ningxia, Inner Mongolia, Gansu, and Hubei provinces.





Division	Product	Picture	Brief Introduction
PV inverters	1+X modular products		Based on the profound insight into market demands, the Company made significant innovation to traditional inverters and introduced the industry's first 1+X modular inverters with a cumulative global shipment of more than 30 GW. Featuring a modular design, multiple inverters at a unit power of 1.1 MW can be connected in parallel to shape a flexible sub-array of 1.1 MW to 8.8 MW, making station configuration more flexible and operation and maintenance easier. A number of innovative technologies, such as the intelligent IV diagnosis for high-power inverters and the DC parallel arc detection and shutdown, further streamlined system operation and maintenance and improved power generation efficiency.
	SG320HX string inverter (overseas model: 350)		To cope with the widespread application of high-power modules, Sungrow introduced the 320HX high-power string inverter for large-scale ground power stations. The application of advanced technologies, such as the AI-based air duct health management, the 24-hour insulation monitoring, and the HV/LV grid adaptation, contributed to the upgrade in intelligent operation and maintenance, safety and reliability, and support for the power grid, continuously leading the market of 300kW+high-power series inverters.
	SG30-125CX-P2 string inverter (for industrial & commercial scenarios)		Based on precise market insights, Sungrow introduced the 125 KW high-power industrial and commercial inverters. Featuring high power, 1+II lightning protection, and AFCI2.0, the products guaranteed the safety of industrial and commercial power stations, and achieved large-scale application worldwide.
	SG10-30T-CN residential inverter		To cope with the widespread application of high-power PV modules and the demand for larger residential PV systems, Sungrow made all-around upgrades to its RT series of products. The input current of a single string increased to 18A, allowing it to flexibly adapt to high-power PV modules and double-sided PV modules. At the same time, the power range of products was expanded to address diversified residential installation needs.







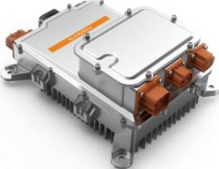
	SH8.0-10RS residential inverter		As a high-power single-phase PV-storage inverter for residential use recently introduced by the Company, the product's power is increased to 8-10 kW, which can be used in combination with SBR/SBH large-capacity batteries to deliver green power for the entire house. Having integrated convenience and multi-level safety design, the product is built with AFCI2.0 and other active safety technologies, allowing more families around the world to enjoy more convenient and safer green power.
Energy storage systems	PowerTitan 2.0 large-scale ground energy storage system		As the new generation of energy storage system built with the "3-in-1 integration" concept, PowerTitan 2.0 is equipped with embedded PCS to enable AC storage. The product can support a configuration capacity of 2.5 MW/5 MWh in a standard 20-foot container, greatly improving the energy density of the system. Liquid cooling for the entire system, intelligent cluster-level management, and the Stem Cell Tech contribute to a product that is more efficient, application friendlier, and safer for users, helping new power systems operate steadily in all scenarios.
	PowerTitan 1.0 large-scale ground energy storage system		Adhering to the "3-in-1 integration" concept and the innovative combination of power electronics, electrochemistry, and grid support technologies, Sungrow introduced the professionally integrated PowerTitan series energy storage systems with a capacity of 3.44 MWh. Liquid-cooling temperature control and intelligent cluster-level management helped to deliver the goals of longer service life, higher efficiency, and less loss. A combination of innovations in electrical safety, cell safety, and grid safety improved the overall safety of energy storage systems.
	PowerStack 200CS industrial and commercial energy storage system		Carrying forward Sungrow's tradition of "3-in-1 integration" and "Independent development across all stacks", PowerStack 200CS features deep integration of power electronics, electrochemistry, and grid support technologies. Thanks to the innovative use and integration of AI technology, it takes an "intelligence and storage integrated" design to deliver EMS, PCS, and BMS functions, with a system capacity of up to 225 kWh. The product demonstrates leading advantages in revenue, low-maintenance use, and comprehensive safety, which helps address three major pain points of users, namely revenue, operation and maintenance, and safety, and eliminating the concerns in industrial and commercial power distribution and storage.


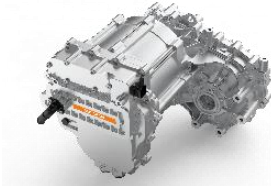
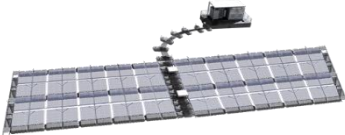


	PowerStack 500CP industrial and commercial energy storage system		<p>In response to the increased civil power consumption and large power load in peak hours, Sungrow introduced the PowerStack industrial and commercial energy storage system for industrial and commercial scenarios with a capacity of 535 kWh. Based on intelligent EMS energy management, the product can support multiple application modes in on-grid or off-grid scenarios, and coordinate energy scheduling among grids, PV systems, charging poles, and loads. Thanks to the liquid-cooling technology and intelligent safety protection, it can improve the reliability of energy storage systems in multiple dimensions.</p>
	2 nd generation residential battery SBH100-400		<p>As the residential energy storage market heats up, Sungrow quickly advances its PV-storage integration business. In 2023, the Company launched the new generation of SBH series residential batteries, an all-around upgrade on top of the advantageous performances of SBR series batteries. The module capacity was upgraded, with maximum capacity reaching 40 kWh per unit. The charging and discharging performance was upgraded, and batteries could be quickly charged to full state at an ultra-large charging and discharging current of 50 A. Safety was upgraded thanks to the pre-bundled design of cells and module-level fire protection. When used in combination with the brand-new SHT and SHRS series high-power PV-storage inverters, the product can support green power supply and storage for the entire house.</p>
	Residential battery SBR096-256		<p>Capitalizing on the channel advantages, Sungrow accelerates the residential PV-storage business and has introduced the new generation of SBR series residential battery solutions. The product features convenient installation, flexible configuration, safety and reliability, and outstanding performance.</p>
New energy investment and development	Centralized PV power station		<p>Centralized PV power station solution covers various application scenarios, and relies on market-leading technologies to optimize power station LCOE, hence significantly improving the ROI of PV power stations and creating greater value for customers. Following the national strategy of building large wind-PV power generation bases, Sungrow offers comprehensive utilization models such as desertification control, land reclamation, forestry-PV complement, salt-PV complement, and floating systems to set integrated development examples for</p>




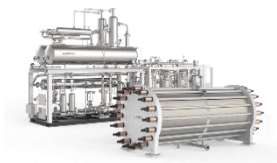

			comprehensive environmental treatment and new energy industry application.
Wind power station solution		Wind power station solution covers plain wind power, mountain wind power, and decentralized wind power applications. Upholding the principle of "wind power development and ecological protection in parallel", Sungrow develops and builds ecologically friendly wind power stations in various scenarios, and refines wind resource assessment according to local situation for value maximization.	
iClean cleaning solution for distributed PV system		iClean cleaning solution for distributed PV system leverages AI to ensure all-around powerful self-cleaning, which can significantly reduce dirt coverage loss and increase power generation by minimum 6%. As a distributed PV system that enables secondary power generation improvement, it can drastically reduce power station overhead and achieve long-term investment return.	
iBlock flat-roof distributed solution		iBlock flat-roof distributed solution is an innovative application developed for flat-roof distributed power stations. The module brackets are integrated with cement bases for support and stabilization. Standard modular design and installation improves placement rate of modules and increases installed capacity, hence significantly shortening the construction lead time.	
iBuilding smart BIPV distributed solution		iBuilding smart BIPV distributed solution is an integrated system that combines modern roof building materials and PV power generation. Built with a national patented waterproof technology, it requires no consumable replacement in 30 years, enables a worry-free and comfortable production environment together with multiple benefits brought by clean power.	
The Yueyanglou Sunroom Solution		The Yueyanglou Sunroom Solution is a high-end residential PV power generation system exclusively designed and developed by Sungrow Residential PV. Featuring an exclusive waterproof patent and triple waterproof and leakage protection, the product is resistant to wear, corrosion, and earthquake, ensuring safety in all aspects. The 5-degree reverse-V slope design looks appealing and pleasing, which gives user a larger space while delivering power generation benefits.	


	The Chaoyangge Flat-to-Slope Roof Solution		The Chaoyangge Flat-to-Slope Roof Solution is exclusively designed by Sungrow Residential PV. By taking a low wind resistance design, it is safer, more reliable, and worry-free. The color steel packaging allows the PV system to be effectively integrated into buildings, which protects the roof and keeps heat or cold away. This solution enables users to gain a stable revenue with an attractive design.
	The Shangyangyuan Courtyard Solution		The Shangyangyuan Courtyard Solution is exclusively designed by Sungrow Residential PV. While fully retaining and efficiently utilizing the courtyard space, this solution can expand PV installation capacity and bring more revenue for users. It is available in a number of customizable arrangements, and the oriental aesthetic design can perfectly blend in with the surroundings.
	The Huiyangding Flat Roof Solution		The Huiyangding Flat Roof Solution is exclusively designed by Sungrow Residential PV, which can be customized according to user needs. The product protects the roof and delays its aging, and its wind resistance, pressure resistance, and corrosion resistance performances are reliable and assuring. With a standard working procedure developed, the product can be easily and efficiently installed.
	The Canyangfang Slope Roof Solution		The Canyangfang Slope Roof Solution is exclusively designed by Sungrow Residential PV. Featuring an integrated design for flat and slope roofs, it can support higher installed capacity. The product can protect the tile surface and delay the aging of roof, and can be quickly installed following a standard working procedure. It tightly fits to the roof and blend in with the entire building seamlessly.
Wind power converters	Double-fed 4.x MW - 15 MW wind power converter		The product features an integrated heat dissipation design that improves heat dissipation efficiency and product stability, a high power density design and integrated components for a compact structure, an integrated design of main control and converters for larger load-carrying capacity, and strong environmental adaptability for customization in various application scenarios.

	Full power 5.x MW - 26 MW wind power converter		<p>This product features the highest unit power of wind power converters in China, and a redundant design to ensure unit power generation revenue. It can proactively adapt to complex grid environments to ensure grid friendliness; it is built with enhanced anti-corrosion and anti-condensation design to effectively cope with the marine environment; cabin-mounted applications and a special anti-vibration structure help to meet the strict vibration requirements.</p>
	Wind power pitch drive		<p>The product is highly integrated, safe, and reliable, featuring a quadruple safety chain design to ensure the safety of wind turbines. The pitch control system converts wind energy into reasonable mechanical energy by adjusting the blade angle of the fan. In safe conditions, it adjusts the blade angle together with the main control to enable power control of the fan. In the event of malfunctions, it acts as a brake to ensure the safety of the fan.</p>
	Drive frequency converter		<p>With low-voltage transmission models covering 690 V/1140 V/1380V and medium-to high-voltage transmission models covering 3.3 kV/6 kV/10 kV/35 kV, the product is widely used in industrial transmission and new energy fields, suitable for various load types such as fans, pumps, constant torque, and soft start of motor. Available in cabinet or container configuration, and supporting two-quadrant or four-quadrant circuit topology, it can adapt to various voltage levels, with the power of medium- to high-voltage transmission models reaching 60 MW.</p>
	Grid simulator		<p>The brand-new virtual impedance function allows users to set short-circuit ratio or impedance value to simulate weak current grid environment and test the operation of new energy equipment in distributed and other weak current grid conditions. The advanced impedance sweep frequency function helps the stability analysis of new energy systems connected to grid by scanning the impedance characteristics of such systems across a wide frequency range. The upgraded high- and low-voltage ride through function enables continuous ride-throughs and supports phase steps in the meantime of amplitude steps, which can realistically simulate fault conditions caused by commutation failures. The equipment can reach a standalone capacity of 1 MVA to 15 MVA and or a capacity of up to 130 MVA when connected in parallel.</p>

Smart OP&M	Smart OP&M service		Relying on the Company's 20+ years of power electronic conversion technology and power station integration practice, Sungrow Zhiwei adheres to the service concept of "Secure with technology, be reliable and trustworthy" to provide standard all-around services for new energy assets, and continues to ensure customers' stable return and asset safety with advanced technology.
New energy vehicle electric drive system	HEM3 series hybrid dual electric control for passenger vehicles		The product is suitable for Class A and Class B hybrid passenger vehicles, and can work with various drive motors with a rated power of 45 to 80 kW. Built with the brand-new discrete device parallel connection technology, it features high reliability and power scalability.
	EC60 series SiC motor controller		The product is suitable for Class B and Class C high-end new energy passenger vehicles, and can work with various drive motors with a rated power of 100 to 140 kW. Built with the full silicon carbide discrete device parallel connection technology, it features ultra-high efficiency and meets functional safety standards.
	EE30 series 4-in-1 controller		With main motor controller, DCDC, OBC, and PDU integrated, the product is suitable for N1 vehicles such as minivans and minitrucks. It features high integration, high reliability, and flexible adaptation.
	EC53 series motor controller		The product is suitable for new energy buses, heavy-duty trucks, and construction machineries. Built with single- and dual-motor control functions to flexibly cope with various scenarios, it supports power expansion and is reliable and compliant with functional safety standards.
	EC11 series motor controller		The product is suitable for Class A00 pure electric passenger vehicles, and can work with various drive motors with a rated power of 10 to 15 kW. It features high reliability, high power density, and platform design.
	EP34 series in-vehicle power supply		With OBC, DCDC, and PDU functions integrated on a platform design, the product is suitable for Class A00 and Class A0 new energy passenger vehicles. It features high reliability, high power density, and flexible grid adaptation.

	EP32 series in-vehicle power supply		With OBC, DCDC, and PDU functions integrated, the product supports external power discharge and is suitable for Class A and Class B new energy passenger vehicles. It features high power density, flexible grid adaptation, and a safety rating of ASIL-C.
	EM33 series electric drive axle		With electric control, motor, and reducer integrated, the product is suitable for Class A0 and Class A passenger vehicles. Sophisticated single pipe parallel connection integrates motor control module to the motor end cover, shared enclosure for motor and electric control as well as the direct connection design of cooling water channels contribute to a compact assembly structure, allowing the vehicle layout to be more flexible.
Floating PV system	Floating bodies		Floating PV power station is a new type of PV power generation system that integrates a PV module floating platform, an electrical equipment floating platform, and anchoring equipment. 1. It can reduce water evaporation and minimize waste of water resources; 2. It inhibits the growth of blue-green algae and improves water environment; 3. It effectively cools down the floating modules and can increase power generation; 4. It can be used in various water environments such as coal mining subsidence areas, reservoirs, and offshore areas.
Charging equipment	Chinese standard 120 kW integrated DC charging pole		The industry-leading 120 kW integrated DC charging pole features highly integrated power conversion, system control, and thermal management systems. The dual-chamber isolated design of power electronics and heat dissipation parts enables IP65 protection rating and a service life of more than 10 years, which effectively reduces the total cost across the entire life cycle and ensures ROI for charging station operators.
	European standard 30 kW integrated DC charging pole		This European standard charging pole is compatible with all vehicles with a European CCS2 interface, and is mainly used in destination charging scenarios. Being a reliable, efficient, and friendly product, it delivers industry-leading technological advantages, including IP65 protection rating, efficiency up to 96.5%, noise below 50 dB, and residential level EMC Class B performance. The product has a minimum service life of 10 years, is reliable and maintenance free, hence can bring continuous benefits to customers.

	180 kW integrated DC charging pole		Built with Sungrow's innovative integrated technology, the power unit features an independent air channel design, with all electronic devices completely sealed to avoid contamination, thereby assuring maintenance free, high reliability, and long service life.
Hydrogen production systems based on renewable energy	PWM rectifier power supply		The product leverages the IGBT full-control power devices and PWM control technology to rectify and convert AC into DC required for the electrolytic cell, which is suitable for large-scale renewable energy AC-coupling hydrogen production scenarios.
	PWM DC converter power supply		The product leverages the IGBT full-control power devices and PWM control technology to convert unstable wind or solar power supply into DC required for the electrolytic cell, which is suitable for direct hydrogen production scenarios using off-grid wind and/or solar power.
	Alkaline electrolyzed water hydrogen production equipment		The product uses direct current to electrolyze alkaline solution into hydrogen and oxygen, and obtains high-purity finished hydrogen after gas-liquid separation and purification. It consists of an alkaline electrolysis cell, gas-liquid separation and purification equipment, and utilities equipment.
	PEM electrolyzed water hydrogen production equipment		The product uses direct current to electrolyze pure water into hydrogen and oxygen, and obtains high-purity finished hydrogen after gas-liquid separation and purification. It consists of a PEM electrolysis cell, gas-liquid separation and purification equipment, and utilities equipment.

	Intelligent hydrogen energy management system		The product is the "brain" of green power hydrogen production systems, which enables coordinated control between multiple hydrogen production systems as well as between hydrogen production systems and multiple energy sources. It is built with four major functions: operation monitoring, analysis and diagnosis, coordinated control, and operation management, which can ensure system efficiency, intelligence, and safety.
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The Company needs to comply with the requirements on the disclosure of PV industry chain related business specified in the *Shenzhen Stock Exchange's No. 4 Regulatory Guidelines for Listed Companies — Information Disclosure of GEM-Listed Companies*.

1. PV inverters' conversion efficiency

The indicator "conversion efficiency" refers to the ratio of inverters converting input DC power to AC power, which is inverter's output power / inverter's DC input power × 100%.

By utilizing new semiconductor materials and highly efficient magnetic devices, optimizing circuit design, improving MPPT algorithm, and optimizing the heat dissipation system, the Company continuously drives inverters' efficiency to go up. The maximum efficiency of Sungrow's full range of inverters has reached 99% at the moment.

2. Cost of energy per kilowatt-hour of the Company's PV system

The indicator "cost of energy per kilowatt-hour" refers to the ratio of the PV system's total investment cost versus the power generated throughout the system's life cycle. The total investment cost includes the initial investment and the operation and maintenance investment throughout the life cycle. The cost of energy per kilowatt-hour directly reflects the power generation cost of the PV system, that is, the lower the cost of energy per kilowatt-hour, the higher revenue the PV system generates.

Through constant technological innovation and system optimization, the Company reduces investment cost and increases system power generation, thereby reducing the cost of energy per kilowatt-hour and improving customers' return on investment. By increasing the unit power of inverters, less inverters are required for power stations to reach the same capacity, and the cable cost is also reduced. By forming inverters into power units of larger capacity, a maximum sub-array of 12.5 MW can be supported, which further saves the cost of transformers and reduces the initial investment. Highly integrated inverters and solutions will be widely used. For example, the box-type medium-voltage inverter not only has the inverter, transformer, power distribution, communication, and smoke detection functions integrated, but also is built with a PID control box and communication power supply interfaces for the tracking system. By improving the level of integration, the system cost across its life cycle, including cable cost, construction cost, project management cost, post-operation and maintenance cost, can be reduced; systems are strongly coupled, which improves reliability and increases power generation of the power station. The modular design from "device level" to "system level" reduces system operation and maintenance costs, and higher equipment uptime rate increases the power generation of PV power stations. Intelligent medium-voltage shutdown solutions feature intelligent algorithm control between inverters, collector circuit breakers, and step-up transformers, achieving zero loss standby for step-up transformers and further improving ROI for customers. The world's first 2000 V high voltage system pushes the boundary of cost reduction and efficiency increase further, enabling a significant improvement in the economics of power stations.

3. PV system's grid friendliness

As PV systems are being utilized at large scale, the penetration rate of PV increases year by year. Inverters are directly connected to the grid as a link for energy transfer, and the requirements for inverters' grid friendliness are getting increasingly higher.

Sungrow inverters are built with low-voltage ride-through, zero-voltage ride-through, and high-voltage ride-through capabilities, which can cope with the voltage changes of power grid in the case of power grid problems, hence to ensure that PV systems will not be disconnected from the grid on a large scale and result in the escalation of incident. Moreover, inverters are built-in with fast power control modules to enable quick scheduling in less than 20 ms for active/reactive power response. The application of grid construction technologies allows inverters to behave like synchronous generators, which can quickly suppress voltage and frequency fluctuations in the power grid, and improve the stability of PV or PV-storage power stations, contributing to a higher new energy penetration rate. The integrated DC energy storage interface eliminates the need for modification, and the inverter supports reverse charging and connection of energy storage equipment. The power generation side is a multi-energy complementary platform that allows PV power station peak regulation, smooth PV power station output, and grid stability; the power consumption side is an intelligent PV-storage micro-grid platform, which enables peak-trough balance through energy storage, improves PV consumption, and achieves precise

energy supply. As new energy application increases year by year, the SCR (short-circuit ratio) of power grid decreases, which can easily cause frequent disconnection of inverters. Sungrow has developed the adaptive control algorithm to precisely perceive the strength of power grid. The algorithm has passed the SCR=1.02 weak current grid certification, which positively promotes an ear of "grid friendliness" and achieves the dual carbon target.

4. PV system safety

As the installed capacity of PV systems increase year by year, safety hazards in PV power stations become an increasingly large concern. The Company takes the safety of power stations a priority at work and further improves the safety of system design.

Sungrow's inverter systems are capable of detecting DC series and parallel arc pulling in real time. They have passed relevant protection certifications, can quickly identify arc pulling based on the intelligent arc pulling detection algorithm, and cut off in milliseconds to block the damage of arc pulling. Inverters are built with AC/DC insulation monitoring systems to cope with various application environments, quickly locate insulation faults, enable self-protection in case of cable faults, avoid electric shock and fire risks, and safeguard the power station round-the-clock. Thanks to the intelligent protection and control algorithms, integrated isolation switches, and big data-based operations, inverters can precisely identify reverse connections, short circuits, and other faults, cut off in down to 10 ms, hence effectively avoiding fault escalation.

5. Unit production cost of the Company's PV inverters

Due to wide range of the Company's PV inverters and different power ratings, the unit production cost varies from CNY 0.07 to CNY 0.15 per watt at the moment.

III. Analysis of Core Competitiveness

In the nearly two decades of rapid development, the Company has been committed to the independent innovation of power electronics and electric energy conversion technology in the new energy field, with a number of technologies reaching the world-leading level. In recent years, the Company successively deployed a range of new businesses, such as key components of new energy vehicles, micro-grid energy storage, smart energy, and new energy hydrogen production, and gained considerable growth.

1. Brand advantages

Since the establishment in 1997, Sungrow has been concentrated on the R&D, production, sales, and services of solar power, wind power, energy storage, hydrogen energy, electric vehicles, and other new energy power supply equipment. PV inverters, as the Company's core product, are sold to more than 170 countries and regions worldwide. In 2023, the Company shipped 130 GW of PV inverters worldwide, securing a globally leading position. With a total global shipment of 10.5 GWh of energy storage systems, the Company ranked first among Chinese companies for eight consecutive years. Sungrow's brand and reputation are highly acknowledged in the industry and continually improving. The Company has successively received the honors of China Industry Awards, Demonstration Enterprise of National Individual Champion in Manufacturing, Forbes Top 50 Most Innovative Chinese Companies, Forbes China 2023 Best Employer in ESG Practice, National Intellectual Property Demonstration Enterprise, Fortune China 500, Fortune Future 50, Best Companies to Work For in Asia, and etc. Boasting a state-level post-doctoral research workstation, a national high-tech industrialization demonstration base, a national recognized enterprise technology center, a national industrial design center, and a national green plant, the Company holds a leading position in the global new energy power generation industry in terms of comprehensive strength. In the 2023 list of China's 500 Most Valuable Brands released by the World Brand Lab, the Company ranked No. 117 with a brand value of CNY 80,270 million.

2. R&D innovation capability

Since its establishment in 1997, the Company has been focusing on the new energy power generation sector to advance the research and development of core technologies while maintaining market oriented and innovation based. To transform technological advantages into product advantages, benefits advantages, and competitive advantages, the Company has fostered a professional R&D team with solid R&D experiences and strong innovation capabilities. The Company has set up six R&D centers in Hefei, Shanghai, Nanjing, Shenzhen, Germany, and the Netherlands, providing leading technological support for building globally competitive new energy equipment. In order to explore cutting-edge technologies, the Company has set up the Central Research Institute that is responsible for making high-value intellectual property plans in advance and addressing critical technical challenges, hence to provide efficient platform services and innovation management for the Company's product and technology development, and foster R&D and management professionals to build core technological competitiveness. In the meantime, each division has set up an independent R&D task-force for close interaction with the market and customers. In 2023, the Company invested CNY 2,447 million in research and development, an increase of 45% year-on-year. As of the end of the reporting period, the Company boasted an R&D headcount of 5,372, accounting for about 40% of the total head count, including 65 doctorate holders and 2,004 master's degree holders. The Company has successively undertaken more than 20 national key science and technology programs, and led the drafting of multiple national standards, making it one of the few enterprises in the industry that boast multiple independent core technologies. The Company

also attaches great importance to the accumulation of intellectual properties in technological innovation achievements and closely follows the evolution of various new technical standards. As of the end of the reporting period, the Company has cumulatively obtained 4,123 patent rights, accounting for an increase of 43.3%, including 1,417 inventions, 2,353 utility models, and 353 exterior designs. In 2023, the Company won the China Patent Silver Award and the Anhui Province Patent Gold Award. While continuing explorations in research and development innovation, the Company plays a leading role in promoting new quality productive forces in the industry with advanced technologies and innovation capabilities.

The Company has introduced the IPD (Integrated Product Development) process to guide the technological reserve and product development efforts according to customer demand analysis, technology development analysis, and competitive strategy analysis. From concept, planning, development, verification, trial production to mass production, staged quality indicators are set for each step of new product development to ensure the quality of products. The Company has invested in a world-leading electromagnetic compatibility laboratory that is equipped with high-performance large-capacity low-voltage ride-through facilities as well as a variety of power supplies and power grid simulators, which is capable of providing the most demanding test condition. The Company continues to establish and optimize the ISO9001:2015, ISO14001, OHSAS18001 management systems, and strictly promote the integrated quality, environment, occupational health and safety management system. The Company's products have passed a number of authoritative international certifications including UL, TÜV, CE, Enel-GUIDA, AS4777, CEC, CSA, and VDE.

3. Global marketing, channels and service network

At the very beginning, the Company has identified a global development strategy, and established by now an oversea production capacity of 25 GW with the India production base and the Thailand plant. As of today, the Company has set up 20+ oversea subsidiaries, 6 service regions around the globe, 490+ service outlets and hundreds of important channel partners, with products being sold to more than 170 countries. At the end of the reporting period, the Company boasted 1,423 employees overseas, an increase of 58.1% year-on-year. In the future, the Company will continue to explore the global market, orderly promote the global deployment of inverters, energy storage, charging, power stations, and floating system businesses, prioritize the improvement of global marketing, service, financing, and other key capabilities, thereby reinforcing the global support capability system and strengthen the global influence.

IV. Core Business Analysis

1. Overview

A. Overview of core business analysis

As the global new energy market expanded rapidly in 2023, the Company strengthened innovation and transformation with a focus on its core business, and made great efforts in marketing and R&D. By continually advancing the comprehensive strategy of products and services, the Company implemented digital transformation and reinforced lean operation to enable the rapid growth of core business. As a result, the Company further consolidated its leading position in the industry and expanded its brand influence, and the Company's profitability improved significantly.

In the reporting period, the Company achieved a total revenue of CNY 72,251 million, an increase of 79.47% year-on-year; an operating cost of CNY 50,318 million, a year-on-year increase of 65.65%. The increase in both revenue and operating cost mainly benefited from the Company's continuous expansion in the market and the subsequent expansion of sales scale. The Company achieved a gross profit rate of 30.36%, a year-on-year increase of 5.81%, which was mainly contributed by the Company's brand premium, product innovation, economies of scale, shipping cost reduction, and exchange earnings. The Company realized a net profit attributable to shareholders of CNY 9,440 million, an increase of 162.69% year-on-year; selling expenses amounted to CNY 5,167 million, a year-on-year increase of 63.03%, which mainly came from the significant increase in the remuneration of sales staff and the post-sales service fee accrued for the increased sales revenue in the current period. The Company realized an R&D expense amounting to CNY 2,447 million, a year-on-year increase of 44.63%, which was mainly due to the large increase in the remuneration of R&D staff and the use of raw materials for the expanded R&D investment in the current period. The Company realized a financial expense of CNY 21 million, a year-on-year increase of 104.32%, mainly due to the large reduction in exchange earnings from foreign exchange rate fluctuations in the current period. The net cash flow from operating activities was CNY 6,982 million, a year-on-year increase of 476.77%, which was mainly contributed by the increase in cash collection.

B. Overview of core business in the reporting period

In the reporting period, the Company made the following attempts related to the core business:

(1) Business development

a. PV inverters

In the reporting period, the Company continued to strengthen R&D innovation, vigorously pushed forward the global brand strategy,

and deeply explore key segmented markets, in order to capitalize on the global marketing, service, and supply chain advantages. With increasing global competitiveness and influence, the Company shipped 130 GW of inverter equipment worldwide in 2023.

In the reporting period, the Company expanded its presence in the European, American, Australian, and Chinese channel markets, and set up 490+ service outlets worldwide to accelerate the channel business. Sungrow Global Sales & Marketing Center opened in Shanghai, aiming to leverage the geographical and cultural advantages of this international metropolitan to interface Sungrow's Hefei headquarters, industrial bases, as well as subsidiaries and service outlets around the world, so as to shorten the distance to global customers, improve responsiveness, attract high-end human resources, and energize business connections.

In the reporting period, Sungrow's SG320HX high-power string inverters and 1+X modular inverters were widely applied in various scenarios worldwide. By the end of December 2023, a cumulative order volume of 45 GW+ was entered for 1+X modular inverters. The Company was the 2.1 GW inverter solution provider for the Al Shuaibah project in Saudi Arabia, entered into a supply agreement for the 814 MW AC PV project in Qatar, and assisted in the successful grid connection of the Alxa League Desert Ecological Governance PV-Storage Project in Inner Mongolia and the world's largest salt-PV complementary project, Huadian Tianjin Haijing Power Station.

Sungrow released the *5A Fusion—Ground Power Station Solution White Paper* and introduced the 5A fusion solution featuring All-Scenario Application, All-Day Efficiency, All-Link Safety, All-Life Smart O&M, and All-Grid Support to support the quick and quality development of ground PV power stations at a large scale.

The 2,000 VDC high-voltage inverters recently developed by the Company were successfully connected to the grid for power generation at the Mengjiawan PV Project in Yulin of Shaanxi Province. Being the first demonstration of grid-connected 2,000 V systems worldwide, it marked the successful evolvement of PV systems from 1,500 V to 2,000 V, setting a critical milestone in the process of reducing costs and increasing efficiency of PV systems.

In response to the growing global demand for residential storage, Sungrow introduced the "1+∞ House-Wide Green power Solution. Centered around inverter technologies, Sungrow was the first in the industry to deliver an independently developed system-level product portfolio of PV, Storage, Charging, Optimization, and Cloud. By creating one-stop system solutions and services, Sungrow provided consumers with seamless, efficient, and flexible experience. The new generation of residential storage system adopted a modular design to improve configuration flexibility and facilitate operation and maintenance. The upgraded combination of ultra-large battery capacity, ultra-high inverter power, and ultra-large charging and discharging current helped meet the large load demand of families and deliver truly green power for the entire house. In addition, the new generation of iSolarCloud brought refreshed visual and operational experiences of users, and supported the fusion of multiple energies to optimize the use of green power. The Company entered into a 2 GW distribution agreement with Menlo in Europe and a 500 MW distribution agreement with SOL+Distribuidora in Brazil.

b. Energy storage

In the reporting period, Sungrow released the *Sungrow Stem Cell Grid White Paper* and introduced the innovative Stem Cell Tech that could be applied in energy bases, flexible transmission, island power supply, terminal energy consumption and other scenarios. The Company also introduced the "customizable" grid technology solutions that could be tailored to address different grid conditions, assisting in the stable operation of the new power systems in all scenarios.

In the reporting period, Sungrow introduced the world's first 10 MWh liquid-cooled energy storage system, and started to offer industrial and commercial liquid-cooled energy storage systems worldwide. For large-scale ground application overseas, Sungrow introduced the PowerTitan 2.0 liquid-cooled energy storage system built with the "3-in-1 integration" concept. Featuring a large cell capacity of 314 Ah and embedded, the product can support a capacity of 2.5 MW/5 MWh in a standard 20-foot container, effectively enabling AC and DC integration. In addition, the Stem Cell Tech built into the product makes it more efficient, friendlier, and safer. In 2023, the Company shipped 10.5 GWh of energy storage systems globally, ranking first among Chinese companies for eight consecutive years.

For the industrial and commercial energy storage market in China, Sungrow introduced the PowerStack energy storage system solution featuring "3-in-1 integration" and an "intelligence and storage integrated" design. By placing advertisements online and offline and recruiting quality distributors, Sungrow established a "one-stop information resource platform" as well as a solid sales and marketing service layout that contributed to the sustainable and quality development of industrial and commercial energy storage.

At present, the Company's energy storage systems are widely used in mature electricity markets such as US, UK, and Germany to enhance the deep integration of wind power, solar power, and energy storage. No safety incident was reported in any of the energy storage projects the Company was involved in, extensive application experiences were gained in frequency regulation and peak shaving, auxiliary renewable energy grid connection, micro-grid, industrial and commercial energy storage, residential energy storage and other fields. In the reporting period, the Company received the GPS grid connection license in Australia and was awarded the largest

independent energy storage contract of 138 MW/330 MWh in South Australia. The Company also entered into a 500 MWh distribution agreement with Solar Juice Group in Australia, an 825 MWh energy storage contract in the UK, a 264 MWh liquid-cooled energy storage system contract for South Africa's first wind-PV-energy storage integrated virtual power station project. The Company signed a strategic agreement with Hive, an independent energy storage project in Australia, to provide a 3 GWh large-scale liquid-cooled energy storage system in the next three years. In addition, Sungrow assisted in the largest PV-storage integration project in Southeast Asia, and contributed to the successful phase I grid connection and commissioning of the largest energy storage power station of China Southern Power Grid, the Banchong 200 MW/400 MWh Energy Storage Project in Chongzuo City of Guangxi Province. Sungrow delivered the world's first offshore grid-type energy storage project, the Weizhou 5 MW/10 MWh Energy Storage Project, and provided comprehensive solutions for a number of projects worldwide.

c. New energy investment and development

In the reporting period, Sungrow RE, a holding subsidiary of the Company, made a number of new energy investment and development attempts. Centered around the vision of "To be the global leader of new energy power generation technology" and the value proposition of "More Power Generation in a Friendlier Way", Sungrow RE continued to strengthen research and development of new energy system technology, innovate and optimize power station products, accelerate channel ecosystem layout, and upgrade service capability. As of the end of the reporting period, Sungrow RE's business footprint had covered 30 provinces, autonomous regions and municipalities in China, as well as countries along the Belt and Road, with cumulative volume of global development and construction of PV/wind power stations exceeding 40 million kilowatts.

Leveraging system technology innovation to secure the differentiated competitiveness, Sungrow RE continually expanded technological innovation and industrial application of new energy systems. In the reporting period, Sungrow RE increased R&D investment targeting at three core technology systems (high-efficiency power generation, system integration, and power station life cycle optimization); upgraded the PowMart smart energy solution portfolio to cover more application scenarios and cope with diversified industries. The latest version of iSolarBP, iSolarTool, iSolarRoof software assisted industrial, commercial, and residential PV power stations in quick design, efficient revenue evaluation, intelligent optimization, cost reduction and efficiency improvement, and efficient power generation, which accelerated the quality development of the distributed PV industry.

Focusing on new energy development and guided by the value proposition of "More Power Generation in a Friendlier Way", Sungrow RE openly embraced major national energy strategies such as the large-scale wind power and PV base, and the county-wide PV/wind power development, continuously enhanced project reserves and resource conversion. In China, Sungrow RE built the largest grid-side energy storage power station in Anhui, the 240 MW salt-PV complementary project in Laizhou of Shandong, the 115 MW agriculture-PV complementary project in Binyang of Guangxi, the 150 MW fishery-PV complementary project in Huagang, Feixi of Hefei, and the 100 MW fishery-PV complementary project in Wenchang of Hainan. Overseas, Sungrow RE made parallel breakthroughs in PV and wind power sectors, and was awarded the 200 MW large-scale wind power project in Kazakhstan, with the contract capacity ranking first among all bidders. Mr. Roman Sklyar, interim prime minister of Kazakhstan, visited Sungrow RE to understand the global business and operation of the company. Sungrow RE's international brand image and global development capabilities were further demonstrated.

In the field of industrial and commercial PV systems, Sungrow released and actively advanced the 2188 Galaxy Project, and fully leveraged the advantages of "technology + platform" dual drive to incubate products that can generate more power and intelligent software, hence assisting channel partners' rapid growth. The Company introduced a series of platforms, including the technology service platform, the partner platform, the financial platform, the supply chain platform, and the information management platform, offering all-around platform-based services across the entire lifecycle to channel partners. In the reporting period, the Company was awarded the 256 MW zero carbon campus project in Lu'an and commenced construction. In addition, the Company entered into project contracts with a number of well-known brands such as Mengniu, NIO, Laoxiangji, Baosteel, Dongfeng Nissan, Selis, Dasheng Textile, and Great Power, with market position improved further.

In the residential PV market, Sungrow Residential PV strengthened brand building, product innovation, and service upgrading, enabled a year-on-year increase of over 200% in newly installed capacity in 2023. The "Rest-assured installation" service strategy promised to offer rest-assured installation and use with transparent processes, guaranteed safety and revenue, and worry-free post-sales response. The company made the commitment to grow channel partners through one-on-one assistance and point-to-point operational support as well as guaranteed settlement in time. By expanding channel models, Sungrow Residential PV achieved coordinated development of multiple business models in the market, including full payment, financing, cooperative operation, and operational leasing. The company built a community of shared interests among manufacturers, and offered comprehensive market support to businesses through technical guidance, financial support, training, and market promotion. The company introduced a number of full-scenario installation solutions through independent R&D efforts, including the Yueyanglou Sunroom Solution, the Chaoyangge Flat-to-Slope Roof Solution, the Shangyangyuan Courtyard Solution, the Huiyangding Flat Roof Solution, the Canyangfang Slope Roof Solution, with product and technological advantages continually expanded. In the reporting period, Sungrow Residential PV's market share steadily increased, ranking top in the residential PV market.

While business ramped up rapidly, Sungrow RE received a plenty of honors, including the MIIT's fourth batch of intelligent PV demonstration projects (Feixi Huangang 150 MW Fishery-PV Complementary Power Generation Project), the PVBL Global Top Photovoltaic Solar Brand Award 2023, the 2023 China Distributed PV Outstanding Contribution Enterprise Award, the 2023 China Energy Storage Industry Large Ground Power Station Energy Storage Technology Innovation Enterprise, the 2023 Most Influential Distributed Photovoltaic Enterprise, the 2023 Most Influential PV and Power Construction Enterprise, the 2023 Most Influential Photovoltaic Development Enterprise, the 2023 Industry Digitalization Golden Shovel Award, and China Social Welfare Foundation's Most Socially Responsible Award. Being a corporate citizen assuming social responsibilities, Sungrow RE actively engaged in the rural revitalization strategy, and implemented a number of public welfare projects in the areas of enriching villages, supporting farmers, benefiting children, and helping the elderly. Sungrow Smart Classrooms and Sungrow Elderly Care were built to practice social public welfare.

Sungrow RE proactively embraced changes in policies and market environment while adhering to the strategic positioning of being a proven player in new energy system technologies. With compressive efforts made in brand, products, channels, and service, Sungrow RE developed and built power station products featuring "More Power Generation in a Friendlier Way", helping achieve higher power generation efficiency and lower unit electricity cost, and leading the quality development of the new energy industry.

d. Wind power converter

In the reporting period, the Company shipped 32 GW of wind power converters globally, accounting for the highest market share in the world and a year-on-year increase of 40%. The Company also shipped 4.6 GW of offshore wind power converters, a year-on-year increase of 190%. In the reporting period, Sungrow released the industry's first *Blue Book of Converters*, and Sungrow's grid-type converters passed the industry's first empirical test. Sungrow was the first to introduce ultra-high protection level air-cooled converters and high-power wind power solutions. In 2023, Sungrow increased strategic investment in wind energy business, and insisted on R&D innovation to secure a leading position in wind power conversion technology. The Company accelerated exploration in businesses related to wind power conversion, electric control and transmission synergy, aiming to enhance Sungrow's brand influence in the wind power sector, promote the quality development of the wind power sector, practice green and low-carbon development, and contribute to the delivery of the Dual Carbon target.

e. Hydrogen energy

In the reporting period, Sungrow Hydrogen ranked second in terms of project contracts awarded and market share. Being the first in China to propose the concept of flexible hydrogen production, Sungrow Hydrogen released a flexible hydrogen production system solution. On the foundation of six core technologies including flexible networking, power electronics, and energy management, it built an agile, efficient, and friendly flexible hydrogen production system from renewable energy with three core equipment, the PWM hydrogen production power supply, the electrolyzed water hydrogen production equipment, and the smart hydrogen management system. Such a system could adapt to the rapid fluctuations and intermittent characteristics of new energy power, and enable "adapted load to source fluctuations", which was more grid friendly and able to operate stably at 30% of power. Sungrow Hydrogen's flexible hydrogen production system had been widely used in a number of large-scale demonstration projects in China, and the outstanding features including "one press to start/stop" and "cluster control" were highly rated by users. Flexible hydrogen production technology plays a significant role in the large-scale development of hydrogen production from wind and solar energies in the future. Sungrow Hydrogen will continue to make innovative breakthroughs, highlight the value proposition of "Making electricity-hydrogen conversion more efficient", and lead product and technological advancement, contributing to the quality development of the hydrogen energy industry.

(2) Operational management and others

a. Corporate culture

Year 2023 marked the official release of the *Sungrow Guidelines*. In order to capture successful experiences and lessons learned from failures, on perusal of the essential laws of competition and development, Sungrow made a top-level design for the future, reviewed business philosophy, strategy, organization/human resource, and lean operation, and officially released the *Sungrow Guidelines* to guide the rapid and sustainable development of Sungrow Group. According to the *Sungrow Guidelines*, all employees should uphold the green mission of "Clean power for all", and practice the core values of being "Honest & Reliable, Excellent & Open-minded, Innovative & Respectful, Customer First", to shape the Sungrow Style. To reflect employees' day-to-day practices of corporate values and tell true stories, Sungrow released the employer brand video *Greener World Greater Us*. Sungrow's reputation as an employer brand continued to rise as the Company won a number of awards including the Most Caring Company Awards, the MostIn Global Talent Magnet Employer, the Great Place To Work Certification, the Top Company 2023, and the Best ESG Practice Employer. A number of themed activities were launched worldwide: the Sungrow Trailwalk attracted nearly 5,000 participants, highlighting Sungrow's determination in environmental protection and public welfare; the Global Skills Competition across six regions intended to foster craftsmanship and identify skilled employees; the Sungrow Family Day created a "sunny paradise" for employees and their

families. On the Chinese New Year's Day, Chinese and overseas employees gathered together to celebrate, promoting cross-cultural exchange and fusion. In the reporting period, Sungrow released the Year of Service badge, hosted the Sungrow Building Opening and New Year Concert to create a sense of ceremony exclusive to Sungrow employees. Moreover, the Company upgraded the employee activity center, employee dormitories, and the campus, diversified outdoor team building to improve employee experience.

b. Digital transformation

To improve the Company's operational efficiency, secure leading advantages in competition, and enable quality sustainable development, Sungrow invested extensively in digital transformation in the reporting period. Lead by the business strategy and driven by data, Sungrow leveraged digital technology and artificial intelligence to create an agile and efficient organization with online and shared processes, thereby empowering the business. In 2023, the Company accelerated its digital transformation and implemented 65 projects throughout the year. In the process aspect, Sungrow initiated process transformation and established a unified process system that linked the value chain business processes, consolidated organizational capabilities, and improved the overall operational efficiency of the Company. In the aspect of digital technology and tools, Sungrow introduced AI and low-code distributed applications to quickly empower business, optimized and reconstructed a number of digital system platforms, such as the global digital marketing platform, the digital R&D platform, and the intelligent manufacturing platform, to underpin end-to-end business transparency and intelligence, and support cost reduction and efficiency improvement. In the data aspect, Sungrow unified data platforms and data governance, and built various intelligent big data applications one the foundation of data and business scenarios, such as PV-storage operation visualization, financial budget versus actual analysis, and supplier profiling, to assist in digital operation and informed decision-making.

c. Social responsibilities and sustainability

Assuming the mission of "Clean power for all", the Company makes in-depth explorations in the field of clean power, and is committed to addressing the challenges in producing, converting, storing, and using clean power with technological progress. We strive to lower energy cost, raise the proportion of green energy worldwide, offer more efficient and convenient ways to use energy, and allow more people to get involved, ultimately enabling affordable, safe, and smart low-carbon energy to be accessible for all, and making unremitting contributions to a greener planet. In 2023, the Company was awarded the BCG Global-Challenger Climate Pioneers and the Forbes China Top 50 Sustainable Development Industrial Enterprises, and was included in S&P Global's *Sustainability Yearbook 2023 (China Edition)*.

In the reporting period, Sungrow expanded its Strategy Committee to the Strategy and Sustainability Committee to optimize the sustainability governance structure. With a focus on the solar power, wind power, energy storage, electric drive, and hydrogen sectors, the Company insisted on investing in R&D intensively and delved into the energy-saving and emission reduction scenarios in various industries, in order to offer extraordinary products and services that help customers to achieve long-term sustainability. In joint efforts with customers, Sungrow reduced approximately 330 million tons of carbon dioxide emissions globally every year.

Sungrow cared about the ecological environment and actively responded to climate change to promote the harmonious coexistence between the enterprise and nature. To set an example in green and low-carbon operation, Sungrow made the commitment to achieve carbon neutrality in operations by 2028 and in supply chain by 2038, as well as net zero supply chain emissions by 2048. The Company actively implemented carbon inventory to provide basic data support for the Company to address climate-related risks, reduce carbon emissions, enhance competitiveness and stability. In 2023, the Company's Scope 1 emissions were 3,594 tons of CO₂ equivalent, Scope 2 emissions were 38,161 tons of CO₂ equivalent, and Scope 3 emissions were 8,953,862 tons of CO₂ equivalent. In the meanwhile, the Company speeded up towards the RE100 target and realized 55% of green power use during the year. Sungrow kept on improving energy productivity, carried out various energy-saving and emission reduction activities, and gradually advanced the technology and management dual drive mechanism for refined energy management. With the green concept embedded in the entire product lifecycle, the SG350HX series obtained EPD certification, making it the world's first PV inverter with the EPD certification in Italy. In addition, Sungrow maintained a constant focus on the sustainability of partners and the industry, and made joint efforts to build a green and low-carbon supply chain.

Sungrow valued the demands of relevant stakeholders, and established a globalized team by creating an inclusive, innovative, and respectful organizational atmosphere. Sungrow and partners practiced high accountability standards to safeguard the rights and interests of supply chain workers, jointly building an integrate, sustainable, and win-win value chain ecosystem. Sungrow continued its public welfare undertakings in ecological protection, education support, and community growth, carried out the "Go For Nature" volunteer activity, striving to create broader and more long-term values for society. The Company's total donation expenditure for 2023 amounted to CNY 5.88 million.

d. R&D, intellectual property

In the reporting period, the Company continued to increase R&D investment and actively advanced the consolidation of independent intellectual properties and patent application. In 2023, the Company was granted 1,135 new patents, all of which were original ones, including 123 patents overseas, 195 inventions, 701 utility models, and 18 exterior design patents in China. A total of 2,673 new patent

applications were filed, including 314 patents in foreign countries, 1,176 invention patents, 1,015 utility model patents and 168 appearance patents in China. Such efforts further enhanced the Company's independent innovation capabilities and strengthened the core competitiveness.

As of the end of the reporting period, the Company had cumulatively acquired a total of 4,123 patents, including 1,417 inventions, 2,353 utility models, and 353 exterior designs. Relying on the industry-leading technological reserve, the Company actively promoted the formulation and optimization of relevant standards in the industry, organized and contributed to a number of Chinese national standards.

e. The 2023 Restricted Stock Incentive Plan

To further optimize the long-term incentive mechanism of the Company, attract and retain outstanding talents, and motivate employees at work, by effectively considering the interests of shareholders, the Company, and employees so that all parties jointly contribute to the Company's long-term development, and following the principle of equal benefits and contributions, a total of 10,375,000 Class II restricted shares were granted to 518 incentive objects at the price of CNY 43.22 per share in the reporting period. This equity incentive plan helped to grow endogenous force for the sustainable and healthy development of the Company, which integrated the interests of core personnel with the Company's future performance growth and shareholder return capability. It helped to continuously improve the Company's operating performance and value creation capability, and set a guidance for attracting and retaining more outstanding employees in the future and effectively implementing long-term strategic plans.

f. Share buyback for equity incentive

Based on the positive prospect of the Company's growth and the recognition of corporate values, Sungrow initiated the share buyback plan again in 2023 to effectively integrate the interests of shareholders, employees, and the Company, improve the Company's long-term incentive mechanism, and motivate employees, thereby promoting the sustainable and healthy development of the Company in the long term. On perusal of the Company's operating performance, financial performance, profitability, and development prospects, the Company bought back some of the Company's shares with self-supplied funds via collective bidding, and intended to use them for employee stock ownership plans or equity incentive plans for key employees in the future. As of the end of the reporting period, the Company had bought back approximately 11,316,000 shares through collective bidding in the Shenzhen Stock Exchange's trading system, with the total payment amounting to CNY 980 million.

g. Honors and awards received in the reporting period

Honors and Awards	Awarded by
Top Chinese Listed Companies 2022 (Most Progressive Listed Companies in New Energy and New Materials Industries)	National Business Daily
2022 Top 100 Companies in Anhui	Anhui Enterprise Federation, Anhui Entrepreneur Federation
2022 Top 100 Manufacturing Companies in Anhui	Anhui Enterprise Federation, Anhui Entrepreneur Federation
2022 Top 500 Manufacturing Companies in China	China Enterprise Confederation, China Entrepreneur Association
PVBL Top Global Photovoltaic Brand Award	Photovoltaic Brand Lab (PVBL), Century New Energy Network
Top 100 Global Photovoltaic Brands	Century New Energy Network, Photovoltaic Brand Lab
2022 Top 100 Most Valuable Chinese PV Brands	Organizing Committee of the 5th China International Photovoltaic Industry Summit Forum
2022 EPC Excellence PV Companies	World Solar Photovoltaic Industry Expo, Guangdong Hongwei International Exhibition Co., Ltd.
2022 Excellent PV Inverter Companies	World Solar Photovoltaic Industry Expo, Guangdong Hongwei International Exhibition Co., Ltd.
2022 Most Influential Chinese Rooftop PV Inverter Brands	Organizing Committee of China Residential PV Conference
China Distributed PV Conference - Top Ten Most Influential Inverter Brands	Organizing Committee of the 5th China Distributed PV Conference
2022 China Energy Storage Industry Evaluation - Best System Integration Solution Award	Solarbe ESN, The Solar Energy Cup Evaluation Committee
The Solar Energy Cup Evaluation - 2022 Most Influential PV Inverter Companies	Solarbe Global, The Solar Energy Cup Evaluation Committee

Honors and Awards	Awarded by
The Solar Energy Cup Evaluation - 2022 Most Influential PV Storage Solution Providers	Solarbe Global, The Solar Energy Cup Evaluation Committee
The 11th North Star Cup 2022 Most Influential PV-Storage Integration Solution Providers	North Star Solar Photovoltaic Network, Beijing Huonet Power Technology Co., Ltd.
The 11th North Star Cup 2022 Most Influential PV Inverter Brands	North Star Solar Photovoltaic Network, Beijing Huonet Power Technology Co., Ltd.
GGII Energy Storage 2022 Energy Storage Industry Chain	GGII Energy Storage, GGII
Nominee for the Paulson Prize for Sustainability	Paulson Institute
Contributor to the Carbon Neutrality Green Brand Influence Initiative	China Energy News, China Institute of Energy Economics
Demonstration Enterprise of Green Design for Industrial Products	Ministry of Industry and Information Technology
The 11th North Star Cup 2022 Most Influential Low Carbon Action Brands	North Star Solar Photovoltaic Network, Beijing Huonet Power Technology Co., Ltd.
First Prize in the Science and Technology Progress Award (Dispatching and Control Technology and its Application for Multiple New Resources Involved in Secondary Frequency Regulation of Power Systems)	China Electrotechnical Society
Science and Technology Award of China Power Supply Society (First Prize - Technological Invention) (Key Technologies and Application of a Large Scale Energy Storage System Based on Power Electronics Battery Units)	China Power Supply Society
Anhui Province Patent Gold Award (a method for exiting and switching the MPPT centralized mode and its application)	Anhui Provincial Market Supervision and Administration
2022 Forbes Most Innovative Chinese Companies	Forbes China
China's 500 Most Valuable Brands	World Brand Lab
Enterprise of Best Practices in Achieving the Sustainable Development Goals (Carbon Peaking and Carbon Neutrality)	Global Compact China Network
2022 Best Companies to Work For In Asia	HR Asia
Top Company 2022	Kununu

2. Income and cost analysis

(1) Composition of operating income

The Company needs to comply with the requirements on the disclosure of “PV industry chain related business” specified in the *Shenzhen Stock Exchange's No. 4 Regulatory Guidelines for Listed Companies — Information Disclosure of GEM-Listed Companies*:

Overview of operating income

(in CNY)

	2023		2022		YoY Change
	Amount	% of Operating Income	Amount	% of Operating Income	
Total operating income	72,250,674,939.46	100%	40,257,239,155.34	100%	79.47%
By sector					
PV	50,555,989,064.88	69.97%	27,245,555,359.81	67.68%	85.56%
Energy storage	17,801,524,369.61	24.64%	10,126,474,666.35	25.15%	75.79%
Other	3,893,161,504.97	5.39%	2,885,209,129.18	7.17%	34.94%
By product					
PV inverters and other power conversion devices	27,653,073,535.51	38.27%	17,178,675,256.93	42.68%	60.97%
New energy investment and development	24,733,981,049.88	34.23%	11,603,806,618.82	28.82%	113.15%
Energy storage systems	17,801,524,369.61	24.64%	10,126,474,666.35	25.15%	75.79%
By geography	567,193,487.90	0.79%	625,483,634.25	1.55%	-9.32%
Mainland China (not including	1,494,902,496.56	2.07%	722,798,978.99	1.80%	106.82%

Hong Kong, Macau and Taiwan)					
Overseas (including Hong Kong, Macao and Taiwan)					
Total operating income	38,881,345,230.41	53.81%	21,194,893,809.26	52.65%	83.45%
By sector	33,369,329,709.05	46.19%	19,062,345,346.08	47.35%	75.05%

Sales to major revenue-contributing countries

(in CNY)

Major revenue-contributing countries	Sales volume	Sales revenue	Significant adverse changes in local PV industrial policies or trade policies and their impacts on the Company's current and future operating results
Mainland China (not including Hong Kong, Macau and Taiwan)	Not Applicable	38,881,345,230.41	Not Applicable

Basic situation of PV power stations

a. Basic situation of centralized PV power stations

Since there are a large number of centralized PV power station projects in the reporting period, the basic information of top ten centralized PV power stations by revenue is disclosed here item by item, and the rest is listed as a whole by business pattern.

No.	Project Name	Project Type BT/EPC	Capacity (MW)	Status	Source of PV inverters/wind power converters
1	Qinghai Mangai Wind Power Project	BT	198.45	Construction in progress	Self-supplied
2	Shandong Laizhou PV Project	BT	210.77	Grid connected	Self-supplied
3	Shandong Shouguang Phase I PV Project	BT	250.00	Grid connected	Self-supplied
4	Anhui Bozhou Xiangfeng Wind Power Project	BT	92.57	Grid connected	Not self-supplied
5	Jiangsu Yangzhou PV Project	BT	142.48	Grid connected	Self-supplied
6	Hubei Honghu Zhuoyang PV Power Station Project	BT	156.20	Construction in progress	Self-supplied
7	Anhui Feixi PV Project	BT	143.25	Grid connected	Self-supplied
8	Hainan Wenchang PV Power Generation Project	BT	96.04	Construction in progress	Self-supplied
9	Kazakhstan Project D	BT	50.00	Grid connected	Self-supplied
10	Guangxi Binyang PV Power Generation Project	BT	100.68	Grid connected	Self-supplied
Other centralized projects in total			659.09	-	-
Accounting treatment for BT and EPC models			The construction contract between the Company and the customer included the performance obligation for power station construction. Since customer had control over the construction-in-progress during the contract performance, the Company considered it a performance obligation within a certain period of time, and recognized revenue according to the progress of performance, unless the progress of performance could not be reasonably determined. The Company determined the performance progress of service provision according to the percentage of investment. The performance progress was the ratio of the actual cost incurred for the performance of the contract versus the estimated cost of the contract. The Company re-estimated the progress of completion or the labor service provided on the date of the balance sheet, so that it could reflect changes in the contract performance.		

b. Basic situation of distributed PV power stations

Since there are a large number of distributed PV power station projects in the reporting period, the basic information of top ten distributed PV power stations by revenue is disclosed here item by item, and the rest is listed as a whole by business pattern.

No.	Project Name	Project Type BT/EPC	Capacity (MW/MWH)	Progress	Source of PV inverters/wind power converters
1	EVE Power Phase III Distributed PV Project	BT	20.95	Grid connected	Self-supplied
2	Nanjing Kumho Tire Distributed PV Project	BT	15.49	Grid connected	Self-supplied
3	Nanchang AUX Roof Distributed PV Project	BT	10.98	Grid connected	Self-supplied
4	Chongqing Selis Roof Distributed PV Project	BT	9.51	Construction in progress	Self-supplied
5	Shanghai Baodi 1 Luojing Campus Distributed PV Project	BT	7.53	Construction in progress	Self-supplied
6	Innovation Group Zouping Industrial Park Distributed PV Project	BT	12.48	Grid connected	Self-supplied
7	Jiangsu Nantong Huaneng Industrial and Commercial Project	EPC	29.17	Grid connected	Self-supplied
8	Jinan SQ Group Distributed PV Project	BT	7.60	Grid connected	Self-supplied
9	Hubei Xinxing Quanli Roof Distributed PV Project	BT	4.82	Grid connected	Self-supplied
10	Hefei Dasheng Textile Distributed PV Project	BT	5.81	Grid connected	Self-supplied
Other distributed projects in total			4982.73	-	-
Accounting treatment		<p>The construction contract between the Company and the customer included the performance obligation for power station construction. Since customer had control over the construction-in-progress during the contract performance, the Company considered it a performance obligation within a certain period of time, and recognized revenue according to the progress of performance, unless the progress of performance could not be reasonably determined. The Company determined the performance progress of service provision according to the percentage of investment. The performance progress was the ratio of the actual cost incurred for the performance of the contract versus the estimated cost of the contract. The Company re-estimated the progress of completion or the labor service provided on the date of the balance sheet, so that it could reflect changes in the contract performance.</p> <p>For distributed residential power station construction services provided to customers, the Company recognized power station construction revenue based on the actual installed capacity of grid-connected assemblies of the residential power station and the unit price specified in relevant agreements.</p>			
Power station projects sold		<p>In the reporting period, the Company sold approximately 5.1 GW of distributed power stations at an average price (tax-exclusive) of approximately CNY 3.3 per watt. The operation and maintenance of distributed power stations sold were carried out by the customer or the party entrusted by the customer. The warranty of distributed BT projects was executed according to equipment or engineering industry standards, and the Company provided no financing guarantee for BT projects.</p>			
Power station projects held		<p>In the reporting period, power generated by distributed power stations held by the Company increased by approximately 4.19 million kWh, with a recognized power generation revenue of approximately CNY 2.2 million. All power generation revenue was entitled to the Company.</p>			

(2) Industries, products, geographies, and sales models that account for more than 10% of the Company's operating income or operating profit

Applicable Not Applicable

(in CNY)

	Operating income	Operating cost	Gross margin	YoY changes in operating income	YoY changes in operating cost	YoY changes in gross margin
By sector						
PV	50,555,989,064.88	36,307,102,620.52	28.18%	85.56%	78.08%	3.01%
Energy storage	17,801,524,369.61	11,131,619,017.64	37.47%	75.79%	43.20%	14.23%
By product						
PV inverters and other power conversion devices	27,653,073,535.51	17,163,270,423.44	37.93%	60.97%	47.86%	5.51%
New energy investment and development	24,733,981,049.88	20,687,281,494.40	16.36%	113.15%	102.05%	4.60%
Energy storage systems	17,801,524,369.61	11,131,619,017.64	37.47%	75.79%	43.20%	14.23%
By geography						
Mainland China (not including Hong Kong, Macau and Taiwan)	38,881,345,230.41	30,820,445,529.68	20.73%	83.45%	86.52%	-1.31%
Overseas (including Hong Kong, Macao and Taiwan)	33,369,329,709.05	19,497,127,983.49	41.57%	75.05%	40.75%	14.24%

Where the statistical caliber for the Company's core business data was adjusted in the reporting period, the adjusted core business data in the last year at the end of the reporting period

Applicable Not Applicable

(3) Whether the Company's physical sales revenue is greater than the labor revenue

Yes No

Sector	Item	UoM	2023	2022	YoY Change
PV inverters	Sales	GW	130	77	68.83%
	Production	GW	151	82	84.15%
	Inventory	GW	44	23	91.30%

Reasons for year-on-year changes greater than 30%

Applicable Not Applicable

Sales volume increased by 68.83% year-on-year, production volume increased by 84.15% year-on-year, and inventory increased by 91.30% year-on-year, mainly contributed by the increase in business scale.

(4) Performance of major sales contracts and purchase contracts entered by the Company up to the reporting period

Applicable Not Applicable

(5) Composition of operating cost

By sector

(in CNY)

Sector	Item	2023		2022		YoY Change
		Amount	% of Operating Income	Amount	% of Operating Income	
PV	Raw materials	26,429,538,227.85	72.79%	16,582,269,527.82	81.13%	59.38%

(6) Whether the scope of consolidation changed in the reporting period

Yes No

For details, please refer to part IX. Changes in the Scope of Consolidation in Section X Financial Reports.

(7) Significant changes or adjustments to the Company's business, products or services in the reporting period

Applicable Not Applicable

(8) Major Customers and Major Suppliers Major customers

Sales to major customers

Total amount of sales to top five customers (CNY)	24,840,056,894.85
Proportion of total sales amount to top five customers in the annual total sales	34.39%
Proportion of related party sales to top five customers in the annual total sales	0.00%

Top 5 customers

No.	Customer Name	Sales (CNY)	% of Total Annual Sales
1	Customer 1	9,404,503,286.18	13.02%
2	Customer 2	7,641,726,679.43	10.58%
3	Plus Power BESS Procurement LLC	3,449,133,485.02	4.77%
4	Customer 3	2,301,721,719.09	3.19%
5	China National Nuclear Corporation	2,042,971,725.13	2.83%
Total	--	24,840,056,894.85	34.39%

Other information about major customers

Applicable Not Applicable

Major suppliers

Total amount of purchase from top five suppliers (CNY)	8,462,311,100.81
Proportion of total purchase amount from top five suppliers in the annual purchase amount	16.80%
Proportion of related party purchase from top five suppliers in the annual purchase amount	0.00%

Purchase from top 5 suppliers

No.	Supplier Name	Purchase Amount (CNY)	% of Total Annual Purchase Amount
1	Supplier 1	2,545,697,681.43	5.05%
2	Eaglerise Electric & Electronic (China) Co., Ltd.	1,610,217,957.70	3.20%
3	Jiangsu Zhongqing Photovoltaic Technology Co., Ltd.	1,595,779,684.51	3.17%
4	HK JC PLUS ELECTRONICS COMPONENT CO	1,378,478,115.22	2.74%
5	Supplier 2	1,332,137,661.95	2.64%
Total	--	8,462,311,100.81	16.80%

Other information about major suppliers

Applicable Not Applicable

3. Expenses

(in CNY)

	2023	2022	YoY Change	Notes on Major Changes
Sales expenses	5,166,844,506.28	3,169,263,472.82	63.03%	Mainly due to the significant increase in the remuneration of sales staff and the post-sales service fee accrued for the increased sales revenue in the current period
Management expenses	873,167,416.41	612,314,748.77	42.60%	Mainly due to the significant increase in the remuneration of employees

Financial expenses	20,595,018.70	-477,244,161.25	104.32%	Mainly due to the large reduction in exchange earnings from foreign exchange rate fluctuations in the current period
R&D expenses	2,447,389,317.47	1,692,156,198.42	44.63%	Mainly due to the large increase in the remuneration of R&D staff and the use of raw materials for the expanded R&D investment in the current period

4. R&D Investment

Applicable Not Applicable

Major R&D Projects	Purpose	Progress	Planned Objective	Impacts Expected on the Company's Growth
1+X series product optimization project	Improve environment resilience of equipment, increase power generation, reduce costs, and reduce equipment maintenance.	In volume shipment	Cope with applications in deserts, coastal areas, and high temperatures, improve high-voltage operation capability, increase power generation, and reduce LCOE of power stations.	The loss of power generation after failures is minimized; customer's initial investment is reduced, power generation is increased, and the leading position in the global market is secured.
SG320HX-20 project	Increase power generation, enhance grid friendliness, and reduce costs.	In volume shipment	Work with the 182, 210, and rectangular battery modules to improve power response and support the grid.	Customer's investment and product costs are reduced. Power generation, customer revenue, and market share are increased.
Powertitan 2.0 large-scale energy storage product project	Respond to regional value propositions, address differentiated needs of regions, introduce platform-based products, and enhance product competitiveness.	In volume shipment	Design a fully liquid-cooled 5 MW battery system within a 20 foot container that supports long-term system operation and off-grid running. Increase system RTE by 2%, reduce average auxiliary power consumption by 40%, and improve station-wide response by 25%. PCS can support an overload of 1.3 times and fast grid scheduling response in 20 ms.	The problem of large footprint and low energy density in the previous generation of products is solved. Costs are significantly lowered. This upgraded product was the first in the industry to integrate AC and DC, which will gradually replace the Powertitan1.0 series.
ST200CS industrial and commercial energy storage project	Optimize the industrial and commercial product portfolio, and expand product applications to address market demands.	In volume shipment	The outdoor cabinet features an integrated system design of EMS, PCS, and BMS, which can be flexibly configured and conveniently installed, operated, and maintained. Leverage intelligent near- and far-end wireless operation and EMS system to increase scheduling revenue. Assist customers in participating in various power services, reduce electricity costs and increase revenue for customers.	The dilemma of no products for industrial and commercial application is broken. The product can lead the market trend, and gain market share.

Major R&D Projects	Purpose	Progress	Planned Objective	Impacts Expected on the Company's Growth
SC5000UD-MV-P3 PCS separated supply project	Respond to the separated supply demand of PCS, and match the various types of battery systems in the market.	In project verification	Work with the 5 MWh energy storage system to reduce the number of energy storage units and footprint. The system can be flexibly configured with the DC side detachable. Support 2 h/4 h systems as well as multiple transformer types and voltage levels ranging from 10 to 37 kV.	The product solves the problem of the previous generation for being unable to provide single channel output of battery box and low voltage limit on the DC side voltage. Once launched, this new product can fill up the blank in the business layout, add a revenue growth point, and secure PCS' leading position in the industry.
ST800CS optimization project	Cover large industrial use scenarios, provide an integrated 690 V small capacity outdoor cabinet together with flexible configuration/add-on options.	In project development	Use a lightweight container-based design to satisfy customer. Incorporate new customer demands into product development, create values for customers, and contribute to customer success.	The product stays ahead of the industrial energy storage curve. Product competitiveness is enhanced, and product market share is increased.

Statement of R&D staff

	2023	2022	% of Change
Total R&D Staff	5,372	3,647	47.30%
R&D Staff in Total HC	39.22%	39.47%	-0.25%
Educational Background of R&D Staff			
Bachelor	2,646	1,807	46.43%
Master	2,004	1,336	50.00%
Doctor	65	51	27.45%
College Graduate and below	657	453	45.03%
Age Structure of R&D Staff			
Below 30	2,295	1,463	56.87%
30 to 40	2,792	1,945	43.55%
Above 40	285	239	19.25%

R&D investment size and percentage in operating proceeds in the past three years

	2023	2022	2021
R&D investment (CNY)	2,447,389,317.47	1,692,156,198.42	1,161,389,788.60
Percentage of R&D investment in operating proceeds	3.39%	4.20%	4.81%
Capitalized R&D expenditure (CNY)	0.00	0.00	0.00
Capitalized R&D expenditure as a percentage of R&D investment	0.00%	0.00%	0.00%
Capitalized R&D expenditure as a percentage of net profit in the period	0.00%	0.00%	0.00%

Reasons for substantial changes in R&D staff and their impacts

Applicable Not Applicable

Reasons for substantial change in percentage of total R&D investment in operating income as compared with the previous year

Applicable Not Applicable

Reasons for substantial changes in the capitalization rate of R&D investment and the justifications

Applicable Not Applicable

5. Cash Flows

(in CNY)

Item	2023	2022	YoY Change (%)
Cash inflow from operating activities	64,909,783,214.55	40,759,815,988.81	59.25%
Cash outflow from operating activities	57,927,944,237.27	39,549,317,502.92	46.47%
Net cash flow from operating activities	6,981,838,977.28	1,210,498,485.89	476.77%
Cash inflow from investment activities	23,544,136,099.56	14,684,990,549.50	60.33%
Cash outflow from investment activities	27,365,292,970.63	14,339,435,233.12	90.84%
Net cash flow from investment activities	-3,821,156,871.07	345,555,316.38	-1,205.80%
Cash inflow from financing activities	9,972,994,616.16	9,949,974,901.15	0.23%
Cash outflow from financing activities	6,693,485,685.31	8,203,257,437.80	-18.40%
Net cash flow from financing activities	3,279,508,930.85	1,746,717,463.35	87.75%
Net increase in cash and cash equivalents	6,464,929,644.69	3,242,092,864.04	99.41%

Explanation on main contributors to the significant YoY change in relevant data

Applicable Not Applicable

Cash inflow from operating activities increased by 59.25% YoY, mainly contributed by the increase in cash collection from sales in the current period;

Cash outflow from operating activities increased by 46.47% YoY, mainly contributed by the increase in cash payment for purchasing in the current period;

Cash inflow from investment activities increased by 60.33% YoY, mainly contributed by the termination of wealth management products;

Cash outflow from investment activities increased by 90.84% YoY, mainly contributed by the increased subscription of wealth management products;

Explanation on reasons for the significant difference between the net cash flow from operating activities and the net profit of the year during the reporting period

Applicable Not Applicable

V. Status of Non-Core Business

Applicable Not Applicable

VI. Analysis of Assets and Liabilities

1. Significant changes in asset composition

(in CNY)

	End of Year 2023		Beginning of Year 2023		Change	Notes on Major Variations
	Amount	% of Total Assets	Amount	% of Total Assets		
Money funds	18,030,617,790.74	21.76%	11,666,601,491.42	18.93%	2.83%	
Accounts receivable	21,097,509,472.32	25.46%	13,804,040,262.60	22.40%	3.06%	
Contract assets	2,008,704,215.79	2.42%	1,291,527,303.40	2.10%	0.32%	
Inventory	21,441,505,396.60	25.87%	19,060,142,584.88	30.93%	-5.06%	
Long-term equity investment	440,042,074.75	0.53%	228,278,242.43	0.37%	0.16%	
Fixed assets	6,438,183,727.36	7.77%	4,543,555,993.02	7.37%	0.40%	
Construction-in-progress	1,685,757,860.53	2.03%	1,188,671,605.49	1.93%	0.10%	
Right-of-use asset	397,537,305.84	0.48%	559,699,600.83	0.91%	-0.43%	
Short-term loan	2,793,019,025.13	3.37%	1,422,187,421.05	2.31%	1.06%	
Contract liabilities	6,564,810,202.26	7.92%	3,788,439,560.39	6.15%	1.77%	
Long-term loan	4,179,703,100.00	5.04%	4,161,650,000.00	6.75%	-1.71%	
Lease liability	323,824,924.50	0.39%	430,999,112.05	0.70%	-0.31%	

High percentage of overseas assets

Applicable Not Applicable

2. Assets and liabilities measured at fair value

Applicable Not Applicable

(in CNY)

Item	Beginning Amount	Gains/losses from changes at fair value in the period	Cumulative changes at fair value included in equity	Impairment accrued for the period	Amount of procurement in the period	Amount of sales in the period	Other changes	Closing amount
Financial Assets								
1. Trading financial assets (excl. derivative financial assets)	1,481,039,651.37	-31,296,459.88			24,045,000,000.00	23,396,500,001.00	35,588,724.13	2,062,654,466.36
2. Derivative financial assets	9,454,345.61	-62,900.85			3,215.06			9,394,659.82
3. Other non-current financial assets	303,677,642.96	15,631,599.78			181,280,000.00		572,043.80	500,017,198.94
4. Other investments in debts								
5. Investment in other equity instruments								
Sum - Financial Assets	1,794,171,639.94	-15,727,760.95			24,226,283,215.06	23,396,500,001.00	36,160,767.93	2,572,066,325.12
Accounts receivable financing	1,038,041,498.25				11,152,807,823.06	11,418,159,140.86		772,690,180.45
Sub-total	2,832,213,138.19	-15,727,760.95			35,379,091,038.12	34,814,659,141.86	36,160,767.93	3,344,756,505.57
Financial Liabilities								
1. Trading financial liabilities (excl. derivative financial assets)	51,919,973.63	-51,919,973.63						
2. Derivative financial liabilities	1,027,953.77						1,027,953.77	
3. Other non-current liabilities	39,610,000.00							39,610,000.00
Sum - Financial Liabilities	92,557,927.40	-51,919,973.63					1,027,953.77	39,610,000.00

Other changes are resulted from exchange rate fluctuations.

Significant changes in the measurement attributes of the Company's main assets in the reporting period

Yes No

3. Restricted asset rights as of the end of the reporting period

(in CNY)

Item	Book Balance	Book Value	Reasons for Restriction
Monetary funds	1,763,595,489.25	1,763,595,489.25	Freeze, bank acceptance, letter of guarantee, letter of credit and PV loan deposit, refundable deposits
Fixed assets	1,016,197,005.05	984,850,815.92	Long-term loan collateral
Accounts receivable	990,867,681.31	855,594,447.60	Long-term loan pledge
Accounts receivable financing	71,405,401.75	71,405,401.75	Short-term loan pledge, notes payable pledge
Notes receivable	16,240,927.13	16,240,927.13	Short-term loan pledge, notes payable pledge
Total	3,858,306,504.49	3,691,687,081.65	

VII. Investment Analysis

1. Overview

Applicable Not Applicable

Investment in the reporting period (CNY)	Investment in the same period last year (CNY)	Change
3,329,901,478.72	2,619,435,233.12	27.12%

2. Significant equity investment received in the reporting period

Applicable Not Applicable

3. Significant non-equity investment in progress in the reporting period

Applicable Not Applicable

4. Financial asset investment

(1) Securities investment

Applicable Not Applicable

The Company made no securities investment in the reporting period.

(2) Derivatives investment

Applicable Not Applicable

a. Derivatives investment for hedging purpose in the reporting period

Applicable Not Applicable

For details, please refer to VII. Notes to Consolidated Financial Statement, 2. Trading Financial Assets in Section X.

b. Derivatives investment for speculative purpose in the reporting period

Applicable Not Applicable

The Company made no derivatives investment for speculative purpose in the reporting period.

5. Use of raised funds

Applicable Not Applicable

(1) General use of raised funds

Applicable Not Applicable

(in 10K CNY)

Year of fund-raising	Fund-raising mode	Total raised funds	Net amount of raised funds	Total amount of raised funds used in this period	Cumulative amount of raised funds used	Total amount of raised funds with changed use in the reporting period	Cumulative amount of raised funds with changed use	Percentage of cumulative amount of raised funds with changed use	Total funds raised but not used	Purpose and whereabouts of unused raised funds	Amount of raised funds that have been idle for more than two years
2021	Non-public offering	363,758.52	362,314.61	113,424.08	269,182.04				96,909.53	CNY 369,095,300 in the special account for raised funds, CNY 600,000,000 in premature wealth management products	
Total	--	363,758.52	362,314.61	113,424.08	269,182.04				96,909.53	--	

Description of the general use of raised funds

1. Before the above-mentioned raised funds were in place, the Company had accumulatively invested CNY 243,141,600 in fund-raising projects with self-raised funds as of October 11, 2021. At the 12th meeting of the Fourth Board of Directors, the *Proposal on Replacing Self-Raised Funds Previously Used in Fund-Raising Projects* was reviewed and approved, which agreed that the Company should replace CNY 243,141,600 of self-raised funds previously used in fund-raising projects with the raised funds. RSM China (Special General Partnership) verified the advanced investment in the above-mentioned fundraising projects, and issued the *Assurance Report on the Advance Input in Fund-Raising Projects made by Sungrow Power Supply Co., Ltd. with Self-Raised Funds* (RSM [2021] No. 230Z2674) on October 12, 2021.

2. On October 21, 2021, Company held the 12th meeting of the fourth Board of Directors and the 11th meeting of the fourth Board of Supervisors, at which the *Proposal on Paying the Fund-Raising Investment Projects with Bank Acceptances and Replacing Them Equally with Raised Funds* was reviewed and approved. It was agreed that during the implementation of the fund-raising investment project, the Company could use bank acceptances for payments involved in the project, and regularly transfer the same amount from the special account of raised funds to the Company's general settlement account. The Board of Supervisors, independent directors and sponsors expressed their consent. As of December 31, 2023, the Company had accumulatively made investment project-related payments with CNY 376,767,000 of bank acceptances, and the same amount had been replaced with raised funds.

3. As of December 31, 2023, the total amount of raised funds used by the Company was CNY 2,778,921,300, the unused raised funds amounted to CNY 969,095,300, of which CNY 369,095,300 was in the special account for raised funds, CNY 600,000,000 was in premature wealth management products.

(2) Projects commitments of raised funds

Applicable Not Applicable

(in 10K CNY)

Investment projects committed and target of over-raised funds	Changes in projects (including partial changes)	Total investment amount committed by raised funds	Total investment after adjustment (1)	Amount invested in the reporting period	Cumulative amount of investment by the end of the period (2)	Investment progress by the end of the period (3)=(2)/(1)	Date of projects reaching scheduled availability	Benefit realized in the reporting period	Cumulative benefit realized by the end of the reporting period	Expected benefits achieved	Substantial changes in the project feasibility
Investment Project Commitments											
The New Energy Power Generation Equipment Manufacturing Base Project with an annual output of 100 GW	No	241,787	240,343.09	88,232.97	153,701.2	63.95%	Jun. 30, 2025			Not Applicable	No
The R&D Innovation Center Expansion Project	No	63,970	63,970	23,021.59	65,512.03	102.41%	Mar. 31, 2024			Not Applicable	No
The Global Marketing Service System Project	No	49,835	41,124.91	2,169.52	41,802.29	101.65%	Mar. 31, 2023			Not Applicable	No
The Supplementary Working Capital Project	No	8,166.52	8,166.52		8,166.52	100.00%				Not Applicable	No
Subtotal of committed investment projects	--	363,758.52	353,604.52	113,424.08	269,182.04	--	--			--	--
Target of over-raised funds											
Total	--	363,758.52	353,604.52	113,424.08	269,182.04	--	--			--	--
Description of projects behind planned schedule or failing to gain expected returns and the reasons (including those identified as “Not Applicable” in the column “Achieved the expected benefits”)	Since the funds raised for the New Energy Power Generation Equipment Manufacturing Base with an Annual Capacity of 100 GW Project were received, the Company advanced project construction and implementation actively. As of December 31, 2023, the investment schedule was delivered by 63.95%, workshop construction and layout of most production lines were completed. Because of adjustments in project planning and design layout, as well as impacts from the surrounding environment of the project site, equipment commissioning schedule, and status of relevant government permits during actual construction, some works remained uncompleted, resulting in certain differences between the actual construction progress and the expected availability originally planned for the fundraising project. In order to ensure the steady implementation of the Company's fundraising project, minimize the risks in using raised funds, and ensure the safe and rational use of funds, the Company decided to extend the completion date of the fundraising project from April 30, 2024 to June 30, 2025 based on the principles of being responsible to investors and being prudent in investment. This proposal was reviewed and approved at the 7th meeting of the fifth Board of Directors and the 6th meeting of the fifth Board of Supervisors.										
Description of material changes in project feasibility	Not Applicable										
Amount, purpose, and	Not Applicable										

Investment projects committed and target of over-raised funds	Changes in projects (including partial changes)	Total investment amount committed by raised funds	Total investment after adjustment (1)	Amount invested in the reporting period	Cumulative amount of investment by the end of the period (2)	Investment progress by the end of the period (3)=(2)/(1)	Date of projects reaching scheduled availability	Benefit realized in the reporting period	Cumulative benefit realized by the end of the reporting period	Expected benefits achieved	Substantial changes in the project feasibility
progress of use of over-raised funds											
Changes in implementation locations of projects invested with raised funds	Not Applicable										
Changes in implementation modes of projects invested with raised funds	Not Applicable										
Preliminary investment and replacement in projects invested with raised funds	Applicable As of October 11, 2021, the Company had invested CNY 243,141,600 in fund-raising projects with self-raised funds, of which CNY 143,827,900 was for the new energy power generation equipment manufacturing base with an annual output of 100 GW, CNY 94,743,100 for the expansion of R&D Innovation Center, and CNY 4,570,600 for the global marketing service system project. At the 12th meeting of the Fourth Board of Directors, the <i>Proposal on Replacing Self-Raised Funds Previously Used in Fund-Raising Projects</i> was reviewed and approved, which agreed that the Company should replace CNY 243,141,600 of self-raised funds previously used in fund-raising projects with the raised funds. RSM China (Special General Partnership) verified the advanced investment in the above-mentioned fundraising projects, and issued the <i>Assurance Report on the Advance Input in Fund-Raising Projects made by Sungrow Power Supply Co., Ltd. with Self-Raised Funds</i> (RSM [2021] No. 230Z2674) on October 12, 2021.										
Description of temporarily replenishing working capital with idle raised funds	Not Applicable										
Amount of surplus	Applicable										

Investment projects committed and target of over-raised funds	Changes in projects (including partial changes)	Total investment amount committed by raised funds	Total investment after adjustment (1)	Amount invested in the reporting period	Cumulative amount of investment by the end of the period (2)	Investment progress by the end of the period (3)=(2)/(1)	Date of projects reaching scheduled availability	Benefit realized in the reporting period	Cumulative benefit realized by the end of the reporting period	Expected benefits achieved	Substantial changes in the project feasibility
raised fund in project implementation and reasons behind	<p>There was a surplus in the funds raised for the Global Marketing Service System Project. It was mainly because the Company strictly followed relevant regulations on managing raised funds during project implementation, strengthened project cost control, supervision, and management while ensuring the overall goals and quality of the fundraising project in the context of actual market situation, and reduced project spending, thus saving the actual investment amount of the fundraising project.</p> <p>On December 6, 2023, the Company held the fifth meeting of the fifth Board of Directors and the fourth meeting of the fifth Board of Supervisors, at which the <i>Proposal on Closing Some Raised Funds Investment Projects and Permanently Replenishing Working Capital with Surplus Raised Funds</i> was reviewed and approved. Whereas the Global Marketing Service System Project based on funds raised by issuing A-shares to specific objects in 2021 had basically reached the expected availability, the project could be closed according to the implementation plan. In order to fully utilize the funds raised and maximize the effects of fundraising, It was agreed that the Company would permanently replenish working capital with the surplus raised funds of CNY 87.0644 million (including bank interest, subject to the final bank settlement amount on the day of transfer), and use them for day-to-day production and operation activities. The special account for this fundraising should be cancelled accordingly. The actual surplus in the funds raised for the Global Marketing Service System Project on December 25, 2023 was CNY 87.109 million, all of which was used for permanently replenishing working capital.</p>										
Purpose and whereabouts of unused raised funds	<p>As of December 31, 2023, the unused raised funds amounted to CNY 969,095,300, of which CNY 369,095,300 was in the special account for raised funds, CNY 600,000,000 was in premature wealth management products.</p>										
Problems or other situations in the use and disclosure of raised funds	<p>On April 16, 2021, the Company held the first extraordinary general meeting in 2021, at which the <i>Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the Issuance to Specific Objects</i> was reviewed and approved. The Board of Directors was authorized to handle all matters related to the issuance of shares to specific objects in 2021, including but not limited to determining the specific arrangements for the use of the raised funds for this issuance to specific objects.</p> <p>On October 21, 2021, Company held the 12th meeting of the fourth Board of Directors and the 11th meeting of the fourth Board of Supervisors, at which the <i>Proposal on Paying the Fund-Raising Investment Projects with Bank Acceptances and Replacing Them Equally with Raised funds</i> was reviewed and approved. It was agreed that during the implementation of the fund-raising investment project, the Company could use bank acceptances for payments involved in the project, and regularly transfer the same amount from the special account of raised funds to the Company's general settlement account. The Board of Supervisors, independent directors and sponsors expressed their consent. As of December 31, 2022, the Company had accumulatively made investment project-related payments with CNY 160,688,900 of bank acceptances, and the same amount had been replaced with raised funds.</p> <p>On August 24, 2023, the Company held the second meeting of the fifth Board of Directors and the second meeting of the fifth Board of Supervisors, at which the <i>Proposal on Continuously Using Idle Raised Funds for Wealth Management Products</i> was reviewed and approved. It was agreed that the Company could use no greater than CNY 1,300 million of idle raised funds for wealth management products, and the funds within the above-mentioned limit could be used in a rolling manner. The Board of Supervisors, independent directors and sponsors expressed their consent. As of December 31, 2023, the Company's total balance of wealth management products purchased with idle raised funds amounted CNY 600 million.</p>										

(3) Projects with changes in raised funds

Applicable Not Applicable

There were no projects with changes in raised funds in the reporting period.

VIII. Sale of Major Assets or Equity**1. Sale of major assets**

Applicable Not Applicable

The Company did not sell any major assets in the reporting period.

2. Sale of major equity

Applicable Not Applicable

IX. Analysis of Major Controlling and Holding Companies

Applicable Not Applicable

Major subsidiaries and holding companies that contribute to a net profit by 10% and above

(in CNY)

Company Name	Type	Main Business	Registered Capital	Total Assets	Net Assets	Operating Income	Operating Profit	Net Profit
Sungrow Renewables Development Co., Ltd.	Subsidiary	New energy investment and development	1,499,460,959	28,138,050,679.29	7,826,618,212.16	26,574,546,338.58	1,637,977,543.38	1,148,409,694.90

Subsidiaries acquired or disposed in the reporting period

Applicable Not Applicable

For details, please refer to IX. Changes in the Scope of Consolidation 1. Changes in the scope of consolidation due to other reasons in Section X Financial Reports.

X. Structured Entities Controlled by the Company

Applicable Not Applicable

XI. Prospects of the Company's Future Development**(1) Planned Prospects**

Focus on the field of clean power, make in-depth explorations in the core sectors of solar power, wind power, energy storage, electric drive, and hydrogen production, and enhance innovation to make breakthroughs in power electronics, grid support, and AI technology, and create integrated solutions, so as to pursue extraordinary customer experience, upgrade brand image, expand worldwide leading advantages, and enable quality and sustainable development.

(2) Operating Plan

In 2024, the global green energy industry will benefit from the significant reduction in supply chain prices. As a result, the economic viability of downstream projects will improve and the industry will maintain growth momentum. Taking "Collaborate and innovate in verticals, contribute to customer success with digitalization" as the annual guideline, the Company will seize market opportunities to deliver better products, expand channels, optimize services, strengthen brands, and accelerate digitalization to secure global leading advantages in businesses and achieve rapid and sustainable growth.

To deliver the annual business objectives, the Company plans to take the following key measures:

- a. Reinforce innovation efforts and promote comprehensive and in-depth development in all domains. Advocate intensive and continuous innovation in all dimensions, and incorporate innovation to all processes of the Company. Integrate cutting-edge technologies and commercial resources to maintain a leading advantage in products, services, business models and management.

- b. Maintain high level of investment in research and development to secure technological leadership. Enhance R&D and forward design capabilities, accelerate breakthroughs in key technologies and reserve of future-proof technologies, and prioritize explorations in power electronics, grid support, and grid construction technologies to address the needs of new power systems. Improve the interactivity of product software and hardware, advance deep fusion and application of AI in the key aspects of R&D, products, and solutions, hence to offer competitive products on the long run.
- c. Uphold the quality product strategy and advance all-around product upgrades. Insist on low-cost innovation, promote rapid product iteration and upgrade to provide customers with safe, reliable, and stable products, hence to attract more customers with continuously leading products. Fully leverage the Company's existing advantages in solar power, wind power, energy storage, electric drive, and hydrogen production, create integrated solutions based on new energy application scenarios, and create values for customers with integrated solar-wind-energy storage-electric drive-hydrogen solutions.
- d. Optimize the global market layout and upgrade the integration of sales and service. Consolidate the national-level operation systems and speed up global deployment. of globalization strategies. Promote the integration of sales and service, build a digitalized service platform to improve service standard, quality, and responsiveness, and continuously enhance customer service experience.
- e. Upgrade global supply and manufacturing systems, and improve localization capabilities. Closely interact with top suppliers to advance local warehouses of suppliers. Accelerate the construction of global digital plants, expand manufacturing capacity in Thailand and other regions, and build a global supply system with quick response, competitive cost, reliable quality, and timely delivery.
- f. Upgrade the brand philosophy and continue to advance ESG efforts. Build a global leading brand in clean power around core businesses, and shape the brand image of an "agile and innovative clean energy expert". Actively practice ESG concepts and optimize the ESG management system, promote sustainability of the Company and the planet with technological innovation and continuous investment.
- g. Accelerate digitalization and improve quality and efficiency with digitalized and intelligent operation. Leverage big data, AI, and other digital technologies to create an agile and efficient organization with online and shared processes, improve the efficiency of all business activities, and respond quickly to environmental changes, so as to secure a leading position in competitions and achieve quality and sustainable development.
- h. Strengthen organizational capacity building. Build a resilient organization capable of surviving the ups and downs to deliver the objectives in market innovation, customer demand, and operational efficiency. Shape an inclusive, open, respectful, and empathetic cultural atmosphere, continuously strengthen the roles of corporate culture in supporting and promoting business development.

XII. Events Register for Research Visits, Communication, and Interviews in the Period

Applicable Not Applicable

Date	Venue	Type of Visit	Type of Visitors	Visitors	Main Contents of the Discussion and Information Provided	Index of Basic Research Data
Apr. 24, 2023	On the phone	Phone communication	Institution	1,000+ investors including Dongwu Securities, Changjiang Securities, China Securities, Goldman Sachs, and Huafu Securities	2022 financial performance, industry situation, and outlook of the Company's main products	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20230428
Jun. 27, 2023	An investor relations online interaction platform (https://ir.p5w.net)	Online communication	Other	Investors participating in the activity via the investor relations platform of https://ir.p5w.net	Operational overview of the Company in 2022 and the like	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20230627

Date	Venue	Type of Visit	Type of Visitors	Visitors	Main Contents of the Discussion and Information Provided	Index of Basic Research Data
Aug. 24, 2023	On the phone	Phone communication	Institution	1,000+ investors including Dongwu Securities, Changjiang Securities, Caitong Securities, Huafu Securities, and Haitong Securities	Industry overview, the Company's operational and financial performance for the first half of 2023	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20230825
Sep. 21, 2023	Tencent Meeting	Online communication	Other	Wellington Investment, Anh Nguyen, Simon Henry, T Rowe Price HK Limited, Zhao Yiqiang, CICC, Ma Yan, Shi Yuqi, Liu Qihui, Yu Yangqing	The Company's domestic and overseas markets, product markets, and status of overseas plants	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20230921
Oct. 25, 2023	Cloud Interview Program on http://irm.cninfo.com.cn of Shenzhen Stock Exchange	Online communication	Other	Investors participating in the activity via http://irm.cninfo.com.cn of Shenzhen Stock Exchange	Basic situation of the Company, measures to secure the leading position in PV and energy storage business, and the impact of global situation on the Company's product shipment	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20231025
Oct. 27, 2023	On the phone	Phone communication	Institution	About 800 investors including Dongwu Securities, Changjiang Securities, Caitong Securities, and Huafu Securities	The Company's operational and financial performance for the first three quarters of 2023, industrial prospect	www.cninfo.com.cn <i>Investor Relations Activity Register</i> No. 20231027

XIII. Implementation Status of the Quality and Return Dual Enhancement Action Plan

Whether the Company disclosed the Quality and Return Dual Enhancement Action Plan.

Yes No

To implement the guidelines on "revitalizing the capital market and boosting investors' confidence" put forward at the Central Political Bureau conference and "vigorously improving the quality and investment value of public companies, and "taking robust and effective measures to stabilize the market and investors' confidence" at the State Council executive meeting, the Company developed the Quality and Return Dual Enhancement Action Plan and disclosed it in *Announcement on the Quality and Return Dual Enhancement Action*

Plan on February 26, 2024 on www.cninfo.com.cn (Announcement No. 2024-015).

The Company seized opportunities as the global new energy market grew rapidly, and achieved an increase of operating revenue from CNY 10,370 million in 2018 to CNY 72,250 million in 2023, accounting for a compound growth rate of 47%. The net profit attributable to shareholders of the Company increased from CNY 810 million in 2018 to CNY 9,440 million in 2023, accounting for a compound growth rate of 63%. In 2023, the Company made significant efforts in marketing and R&D, continually advanced the full coverage strategy of products and services, and leveraged digitalization and lean operation to achieve rapid growth in core businesses including PV inverters, energy storage systems, and new energy investment and development. As a result, the net profit attributable to shareholders of the Company increased by 163% year-on-year.

The Company attached great importance to investor returns and continuously offered stock dividends and cash dividends since going public, with a cumulative cash dividends implemented no less than 10% of the cumulative net profit attributable to the parent company. In 2023, the Company enabled a dynamic balance between corporate development, performance growth, and shareholder return, and implemented a "long-term, stable, and sustainable" shareholder value return mechanism to improve the sense of gain for investors. The Company made an equity distribution plan to distribute a cash dividend of CNY 9.65 (tax inclusive) per 10 shares to all shareholders, with the total cash dividends amounting to approximately CNY 1,420 million (tax inclusive). In addition, 4 shares were transferred from the capital reserve for every 10 shares to all shareholders.

Based on confidence in the future development of the Company and recognition of corporate values, and to establish and improve a long-term incentive mechanism, adequately motivate all employees and effectively integrate the interests of shareholders, the Company, and employees, as well as to promote the healthy, stable, and sustainable development of the Company, on September 12, 2023, the Company held the third meeting of the fifth Board of Directors, at which the *Proposal on the Buyback of Company Shares* was reviewed and approved. It was agreed that the Company would buy back some of the Company's shares via collective bidding with a self-supplied fund of no less than CNY 500 million (inclusive) and no greater than CNY 1,000 million (inclusive), and use them for equity incentive plans or employee stock ownership plans at an appropriate time in the future. As of March 31, 2024, the Company had cumulatively bought back 11,512,334 shares via collective bidding in the Shenzhen Stock Exchange's trading system, accounting for 0.7752% of the Company's total share capital. The highest buyback price was CNY 90.72 per share, and the lowest was CNY 78.46 per share. The total funds paid amounted CNY 996,648,688.03 (excluding transaction fees).

The Company highly prioritized investor relationship management, and constantly optimized the working mechanism and content of investor relationship management, in order to achieve the goals of respecting, rewarding, and protecting investors. As the Company attracted wider attention, the communication with investors was further enhanced, the frequency, profundity, and relevance of communication were increased. The Company maintained sound interaction with investors through performance briefing, online exchange, phone communication, among other channels. The Company established an investor relations platform on the official website to update periodical reports, sustainability reports, and stock information on a timely basis, so that investors could access such information conveniently. In the future, the Company will continue to actively convey its long-term investment values to the market, improve the efficiency and transparency of information, promote mutual understanding, and advance healthy communication with investors.

Section IV Corporate Governance

I. Basic Situation of Corporate Governance

During the reporting period, the Company strictly followed the *Company Law*, the *Securities Law*, the *Governance Guidelines for Listed Companies*, the *Rules for GEM Stock Listing at Shenzhen Stock Exchange*, *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies* as well as other laws and regulations to constantly optimize the corporate governance structure, improve the internal control system, and achieve standardized operation.

The Company's overall operation in the reporting period was standardized and highly independent, the information disclosure was compliant, and the actual situation was basically in line with the requirements in the CSRC normative documents on the governance of listed companies.

a. About shareholders and the shareholders' meeting

Shareholders of the Company hold equal status based on the shares they possess and assume corresponding obligations following the provisions in the *Articles of Association*. The Company convenes and holds shareholders' meetings in strict accordance with the regulations and requirements of the *Rules for the Shareholders' Meeting of Listed Companies* and the *Rules of Procedure for the Shareholder's Meeting*, making sure shareholders exercise their rights and interests legitimately, treating all shareholders equally, and providing as much convenience as possible for shareholders to participate in the shareholders' meetings, so that they can fully exercise their rights as shareholders.

b. About the Company and the controlling shareholder

The Company's controlling shareholder, Mr. Cao Renxian, strictly abides by the *Governance Guidelines for Listed Companies*, the *Rules for GEM Stock Listing at Shenzhen Stock Exchange*, the *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies*, and the *Articles of Association* to regulate his behavior. He makes no actions that directly or indirectly interfere with the Company's decision-making and business activities beyond the shareholders' meeting, nor jeopardizes the interests of the Company and other shareholders. There is no occurrence of the controlling shareholder taking up the Company's funds or the Company providing guarantees for the controlling shareholder. The Company owns independent and complete business and is capable of operating independently. The Company is independent from the controlling shareholder in terms of business, assets, personnel, organization and finance; the Company's Board of directors, Board of Supervisors, and internal organizations operate independently.

c. About directors and the Board of Directors

The Board of Directors is composed of 8 directors, including 3 independent directors. The number of directors and the composition of the Board of Directors are in line with the relevant laws, regulations and the *Articles of Association*. Directors perform their duties in accordance with the *Rules for Independent Directors at Listed Companies*, the *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies*, and the *Rules of Procedure for the Board of Directors*, attend board meetings and shareholders' meetings, diligently assume their job responsibilities and obligations, and actively participate in relevant training to get familiar with the relevant laws and regulations.

d. About supervisors and the Board of Supervisors

The Board of Supervisors is composed of 3 supervisors, including 2 employee supervisors. The number of supervisors and the composition of the Board of Supervisors are in line with the requirements of laws and regulations. Supervisors perform their duties in accordance with the *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies* and the *Rules of Procedure for the Board of Supervisors*, and supervise the Company's major transactions, related-party transactions, financial status, and the legitimacy and compliance of directors' and executives' job performance.

e. About performance evaluation and the incentive and restraint mechanism

The Remuneration and Evaluation Committee is set up under the Board of Directors, which has formulated the *Working Rules of the Remuneration and Evaluation Committee*, established and implemented the performance evaluation system, and defined a scientific system of indicators. The various centers, product lines, and departments make full use of the performance management tools to ensure objectives and performance plans are under control. The manager-in-charge holds the primary accountability for realizing annual objectives and performance plans of the respective department. Each department further breaks down the work plan into monthly and weekly tasks, and strives to achieve performance indicators on time, in quality and quantity, hence to ensure the delivery of the Company's annual objectives. All accountable organizations and all employees are subject to regular performance evaluation and objective assessment, and the evaluation results are used as the grounds for determining employees' remuneration, promotion/demotion, appraisal and job transfer.

f. About information disclosure and transparency

In strict accordance with the *Administrative Measures on Information Disclosure by Listed Companies*, the *Rules for GEM Stock Listing at Shenzhen Stock Exchange*, the *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies*, the *Shenzhen Stock Exchange's No. 5 Regulatory Guidelines for Listed Companies — Information Disclosure*, as well as the requirements in the *Information Disclosure Management Procedures* and the *Investor Relations Management Procedures*, the Company fairly discloses the relevant information in a truthful, accurate, timely, and complete manner. The Company's Board Secretary is responsible for organizing and coordinating information disclosure and investor relations, receiving investors' visits, and replying investors' inquiries. The Company has designated www.cninfo.com.cn as the website for disclosing company information, *China Securities Journal*, *Securities Times*, *Securities Daily* and *Shanghai Securities News* as the newspapers for disclosing the Company's periodical reports, hence to ensure that all shareholders of the Company are informed of with equal opportunities.

g. About stakeholders

The Company fully values and safeguards the legitimate rights and interests of relevant stakeholders, attaches great importance to the Company's social responsibilities, actively collaborates with relevant stakeholders, and enhances communication and exchange with all parties, in order to coordinate and balance the interests of shareholders, employees, society and other parties, so that they jointly promote the sustainable and healthy development of the Company.

Whether there is a material difference between the actual situation of corporate governance and laws, administrative regulations and the CSRC regulations on the governance of listed companies

Yes No

There is no material difference between the actual situation of corporate governance and laws, administrative regulations and the CSRC regulations on the governance of listed companies.

II. Specific Measures Taken by the Controlling Shareholders and Actual Controllers to Ensure the Independence of the Company's Assets, Personnel, Finance, Organization and Business

The Company is capable of operating its business independently and has set up a complete operation and management system that is independent from the controlling shareholder in terms of business, personnel, assets, organization, and finance.

III. Horizontal Competition

Applicable Not Applicable

IV. Information on the Annual Shareholders' Meeting and the Extraordinary General Meeting(s) Held in the Reporting Period**1. Shareholders' meeting in the reporting period**

Session	Type	Investor Participation %	Date of Meeting	Date of Disclosure	Resolution(s)
2022 Annual Shareholders' Meeting	Annual Shareholders' Meeting	46.72%	May 19, 2023	May 19, 2023	No. 2023-052 Announcement on the Resolutions of the 2022 Annual Shareholders' Meeting on http://www.cninfo.com.cn
The First Extraordinary General Meeting in 2023	Extraordinary General Meeting	48.10%	Dec. 22, 2023	Dec. 22, 2023	No. 2022-124 Announcement on the Resolutions of the First Extraordinary General Meeting in 2023 on http://www.cninfo.com.cn

2. The extraordinary general meeting(s) requested by preference shareholders with restored voting rights

Applicable Not Applicable

V. The Company's Voting Rights Difference Arrangement

Applicable Not Applicable

VI. Corporate Governance with the Red-Chip Architecture

Applicable Not Applicable

VII. Directors, Supervisors and Executives

1. Basic situation

Name	Gender	Age	Title	Status	Office starts on	Office ends on	Shares held at the beginning of the period	Shares increased during the period	Shares decreased during the period	Other changes (shares)	Shares held at the end of the period	Reason for changes in shares
Cao Renxian	Male	55	Chairman and President	Incumbent	Dec. 8, 2016	May 19, 2026	451,008,000				451,008,000	
Gu Yilei	Male	45	Vice Chairman	Incumbent	May 18, 2022	May 19, 2026	450,000				450,000	
			SVP	Incumbent	Dec. 11, 2018	May 19, 2026						
Zhang Xucheng	Male	51	Director	Incumbent	May 19, 2020	May 19, 2026	112,500				112,500	
Zhao Wei	Male	50	Director, SVP	Incumbent	Dec. 8, 2016	May 19, 2026	7,076,000				7,076,000	
Wu Jiamao	Male	51	Director, SVP	Incumbent	May 19, 2023	May 19, 2026	375,000				375,000	
Gu Guang	Female	60	Independent director	Incumbent	May 19, 2020	May 19, 2026						
Li Mingfa	Male	61	Independent director	Incumbent	May 19, 2020	May 19, 2026						
Zhang Lei	Male	43	Independent director	Incumbent	May 19, 2023	May 19, 2026						
Tao Gaozhou	Male	52	Chairman of the Board of Supervisors	Incumbent	Dec. 8, 2016	May 19, 2026						
He Wei	Male	48	Employee Supervisor	Incumbent	Dec. 8, 2016	May 19, 2026						
Zhang Hui	Male	49	Employee Supervisor	Incumbent	Apr. 21, 2023	May 19, 2026						
Li Shun	Male	46	SVP	Incumbent	Oct. 29, 2020	May 19, 2026	25,000				25,000	
Chen Zhiqiang	Male	43	VP	Incumbent	Dec. 8, 2016	May 19, 2026	375,000				375,000	
Peng Chaocai	Male	46	VP	Incumbent	Oct. 29, 2020	May 19, 2026	78,750				78,750	
Deng Dejun	Male	47	VP	Incumbent	Dec. 11, 2018	May 19, 2026	369,679				369,679	
Lu Yang	Male	41	VP, Board Secretary	Incumbent	Oct. 21, 2021	May 19, 2026						

Name	Gender	Age	Title	Status	Office starts on	Office ends on	Shares held at the beginning of the period	Shares increased during the period	Shares decreased during the period	Other changes (shares)	Shares held at the end of the period	Reason for changes in shares
Tian Shuai	Male	40	Finance Director, VP	Incumbent	Jun. 27, 2022	May 19, 2026						
Wang Lei	Female	44	VP	Incumbent	May 19, 2023	May 19, 2026	22,000				22,000	
Zheng Guibiao	Male	55	Director, SVP	Departed	Dec. 8, 2016	May 19, 2023	11,976,360		5,000		11,971,360	Sell
Li Baoshan	Male	71	Independent director	Departed	Dec. 8, 2016	May 19, 2023						
Li Xiaomei	Female	55	Employee Supervisor	Departed	Dec. 8, 2016	May 19, 2023						
Zhang Youquan	Male	56	VP	Departed	Dec. 8, 2016	May 19, 2023	225,000				225,000	
Xie Xiaoyong	Male	47	VP	Departed	Aug. 14, 2017	Dec. 6, 2023	300,000				300,000	
Total	--	--	--	--	--	--	472,393,289		5,000		472,388,289	--

Resignation of directors/supervisors or dismissal of executives within the term of office during the reporting period

Yes No

Changes in directors, supervisors and executives of the Company

Applicable Not Applicable

Name	Position	Type	Date	Reason
Wu Jiamao	Director	Election	May 19, 2023	Elected as a non-independent director of the fifth Board of Directors at the 2022 Annual Shareholders' Meeting
Zhang Lei	Ind. Director	Election	May 19, 2023	Elected as an independent director of the fifth Board of Directors at the 2022 Annual Shareholders' Meeting
Zhang Hui	Employee Supervisor	Election	Apr. 21, 2023	Elected as an employee supervisor of the fifth Board of Supervisors at the Workers Congress
Wu Jiamao	SVP	Appointment	May 19, 2023	Appointed SVP at the first meeting of the fifth Board of Directors
Li Shun	SVP	Appointment	May 19, 2023	Appointed SVP at the first meeting of the fifth Board of Directors
Wang Lei	VP	Appointment	May 19, 2023	Appointed VP at the first meeting of the fifth Board of Directors
Tian Shuai	VP	Appointment	May 19, 2023	Appointed VP at the first meeting of the fifth Board of Directors
Zheng Guibiao	Director, SVP	Departure	May 19, 2023	Departed upon office expiration, still holding other position(s) in the Company
Li Baoshan	Ind. Director	Departure	May 19, 2023	Departed upon office expiration
Li Xiaomei	Employee Supervisor	Departure	May 19, 2023	Departed upon office expiration
Zhang Youquan	VP	Departure	May 19, 2023	Departed upon office expiration, still holding other position(s) in the Company
Xie Xiaoyong	VP	Departure	Dec. 6, 2023	Resigned from the position of VP due to job adjustment, still holding other position(s) in the Company

2. Incumbents overview

The professional background, main work experience and job responsibilities of current directors, supervisors and executives of the Company

(1) Directors

Mr. Cao Renxian, Chinese national with no permanent residency overseas, born in July 1968, master degree, and researcher, is currently a delegate of the 14th National People's Congress and the chairman of the China Photovoltaic Industry Association. Mr. Cao Renxian was one of the faculty of Hefei University of Technology from June 1993 to 1998, and worked in Sungrow Power Supply Co., Ltd. from July 1998 to July 2001. He served the role of Executive Director and General Manager of Sungrow Power Supply Co., Ltd. from July 2001 to August 2007, followed by the role of Chairman and President from August 2007 to date.

Mr. Gu Yilei, Chinese national with no permanent residency overseas, born in February 1978, Ph.D. He has successively worked in Zhongda Simike Electronics Co., Ltd. (Delta Group), Shenzhen Kangdawei Electronic Technology Co., Ltd., Santak Electronics (Shenzhen) Co., Ltd., and Eaton (China) Investment Co., Ltd. He joined Sungrow in September 2015, and successively served the roles of Vice Director of the Sungrow Research Institute, Director of the Central Research Institute. He is currently Vice Chairman and Senior Vice President of Sungrow and President of the Solar Storage Division.

Mr. Zhang Xucheng, Chinese national with no permanent residency overseas, born in June 1972, master degree. He served the roles of Vice Procurement Manager, Logistics Manager, Human Resources Manager and Senior Vice President of Sungrow. He is currently a director in the Sungrow Board, Chairman and President of Sungrow Renewables Development Co., Ltd.

Mr. Zhao Wei, Chinese national with no permanent residency overseas, born in December 1973, Ph.D., senior engineer. He served the roles of Vice Director and Vice General Manager of Sungrow R&D Center, and is currently Director and Senior Vice President of

Sungrow and Director of the Sungrow Research Institute.

Mr. Wu Jiamao, Chinese national with no permanent residency overseas, born in September 1972, master degree. He worked for Anhui Ningguo Shuangjin Group previously and joined Sungrow in March 2005. He successively served the roles of Sales Manager of Sungrow and General Manager of Sungrow Shanghai Company, is currently Director and Senior Vice President of Sungrow and Director, Global Sales and Marketing of the Solar Storage Division.

Ms. Gu Guang, Chinese national with no permanent residency overseas, born in July 1963, master degree, certified public accountant of China (non-practicing member). She graduated from the Department of Economics of Anhui University in 1986, and has been teaching at the university ever since, having served the roles of Vice Director and Director of the Accounting Department of the School of Business, Anhui University, Director of the MPAcc Education Center, Associate Professor and Master's Supervisor in accounting at the School of Business, Anhui University. Currently, she is an independent director of Anhui Shanhe Pharmaceutical Excipients Co., Ltd., Atech Automotive Co., Ltd., and Sungrow Power Supply Co., Ltd.

Mr. Li Mingfa, Chinese national with no permanent residency overseas, born in February 1963, Ph.D., Level 2 professor and doctoral supervisor of Anhui University. He was Director of the Law School of Anhui University and Executive Vice Director of the Graduate School of Anhui University. He is currently Executive Director of the Civil Law Research Association of the China Law Society, Vice Director-General of the Anhui Civil and Commercial Law Research Association, and an independent director of Wuhu Sanlian Forging Co., Ltd., Anhui Estone Materials Technology Co., Ltd., and Sungrow Power Supply Co., Ltd.

Mr. Zhang Lei, Chinese national with no permanent residency overseas, born in December 1980, bachelor degree. He started service and research in the power supply industry at the China Power Supply Society since 2005, and served the roles of Director of the Exhibition Department, Director of the General Office, and Deputy Secretary General. He is currently the Secretary General of the China Power Supply Society and an independent director of Sungrow.

(2) Supervisors

Mr. Tao Gaozhou, Chinese national with no permanent residency overseas, born in March 1971, master degree, senior engineer. He was Manager of Structure Department and a Supervisor of Sungrow, and is currently the Chairman of Sungrow's Board of Supervisors and Director of the Institute of New Materials and Advanced Manufacturing.

Mr. He Wei, Chinese national with no permanent residency overseas, born in October 1975, master degree. He was Business Planning Manager and Logistics Assurance Manager of Sungrow, and is currently an Employee Representative Supervisor of Sungrow and General Manager of the Administrative Service Center.

Mr. Zhang Hui, Chinese national with no permanent residency overseas, born in October 1974, bachelor degree. He served the roles of Supervisor of Technical Support Department, Manager of Engineering Technology Department, and Manager of Equipment and Power Department of Sungrow. He is currently an Employee Representative Supervisor of Sungrow and Director of Equipment and Power Department.

(3) Executives

Mr. Cao Renxian, President. Refer to the introduction in "(1) Directors" for details.

Mr. Gu Yilei, Senior Vice President. Refer to the introduction in "(1) Directors" for details.

Mr. Zhao Wei, Senior Vice President. Refer to the introduction in "(1) Directors" for details.

Mr. Wu Jiamao, Senior Vice President. Refer to the introduction in "(1) Directors" for details.

Mr. Li Shun, Chinese national with no permanent residency overseas, born in January 1977, master degree. He worked for China Academy of Engineering Physics, Santak Electronics (Shenzhen) Co., Ltd., and Samil Power Co., Ltd. After joining Sungrow, he successively served the roles of Director of Small-to-Medium Power Products, Director of String Products, and Vice President of the Solar Storage Division. He is currently Senior Vice President of Sungrow.

Mr. Chen Zhiqiang, Chinese national with no permanent residency overseas, born in April 1980, graduated from the University of Science and Technology of China in 2020 with a master degree, and a certified quality engineer of China. He served the roles of Quality Control Supervisor, Quality Control Manager, Management Representative, Quality Director, Employee Supervisor, and Chairman of the Board of Supervisors of Sungrow. He is currently Vice President of Sungrow.

Mr. Peng Chaocai, Chinese national with no permanent residency overseas, born in December 1977, master degree. He worked for Shangqiu Experimental Middle School, Sinoma Technology Wind Power Blade Co., Ltd., and Delta Electronics (Shanghai) Co., Ltd. before joining Sungrow as President of the Wind Energy Division. He is currently Vice President of Sungrow and President of the

Wind Energy Division.

Mr. Deng Dejun, Chinese national with no permanent residency overseas, born in September 1976, bachelor degree. He worked for Maanshan Iron and Steel Co., Ltd., Foxconn Technology Group, Philips Electronics, and Great Wall Development Technology Co., Ltd. previously. After joining Sungrow in January 2011, he successively served the role of Production Planning Manager, Production Planning Manager and Vice General Manager of the Gansu Division, Manufacturing Director of the Production Center and Production Planning Manager, Vice General Manager of the Production Center, and General Manager of the Production Center. He is currently Vice President of Sungrow and General Manager of the Production Center.

Mr. Lu Yang, Chinese national with no permanent residency overseas, born in October 1982, master degree. He worked previously for State Nuclear Power Technology Corporation, Beijing Zhengglue Junce Management Consulting Co., Ltd., and ENN Group Co., Ltd. He joined Sungrow in August 2016 and successively served the roles of Strategic Planning Manager, Strategic Planning Director, and General Manager of the Strategy Center. He is currently Vice President and Board Secretary of Sungrow.

Mr. Tian Shuai, Chinese national with no permanent residency overseas, born in November 1983, bachelor degree and MBA candidate of Peking University, CMA (Certified Management Accountant). He worked previously for Sany Heavy Industry Co., Ltd., Huawei Technologies Co., Ltd., Hunan Huinong Technology Co., Ltd., and Honor Device Co., Ltd. He joined Sungrow in September 2021 and successively served the roles of Vice General Manager of the Finance Center and General Manager of the Finance Center. He is currently Vice President and Finance Director of Sungrow.

Ms. Wang Lei, Chinese national with no permanent residency overseas, born in December 1979, master degree, Senior Human Resources Manager and Economist. She joined Sungrow in June 2003 and served the roles of Manager of the Human Resources Center, General Manager of the Human Resources Center, and Vice President of the Solar Storage Division. She is currently Vice President of Sungrow.

Positions in organizations as a shareholder

Applicable Not Applicable

Positions in other organizations

Applicable Not Applicable

Name	Organization	Position	Office Starts on	Office Ends on	Paid by the Organization
Cao Renxian	Hefei Renshang Enterprise Management Co., Ltd.	Supervisor			No
Li Mingfa	Anhui Estone Material Technology Co., Ltd.	Ind. Director			Yes
Li Mingfa	Wuhu Sanlian Forging Co., Ltd.	Ind. Director			Yes
Gu Guang	Anhui Shanhe Pharmaceutical Excipients Co., Ltd.	Ind. Director			Yes
Gu Guang	Atech Automotive Co., Ltd.	Ind. Director			Yes
Lu Yang	Jiangyin Wanzai Trading Co., Ltd.	Supervisor			No
Wang Lei	Hefei Shangneng Enterprise Management Co., Ltd.	Supervisor			No

Penalties imposed by securities regulators in the past three years on incumbent directors, supervisors, executives and those departed in the reporting period

Applicable Not Applicable

3. Remuneration of directors, supervisors and executives

The procedure for determining remuneration for directors, supervisors and executives, the ground for determination, and the actual payment

Procedure for determination: Remuneration of the Company's directors and supervisors is determined by the shareholders' meeting; remuneration of executives is determined by the Board of Directors. Directors, supervisors and executives who hold offices in the Company receive remuneration according to their specific positions.

Grounds for determination: Remuneration of directors, supervisors and executives is determined and paid in accordance with the provisions in the *Working Rules of the Remuneration and Evaluation Committee* stipulated by the Board of Directors, taking into consideration of their respective business performance, professional competency, job ranking and other evaluation results.

Actual payment: Remuneration of directors, supervisors and executives has been paid in full according to the predefined standard.

Remuneration of Directors, Supervisors and Executives of the Company during the reporting period

(in 10K CNY)

Name	Gender	Age	Position	Status	Total remuneration before tax	Paid by related-party of the Company
Cao Renxian	Male	55	Chairman, President	Incumbent	351.00	No
Gu Yilei	Male	45	Vice Chairman, SVP	Incumbent	1,440.00	No
Zhang Xucheng	Male	51	Director	Incumbent	406.00	No
Zhao Wei	Male	50	Director, SVP	Incumbent	373.00	No
Wu Jiamao	Male	51	Director, SVP	Incumbent	994.00	No
Gu Guang	Female	60	Ind. Director	Incumbent	8.00	No
Li Mingfa	Male	61	Ind. Director	Incumbent	8.00	No
Zhang Lei	Male	43	Ind. Director	Incumbent	5.33	No
Tao Gaozhou	Male	52	Chairman of the Board of Supervisors	Incumbent	107.38	No
He Wei	Male	48	Employee Supervisor	Incumbent	129.00	No
Zhang Hui	Male	49	Employee Supervisor	Incumbent	58.82	No
Li Shun	Male	46	SVP	Incumbent	400.00	No
Chen Zhiqiang	Male	43	VP	Incumbent	343.00	No
Peng Chaocai	Male	46	VP	Incumbent	357.00	No
Deng Dejun	Male	47	VP	Incumbent	283.00	No
Lu Yang	Male	41	VP, Board Secretary	Incumbent	251.00	No
Tian Shuai	Male	40	VP, Finance Director	Incumbent	249.00	No
Wang Lei	Female	44	VP	Incumbent	194.97	No
Zheng Guibiao	Male	55	Director, SVP	Departed	41.67	No
Li Baoshan	Male	71	Ind. Director	Departed	3.34	No
Li Xiaomei	Female	55	Employee Supervisor	Departed	13.74	No
Zhang Youquan	Male	56	VP	Departed	39.14	No
Xie Xiaoyong	Male	47	VP	Departed	301.00	No
Total	--	--	--	--	6,357.39	--

Note: Director and Senior Vice President Mr. Zheng Guibiao, Independent Director Mr. Li Baoshan, Employee Supervisor Ms. Li Xiaomei, and Vice President Mr. Zhang Youquan resigned upon the expiration of their term of office during the reporting period. The remuneration listed above indicated the total remuneration before tax they received from the Company from January to May 2023. Mr. Zhang Lei, Mr. Zhang Hui, and Ms. Wang Lei were elected or appointed Independent Director, Employee Supervisor, and Vice President of the Company during the reporting period. The remuneration listed above indicated the total remuneration before tax they received from the Company from May to December 2023. The remuneration of other incumbent or departed directors, supervisors, and executives indicated the total remuneration before tax they received from the Company from January to December 2023.

Notes on other facts

Applicable Not Applicable

VIII. Directors' Performance of Duties During the Reporting Period

1. Board meetings in the reporting period

Session	Date of Meeting	Date of Disclosure	Resolution(s)
The 22nd meeting of the fourth Board of Directors	January 18, 2023	January 18, 2023	No. 2023-005 <i>Announcement on Resolutions of the Twenty-Second Meeting of the Fourth Board of Directors</i> on http://www.cninfo.com.cn
The 23rd meeting of the fourth Board of Directors	April 24, 2023	April 25, 2023	No. 2023-016 <i>Announcement on Resolutions of the Twenty-Third Meeting of the Fourth Board of Directors</i> on http://www.cninfo.com.cn

Session	Date of Meeting	Date of Disclosure	Resolution(s)
The 1st meeting of the fifth Board of Directors	May 19, 2023	May 19, 2022	No. 2023-053 <i>Announcement on Resolutions of the First Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn
The 2nd meeting of the fifth Board of Directors	August 24, 2023	August 25, 2023	No. 2023-077 <i>Announcement on Resolutions of the Second Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn
The 3rd meeting of the fifth Board of Directors	September 12, 2023	September 13, 2023	No. 2023-085 <i>Announcement on Resolutions of the Third Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn
The 4th meeting of the fifth Board of Directors	October 27, 2023	October 28, 2023	No. 2023-094 <i>Announcement on Resolutions of the Fourth Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn
The 5th meeting of the fifth Board of Directors	December 6th, 2023	December 7, 2023	No. 2023-107 <i>Announcement on Resolutions of the Fifth Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn
The 6th meeting of the fifth Board of Directors	December 22, 2023	December 22, 2023	No. 2023-126 <i>Announcement on Resolutions of the Sixth Meeting of the Fifth Board of Directors</i> on http://www.cninfo.com.cn

2. Directors' presence at Board Meetings and Shareholders' Meetings

Directors' presence at Board Meetings and Shareholders' Meetings							
Director	Board meetings to be attended in the period	In-person presence at board meetings	Audio/Video presence at board meetings	Delegate presence at board meetings	Absence from board meeting	Failing in-person presence at two consecutive board meetings	Presence at shareholders' meetings
Cao Renxian	8	3	5	0	0	No	2
Gu Yilei	8	3	5	0	0	No	2
Zhang Xucheng	8	3	5	0	0	No	2
Zhao Wei	8	3	5	0	0	No	2
Wu Jiamao	6	2	4	0	0	No	2
Gu Guang	8	3	5	0	0	No	2
Li Mingfa	8	3	5	0	0	No	2
Zhang Lei	6	2	4	0	0	No	1
Zheng Guibiao	2	1	1	0	0	No	1
Li Baoshan	2	1	1	0	0	No	1

3. Objections raised by directors to matters related to the Company

Whether there were objections raised by directors to matters related to the Company

Yes No

No directors raised any objection to matters related to the Company during the reporting period.

4. Other explanations on directors' performance of duties

Whether suggestions made by directors were accepted

Yes No

Explanation on accepting or rejecting suggestions made by directors

During the reporting period, all directors of the Company strictly followed the *Company Law*, the *Securities Law*, the *Governance Guidelines for Listed Companies*, the *Shenzhen Stock Exchange's No. 2 Regulatory Guidelines for Listed Companies — Standardized Operation of GEM-Listed Companies*, as well as other relevant regulations and requirements in the *Articles of Association* and the *Rules of Procedure for the Board of Directors*. All directors attended board meetings and shareholders' meetings proactively, performed their duties in a diligent and conscientious way, and put forward relevant opinions on the Company's major governance and business decisions based on the actual situation, to ensure adequate discussion and science-based decision-making in a timely and efficient way, and safeguard the legitimate rights and interests of the Company and all shareholders.

IX. Operation of Special Committees under the Board of Directors During the Reporting Period

Committee	Members	No. of Meetings	Date of Meeting	Content of Meeting	Important comments and suggestions made	Performance of other duties	Specific circumstances of objection (if any)
The Audit Committee	Gu Guang, Li Baoshan, Zheng Guibiao	1	Apr. 22, 2023	Deliberation of the <i>Proposal on Re-engaging the Company's Auditing Firm for 2023</i> , the <i>Proposal on the Company's 2022 Annual Report and the Report Summary</i>	Approved the proposals, and agreed to submit the proposals for deliberation by the Board of Directors	No	No
The Audit Committee	Gu Guang, Li Baoshan, Zheng Guibiao	1	Apr. 22, 2023	Deliberation of the <i>Proposal on the Company's 2023 First Quarter Report</i>	Approved the proposal, and agreed to submit the proposal for deliberation by the Board of Directors	No	No
The Audit Committee	Gu Guang, Li Mingfa, Zhang Lei	1	Aug. 17, 2023	Deliberation of the <i>Proposal on the Company's 2023 Half Year Report and the Report Summary</i>	Approved the proposal, and agreed to submit the proposal for deliberation by the Board of Directors	No	No
The Audit Committee	Gu Guang, Li Mingfa, Zhang Lei	1	Oct. 26, 2023	Deliberation of the <i>Proposal on the Company's 2023 Third Quarter Report</i>	Approved the proposal, and agreed to submit the proposal for deliberation by the Board of Directors	No	No
The Nomination Committee	Cao Renxian, Li Mingfa, Gu Guang	1	Apr. 22, 2023	Deliberation of the <i>Proposal on the Election of the Board of Directors and Nomination of Candidates for the Fifth Board of Directors</i>	Approved the proposal, and agreed to submit the proposal for deliberation by the Board of Directors	No	No
The Remuneration and Evaluation Committee	Li Baoshan, Li Mingfa, Zhang Xucheng	1	Apr. 22, 2023	Deliberation of the <i>Proposal on the 2023 Remuneration of Directors, Supervisors and Executives</i> , the	Approved the proposals, and agreed to submit the proposals for deliberation by the Board of	No	No

				<i>Proposal on the Achievement of Vesting Conditions for the First Vesting Schedule of the First Grant in the 2022 Restricted Stock Incentive Plan and Relevant Matters, the Proposal on Granting the Reserved Part of Restricted Shares to Incentive Objects of the 2022 Restricted Stock Incentive Plan, the Proposal on the Buyback and Cancellation of Some Restricted Shares</i>	Directors		
The Remuneration and Evaluation Committee	Cao Renxian, Li Mingfa, Zhang Lei	1	Nov. 29, 2023	Deliberation of the <i>Proposal on the Company's 2023 Restricted Stock Incentive Plan (Draft) and its Summary</i> , the <i>Proposal on the Assessment Measures for the Implementation of the 2023 Restricted Stock Incentive Plan</i> , and the <i>Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the 2023 Restricted Stock Incentive Plan Related Initiatives</i>	Approved the proposals, and agreed to submit the proposals for deliberation by the Board of Directors	No	No
The Remuneration and Evaluation Committee	Cao Renxian, Li Mingfa, Zhang Lei	1	Dec. 15, 2023	Deliberation of the <i>Proposal on the First Grant of Restricted Shares to Incentive Objects</i>	Approved the proposal, and agreed to submit the proposal for deliberation by the Board of Directors	No	No
The Strategy and Sustainability Committee	Cao Renxian, Gu Yilei, Zhang Xucheng	1	Dec. 5, 2023	Discussion on the Company's medium- and long-term planning	Approved the relevant content	No	No

X. Operation of the Board of Supervisors

Whether the Board of Supervisors identified any risks during the monitoring activities in the reporting period

Yes No

The Board of Supervisors had no objections to matters subject to supervision in the reporting period.

XI. Employees

1. The number of employees and their professional and educational background

Incumbent employees of the parent company at the end of the period	5,926
Incumbent employees of major subsidiaries at the end of the period	7,771
Total incumbent employees at the end of the period	13,697
Total number of employees receiving remuneration in the current period	13,697
Retirees to be financially supported by the parent company and major subsidiaries	0
Professional Background	
Profession Split	Head Count
Production	4,261
Sales	2,076
Technical	5,372
Financial	215
Administration	1,773
Total	13,697
Educational Background	
Education Level	Head Count
Doctor	89
Master	3,024
Bachelor	6,025
College Graduate and below	4,559
Total	13,697

2. Remuneration policy

Competitive remuneration stimulates employees' enthusiasm and creativity, and promotes the sustainable growth of the Company. On perusal of the Company's strategic development needs and based on the different stages of business development (mature business for profit contribution and seeding business for rapid growth), the Company designed targeted incentive plans incorporating the medium- and long-term objectives, thereby promoting the sustainable development of the various businesses. The Company also made remuneration adjustments according to the relevant national laws and regulations on human resources management, the market status, and employees' individual job performance, so as to allow employees to receive reasonable returns, and establish a remuneration and performance management system that takes into account of internal fairness and external competitiveness.

3. Training plan

Adhering to the value proposition of "accelerate employees' growth and fulfill employees' dreams", the Company empowers employees in a continuous, systematic, and science-based manner. By establishing a three-tier training architecture consisting of leadership/induction/general competency training at the group level, professional capacity training at division level, and job skills training at department level, the Company improves employees' professional skills and competencies through the accumulation, sharing, application, and innovation of knowledge, experience, and abilities, so that employees' growth is aligned with the Company's strategic goals. On the foundation of the *Regulations on Training Management*, the Company has established and optimized a management mechanism for key groups including internal trainers, induction mentors, and learning committee members, in order to accelerate empowerment, standardize and promote human resources development, and enhance organizational capabilities. In addition, the Company has launched a number of strategic training programs along its development, such as the internationalization and digitalization enhancement programs, to continuously reinforce the Company's global competitiveness and promote digital transformation. The Company received a number of honors related to human resources and learning development in 2023, such as the Silver Award in the 8th CSTD National Enterprise Learning Design Competition, the 2023 SHL Best Practice in Talent Driven Award, and the 2023-2024 Best Practices for Offshore HR Management.

4. Labor outsourcing

Applicable Not Applicable

XII. Profit Distribution and Conversion of Capital Reserve into Share Capital

The formulation, implementation or adjustment of the profit distribution policy, especially the cash dividend policy, during the reporting period

Applicable Not Applicable

The 2022 profit distribution plan was reviewed and approved at the 23rd meeting of the fourth Board of Directors held on April 24, 2023 and the 2022 Annual Shareholders' Meeting held on May 19, 2023 as the following: Based on a share capital of 1,478,705,935 (the existing total share capital of 1,485,190,984 shares minus 6,485,049 shares that have been bought back in the special account for buyback), the Company planned to distribute a cash dividend of CNY 2.20 (tax inclusive) for every 10 shares to all shareholders, with the total cash dividend amounting to CNY 325,315,305.70 (tax inclusive). The remaining undistributed profit carried forward next year. No share capital was increased, and no bonus shares was issued this year. This profit distribution plan was implemented on June 7, 2023.

The Company strictly implemented the profit distribution policy in accordance with the *Articles of Association*. The formulation and implementation of the Company's cash dividend policy were aligned with the provisions in the *Articles of Association* and the requirements in the resolution of the shareholders' meeting. The dividend standard and proportion were clearly specified; the relevant decision-making procedures and mechanisms were in place. Independent directors fulfilled their responsibilities and played their roles, the minority shareholders fully expressed their opinions and demands, and the legitimate rights and interests of the minority shareholders were adequately safeguarded.

Special Explanation on the Cash Dividend Policy	
Whether it complied with the provisions in the Articles of Association or the requirements in the resolution(s) of the shareholders' meeting:	Yes
Whether the dividend standard and proportion were clearly specified:	Yes
Whether the relevant decision-making procedures and mechanisms were in place:	Yes
Whether independent directors performed their duties and played their roles:	Yes
Where no cash dividend was distributed, explain the reason(s) in detail as well as the follow-up measures to enhance investor returns:	Not Applicable
Whether minority shareholders had the opportunity to fully express their views and demands, and whether their legitimate rights and interests were adequately safeguarded:	Yes
In the case of cash dividend policy modification or change, whether the conditions and procedures were compliant and transparent:	Not Applicable

The Company's profit distribution plan and capital reserve conversion plan for the reporting period were consistent with the relevant provisions in the Articles of Association and the dividend management policy

Yes No Not Applicable

The Company's profit distribution plan and capital reserve conversion plan for the reporting period were in line with the relevant provisions in the Articles of Association.

Profit distribution and conversion of capital reserve into share capital for the year

Number of bonus shares for every 10 shares	0
Dividend (in CNY) per 10 shares (tax inclusive)	9.65
Number of shares transferred per 10 shares	4
Equity base of the distribution plan (in shares)	1,468,642,351
Cash dividend (in CNY) (tax inclusive)	1,417,239,868.72
Cash dividend in other ways (such as share buyback) (in CNY)	980,071,383.03
Total cash dividend (including those distributed in other ways) (in CNY)	2,397,311,251.75
Distributable profit (in CNY)	17,918,678,752.33
Total cash dividend (including those distributed in other ways) in total profit distribution	100.00%

Overview of this Cash Dividend
Other
Detailed description of the profit distribution or the capital reserve conversion plan
<p>As audited and confirmed by RSM China (Special General Partnership), the net profit realized by the parent company in 2023 was CNY 9,606,878,894.04, and the accrual for statutory reserves exceeded 50% of the total share capital, hence requiring no further accrual. As of December 31, 2023, the distributable profit of the parent company was CNY 17,918,678,752.33, which was composed of CNY 9,606,878,894.04 of remaining undistributed profit and CNY 8,637,115,163.99 of undistributed profit from previous periods, deducted by a cash dividend of CNY 325,315,305.70 distributed in 2022.</p> <p>According to CSRC's guidelines on encouraging listed companies to distribute cash dividends and providing investors with stable and reasonable returns, as well as relevant provisions in the <i>Company Law</i> and the <i>Articles of Association</i>, while considering the Company's financial status, share capital, profitability, and future business growth and for the purposes of improving returns for shareholders, sharing operating results with shareholders, and enhancing stock liquidity, the Company plans to appropriately increase the cash dividend ratio for this year and transfer certain capital reserve to share capital. The plan for profit distribution and share capital increase from capital reserve for 2023 is as follows:</p> <p>Based on a share capital of 1,468,642,351 shares (the existing total share capital of 1,485,190,984 shares minus 16,508,633 shares that have been bought back in the special account for buyback), the Company plans to distribute a cash dividend of CNY 9.65 (tax inclusive) for every 10 shares to all shareholders, with the total cash dividend amounting to CNY 1,417,239,868.72 (tax inclusive). The remaining undistributed profit will carry forward next year. In addition, 4 shares from the capital reserve will be transferred for every 10 shares to all shareholders. After the increase, the total share capital goes up to 2,072,607,924 shares. No bonus shares will be issued this year. In the event that the total share capital and the number of buyback shares change in the period from the date of disclosure of this plan and the date of record for equity distribution, the total amount of cash dividend will be adjusted following the principle of "fixed ratio for cash dividend distribution" based on a share capital of total shares on the date of record minus shares that have been bought back in the special account for buyback, and the total amount of share capital increase will be adjusted following the principle of "fixed ratio for transferring capital reserve to share capital".</p>

The Company was profitable during the reporting period, the parent company made positive profits distributable to shareholders, but no cash dividend distribution plan was proposed

Applicable Not Applicable

XIII. Progress of the Company's Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures

Applicable Not Applicable

a. Equity incentives

The 2022 Restricted Stock Incentive Plan

1. On May 13, 2022, the Company held the 16th meeting of the fourth Board of Directors, at which the *Proposal on the 2022 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on the Assessment Measures for the Implementation of the 2022 Restricted Stock Incentive Plan*, and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the 2022 Restricted Stock Incentive Plan Related Initiatives* were reviewed and approved. Independent directors expressed independent views on whether the plan contributed to the sustainable development of the Company and whether there were any signs of compromising the benefits of the Company and all shareholders. On the same day, the Company held the 14th meeting of the fourth Board of Supervisors, at which the *Proposal on the 2022 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on Verifying the List of Incentive Objects in the Company's 2022 Restricted Stock Incentive Plan*, and the *Proposal on Assessment Measures for the Implementation of the 2022 Restricted Stock Incentive Plan* were reviewed and approved. The Board of Supervisors verified the relevant matters of this incentive plan and issued verification opinions.

2. On May 14, 2022, the Company disclosed the *Announcement on Solicitation of Voting Rights by Independent Directors* on www.cninfo.com.cn. Subject to the entrust from other independent directors of the Company, independent director Li Mingfa, as the solicitor, solicited voting rights from all shareholders of the Company for the 2022 Restricted Stock Incentive Plan to be reviewed at the first extraordinary general meeting in 2022.

3. From May 14, 2022 to May 23, 2022, the Company made an internal announcement of the names and positions of incentive recipients. The Board of Supervisors did not receive any objections to the list during the announcement period. On May 24, 2022, the Company announced the *Explanation and Verification Opinions of the Board of Supervisors on the List of Incentive Objects in the Company's 2022 Restricted Stock Incentive Plan* on www.cninfo.com.cn.

4. On May 30, 2022, the Company held the first extraordinary general meeting in 2022, at which the *Proposal on the 2022 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on Assessment Measures for the Implementation of the 2022 Restricted Stock Incentive Plan*, and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the 2022 Restricted Stock Incentive Plan Related Initiatives* were reviewed and approved. On the same day, the Company disclosed the Self-Examination Report on the 2022 Restricted Stock Incentive Plan Insiders' Trading of the Company's Stock on www.cninfo.com.cn.

5. On May 30, 2022, the Company held the 17th meeting of the fourth Board of Directors and the 15th meeting of the fourth Board of Supervisors, at which the *Proposal on Adjusting the List of Incentive Objects, the Number of Objects and the Number of Shares to be Granted for the First Grant of the 2022 Restricted Stock Incentive Plan* and the *Proposal on Granting Restricted Shares to Incentive Objects for the First Time* were reviewed and approved. Independent directors expressed independent views on the matters, reckoning that the granting conditions were met, the qualifications of the Company and the incentive objects were legitimate and valid, and the grant date identified complied with relevant regulations. The Board of Supervisors verified the relevant matters of this incentive plan and issued verification opinions.

6. On April 24, 2023, the Company held the 23rd meeting of the fourth Board of Directors and the 20th meeting of the fourth Board of Supervisors, at which the *Proposal on the Achievement of Vesting Conditions for the First Vesting Schedule of the First Grant in the 2022 Restricted Stock Incentive Plan and Relevant Matters* and the *Proposal on Granting the Reserved Part of Restricted Shares to Incentive Objects of the 2022 Restricted Stock Incentive Plan* were reviewed and approved. Independent directors expressed independent views on the matters, the Board of Supervisors verified the list of incentive objects for the grant and issued verification opinions.

7. On June 8, 2023, shares for the first vesting schedule from the first grant of the 2022 Restricted Stock Incentive Plan were listed for circulation. A total of 1,488,750 shares from 449 holders vested this time. According to the *2022 Restricted Stock Incentive Plan (Draft) and its Summary*, due to the equity distribution of the Company before the equity incentives, the granting price of the 2022 Restricted Stock Incentive Plan should be adjusted from CNY 35.43 per share to 35.21 per share.

The 2023 Restricted Stock Incentive Plan

1. On December 6, 2023, the Company held the 5th meeting of the fifth Board of Directors, at which the *Proposal on the 2023 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on the Assessment Measures for the Implementation of the 2023 Restricted Stock Incentive Plan*, and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the 2023 Restricted Stock Incentive Plan Related Initiatives* were reviewed and approved. On the same day, the Company held the 4th meeting of the fifth Board of Supervisors, at which the *Proposal on the 2022 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on the Assessment Measures for the Implementation of the 2023 Restricted Stock Incentive Plan*, and the *Proposal on Verifying the List of Incentive Objects in the Company's 2023 Restricted Stock Incentive Plan* were reviewed and approved. The Board of Supervisors verified the relevant matters of this incentive plan and issued verification opinions.

2. On December 6, 2023, the Company disclosed the *Announcement on Solicitation of Voting Rights by Independent Directors* on www.cninfo.com.cn. Subject to the entrust from other independent directors of the Company, independent director Gu Guang, as the solicitor, solicited voting rights from all shareholders of the Company for the 2023 Restricted Stock Incentive Plan to be reviewed at the first extraordinary general meeting in 2023.

3. From December 6, 2023 to December 15, 2023, the Company made an internal announcement of the names and positions of incentive recipients for the first grant. The Board of Supervisors did not receive any objections to the list during the announcement period. On December 15, 2023, the Company announced the *Explanation and Verification Opinions of the Board of Supervisors on the List of Incentive Objects* in the Company's 2023 Restricted Stock Incentive Plan on www.cninfo.com.cn.

4. On December 22, 2023, the Company held the first extraordinary general meeting in 2023, at which the *Proposal on the 2023 Restricted Stock Incentive Plan (Draft) and its Summary*, the *Proposal on Assessment Measures for the Implementation of the 2023 Restricted Stock Incentive Plan*, and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Proceed with the 2023 Restricted Stock Incentive Plan Related Initiatives* were reviewed and approved. On the same day, the Company disclosed the Self-Examination Report on the 2023 Restricted Stock Incentive Plan Insiders' and First Grant Incentive Objects' Trading of the Company's Stock on www.cninfo.com.cn.

5. On December 22, 2023, the Company held the 6th meeting of the fifth Board of Directors and the 5th meeting of the fifth Board of Supervisors, at which the *Proposal on Granting Restricted Shares to Incentive Objects for the First Time* was reviewed and approved. The Board of Directors reckoned that the granting conditions were met, the qualifications of the Company and the incentive objects were legitimate and valid, and the grant date identified complied with relevant regulations. The Board of Supervisors verified the list of incentive objects for the grant and issued verification opinions.

Equity incentives granted to directors and executives

 Applicable Not Applicable

(in shares)

Name	Title	Stock options held at the beginning of the period	Stock options granted in the period	Shares exercisable in the period	Shares exercised in the period	Exercise price of shares exercised in the period (CNY/share)	Stock options held at the end of the period	Market price at the end of the period (CNY/share)	Restricted shares held at the beginning of the period	Restricted shares unlocked in the period	Restricted shares newly granted in the period	Granting price of restricted shares (CNY/share)	Restricted shares held at the end of the period
Gu Yilei	Vice Chairman, SVP										200,000	43.22	
Wu Jiamao	Director, SVP										150,000	43.22	
Li Shun	SVP										120,000	43.22	
Chen Zhiqiang	VP										120,000	43.22	
Deng Dejun	VP										120,000	43.22	
Lu Yang	VP										120,000	43.22	
Tian Shuai	VP										120,000	43.22	
Wang Lei	VP										120,000	43.22	
Total	--					--		--			1,070,000	--	

Evaluation mechanism and incentives for executives

The Company has established a complete performance evaluation system and remuneration system for executives. Based on the delivery status of the Company's annual business objectives and the job performance of executives, the Remuneration and Evaluation Committee of the Board of Directors carries out annual performance evaluation of executives and supervises the implementation of the remuneration system. Rewards and punishments will be applied correspondingly according to the performance evaluation results.

b. Implementation of the Employee Stock Ownership Plan Applicable Not Applicable**c. Other Employee Incentive Measures** Applicable Not Applicable

XIV. Establishment and Implementation of the Internal Control System during the Reporting Period

1. Establishment and implementation of internal control

In strict accordance with the *Company Law*, the *Securities Law*, the *Governance Guidelines for Listed Companies* as well as other requirements in normative documents on the governance of listed companies issued by the China Securities Regulatory Commission, the Company continued to improve the corporate governance structure and systems, such as the shareholders' meeting, the Board of Directors, and the Board of Supervisors. In addition, the Company followed the latest requirements of laws and regulations to standardize the behavior of controlling shareholders, actual controllers, directors, supervisors, executives and related parties, thereby improving the level of internal governance. The Company organized directors, supervisors and executives to regulatory compliance training on a timely basis, hence to improve the corporate governance standard of the management team. For middle-level managers and ordinary employees, the Company conducted targeted compliance training to improve their risk prevention awareness, strengthen operational compliance, and ensure the effective implementation of internal control policies, so that the Company's standard operation level could be effectively raised, and the healthy and sustainable development could be promoted.

Subject to the *Basic Internal Control Standards* and the supporting guidelines as well as other internal control regulations, the Company established internal control systems and evaluation mechanisms. Following the principle of risk orientation, such systems and mechanisms were constantly optimized on the basis of routine supervision and special supervision of internal control, so as to cope with the ever-changing external environment and internal management requirements. During the reporting period, the development and implementation of the Company's internal control system complied with the *Basic Internal Control Standards* and the relevant laws and regulations, and ensured effective internal control in all major aspects related to the business operation and management of the Company. There were no critical internal control deficiencies in financial reporting or non-financial reporting.

2. Description of critical internal control deficiencies identified during the reporting period

Yes No

XV. Management and Control of the Company's Subsidiaries during the Reporting Period

Company Name	Integration Plan	Integration Progress	Problems during Integration	Resolutions Taken	Resolution Progress	Action Plan
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

XVI. Internal Control Self-Assessment Report or Internal Control Audit Report

1. Internal control self-assessment report

The full text of the internal control assessment report was disclosed on	April 23, 2024	
The full text of the internal control assessment report was disclosed at	www.cninfo.com.cn	
The ratio of the total assets of organizations included in the assessment to the total assets of the Company's consolidated financial statements	100.00%	
The ratio of the operating income of organizations included in the assessment to the Company's total operating income in the consolidated financial statements	100.00%	
Criteria of Deficiencies		
Category	Financial Reports	Non-Financial Reports
Qualitative Criteria	Each of the following is considered a critical deficiency of the Company: Fraudulence of the Company's directors, supervisors and executives; corrections to financial statements disclosed; mistakes or omissions of major data in the current financial statements discovered by certified public accountant but ignored by the internal audit department during the control operation.	Deficiencies with the following characteristics are considered as critical deficiencies in the internal control of non-financial reports: 1) No scientific basis for the decision-making procedures, resulting in major mistakes; 2) High turnover of key positions, professionals and technical personnel; 3) Internal control assessment results, especially critical deficiencies, are not rectified; 4) Other situations that may have a significant negative impact on the Company. Other situations are categorized as major deficiencies or minor deficiencies according to the level of impact.

Quantitative Criteria	The quantitative criteria for determining the significance of mistakes (including omissions) in the Company's consolidated financial statements by benchmarking the data from previous annual financial statements: Critical deficiency: mistakes \geq 5% of total profit Major deficiency: 2% of total profits \leq mistakes \leq 5% of total profit Minor deficiency: mistakes \leq 2% of total profit	The quantitative criteria for determining internal control deficiencies in non-financial reports shall refer to the quantitative criteria for determining internal control deficiencies in financial reports.
Number of critical deficiencies in financial reports		0
Number of critical deficiencies in non-financial reports		0
Number of major deficiencies in financial reports		0
Number of major deficiencies in non-financial reports		0

2. Internal control audit report or assurance report

Not Applicable

XVII. Rectification of Problems Found in Dedicated Self-Examination Initiatives on Corporate Governance

According to the relevant requirements, the Company carried out dedicated self-examination initiatives on corporate governance in strict accordance with the *Company Law*, the *Securities Law* and relevant laws and administrative regulations following a truth-based principle. The dedicated self-examination on corporate governance of listed companies identified that the Company had established a supporting corporate governance structure and internal control system in accordance with the provisions of the *Company Law*, the *Securities Law*, and the *Governance Guidelines for Listed Companies*, and there were no critical issues that need to be rectified. As the Company develops and the internal and external environment changes, it shall further improve the internal control system, strengthen the learning and training of directors, supervisors, executives and relevant personnel, optimize the management details of the internal control system and standardized operation of listed companies, hence to continuously improve the governance quality as a listed company.

Section V Environment and Social Responsibilities

I. Major Environmental Issues

Whether the Company and its subsidiaries are included in the list of key pollutant discharge organizations identified by the environmental authority

Yes No

Administrative penalties for environmental issues during the reporting period

The Company was subject to no environment-related administrative penalties during the reporting period.

Other environmental information disclosed as a key pollutant discharge unit

The Company was subject to no environment-related administrative penalties during the reporting period.

Measures taken to reduce carbon emissions during the reporting period and their effects

Applicable Not Applicable

Sungrow actively implements carbon inventory and carbon footprint standards, and started company-wide carbon inventory in 2020 to provide basic data support for the Company to address climate-related risks, reduce carbon emissions, enhance competitiveness and stability. The Company joined the RE100 and EP100 initiatives, insisted on supporting the Dual Carbon goals with its operation, and constantly grew a sustainable low-carbon industrial chain to promote harmonious coexistence between the Company and nature. The Company developed emission reduction measures and comprehensively rolled out the Net Zero strategy. The Company's greenhouse gas emissions (Scope 1 + Scope 2) in 2023 were 41,755 tons of CO₂ equivalent, a decrease of 1,502 tons year-on-year. In 2023, the Company's use of green power accounted for 55% of total use of electricity. For details of the Company's carbon emission results, please refer to the *Sungrow Power Supply Co., Ltd. 2023 Sustainability Report* disclosed on www.cninfo.com.cn.

Reasons for not disclosing other environmental information

The Company and its subsidiaries are not included in the list of key pollutant discharge units identified by the environmental authority. The Company actively responds to the requirements of the national and local governments, strictly regulates noise, effluent, waste gas, and hazardous waste generated within the Company, formulates corresponding environmental protection rules and regulations, and monitors noise, effluent, waste gas, and hazardous waste in strict accordance with the pollution discharge permit management requirements.

II. Social Responsibilities

For details, please refer to the *Sungrow Power Supply Co., Ltd. 2023 Sustainability Report* disclosed on www.cninfo.com.cn.

III. Efforts on Consolidating and Expand the Achievements of Poverty Alleviation and Rural Revitalization

Sungrow practices sustainability in operation and leverages its business advantages and resources to improve the lives of residents in the surrounding, and contribute to local communities. The Company collaborates with governments, customers, enterprises, and non-profit organizations in various countries to launch a number of activities, including rural revitalization, disaster assistance, and public welfare donations, so as to benefit the communities along the Company's operations. In order to progress the public welfare volunteer service effectively, ensure the rational and efficient use of public welfare funds, and practically fulfill corporate social responsibilities, the Company formulated the *Regulations on Managing External Donations*, developed implementation plans for public welfare products, and empowered public welfare volunteer service in the aspects of system, process, and resources, hence to reward the society with practical actions. The Company made the following efforts in 2023:

1. Volunteer services

In 2023, Sungrow organized a number of volunteer service activities in the theme of "Go For Nature" in Hefei, Beijing, Shanghai, Munich, Dubai, and Sydney, including the Clean Mountains Action, the Get Close to Nature and Understand Bees, and the Garbage Cleaning and Classification. By the end 2023, there were 1,352 registered volunteers in the Company contributing to a cumulative volunteer service of 3,442 hours. In the future, Sungrow will further optimize the volunteer management system and plan diverse global activities.

2. Ecological protection

In October 2023, Sungrow, in joint efforts with The Nature Conservancy (TNC) and the Deyang Administration Branch of the Giant Panda National Park, planted 6.67 hectares of Sungrow Forest and built 10 breeding caves for wild animals in Deyang Giant Panda

National Park of Sichuan. The Sungrow Forest program plans to plant 33.33 hectares of suitable trees and edible bamboo over a period of 5 years, rebuild wildlife corridors and the ecosystem, in order to accelerate the habitat restoration for giant pandas. Currently, 13.33 hectares of trees and bamboo have been planted. In June 2023, Sungrow kicked off the Sungrow Trailwalk globally, and worked with the China Green Foundation in the Wetland Conservation Program which protected and restored approximately 3,500 square meters of wetland to maintain the habitats of Baer's pochard, red-crowned cranes, among other rare species.

3. Rural revitalization

With a focus on the rural revitalization strategy, Sungrow actively responded to national policies such as green development, energy conservation and emission reduction, and contributed to the sustainable development of villages and towns by donating PV power stations. Located in the central part of Gansu Province, Jinchang City boasted abundant solar energy resources. Sungrow built a 100.8 kW PV power station on the roofs of Xinliangdi Village Committee in Shuangwan Town of Jinchuan District. The power station was officially connected to the grid for power generation on August 20, 2023, and the power generation earnings were used for centralized heating in the Xinliangdi Village Nursing Home as well as for improving the living environment in the village.

4. Community development

Sungrow actively engaged in community support activities by donating Sungrow Smart Classrooms and setting up the Sungrow New Energy Science Popularization Courses, hence to assist children's growth and education. The Company set up Sungrow Elderly Care and donated recreation centers for the elderly in villages and towns to watch for the physical and mental health of the elderly.

5. Disaster recovery assistance

On the night of December 18, 2023, a 6.2 magnitude earthquake rattled Jishishan County of Linxia Prefecture in Gansu Province. The Company quickly responded to the disaster and donated CNY 1 million to the China Foundation for Rural Development for emergency rescue and disaster recovery.

Section VI Significant Events

I. Fulfillment of Undertakings

1. Undertakings made by the Company or its actual controller, shareholder, related party and acquirer that are to be fulfilled in the reporting period, or undertakings not yet fulfilled by the end of the reporting period

Applicable Not Applicable

Origin of undertaking	Undertaker	Type of undertaking	Content	Date of undertaking	Duration	Status of fulfillment
Undertaking at IPO or refinancing	Cao Renxian, Zheng Guibiao, Zhao Wei	Undertaking on executive's share lock up	Shareholders Mr. Cao Renxian, Mr. Zheng Guibiao and Mr. Zhao Wei, who serve as the Company's directors and/or executives, hereby undertake that no shares exceeding 25% of the total shares held by each individual shall be transferred each year after the lock-up period, and no shares held by each individual shall be transferred within 6 months after the shareholder resigns from the Company.	Jan. 31, 2011	Long-term	The undertaking is being fulfilled with no signs of breaching.
Undertaking at IPO or refinancing	Cao Renxian	Undertaking on horizontal competition	1. On the date of signing this Letter of Undertaking, I or the companies I have interests in, have not produced or developed any product that competes or may compete with those produced by the joint-stock company; have not directly or indirectly operated any business that competes or may compete with those operated by the joint-stock company; have not invested in any other enterprise that competes or may compete with the joint-stock company in terms of products or business; 2. As of the date of signing this Letter of Undertaking, I or the companies I have interests in, will not produce or develop any product that competes or may compete with those produced by the joint-stock company; will not directly or indirectly operate any business that competes or may compete with those operated by the joint-stock company; will not invest in any other enterprise that competes or may compete with the joint-stock company in terms of products or business; 3. As of the date of signing this Letter of Undertaking if the joint-stock company further expands its products and business scope, I or the companies I have interests in, will not compete with the joint-stock company in terms of the expanded products or business. In the event of competition with the expanded products or business of the joint-stock company, I or the companies I have interests in, will stop producing the	Jan. 31, 2011	Long-term	The undertaking is being fulfilled with no signs of breaching.

Origin of undertaking	Undertaker	Type of undertaking	Content	Date of undertaking	Duration	Status of fulfillment
			competing product or operating the competing business, or incorporate the competing business into the joint-stock company, or transfer the competing business to an unrelated third party, in order to avoid horizontal competition; 4. If this Letter of Undertaking is proven to be untrue or not complied with, the undertaker will indemnify the joint-stock company for any and all direct and indirect losses.			
Undertaking at IPO or refinancing	Hefei Huizhuo Equity Investment Partnership (Limited Partnership) (formerly Xinjiang Shangge Equity Investment Partnership (Limited Partnership), Luzhou Huizhuo Enterprise Management Partnership (Limited Partnership))	Undertaking on horizontal competition	1. On the date of signing this Letter of Undertaking, the undertaker or the company controlled by the undertaker, has not produced or developed any product that competes or may compete with those produced by the joint-stock company; has not directly or indirectly operated any business that competes or may compete with those operated by the joint-stock company; has not invested in any other enterprise that competes or may compete with the joint-stock company in terms of products or business; 2. Whenever the undertaker still holds 5% or more of the joint-stock company's shares, the undertaker or the company controlled by the undertaker will not produce or develop any product that competes or may compete with those produced by the joint-stock company; will not directly or indirectly operate any business that competes or may compete with those operated by the joint-stock company; will not control any other enterprise that competes or may compete with the joint-stock company in terms of products or business; 3. If this Letter of Undertaking is proven to be untrue or not complied with, the undertaker will indemnify the joint-stock company for any and all direct and indirect losses.	Jan. 31, 2011	Long-term	The undertaking is being fulfilled with no signs of breaching.
Undertaking on equity incentive	Sungrow	Other undertaking	The undertaker does not provide loans or financial assistance in other forms, including providing guarantees for their loans, for incentive objects of the 2022 Restricted Stock Incentive Plan to acquire restricted shares.	May 13, 2022	During the implement action of the Company's 2022 Restricted Stock Incentive Plan	The undertaking is being fulfilled with no signs of breaching.
Undertaking on equity incentive	Sungrow	Other undertaking	The undertaker does not provide loans or financial assistance in other forms, including providing guarantees for their loans, for incentive objects of the 2023 Restricted Stock Incentive Plan to acquire restricted shares.	December 6, 2023	During the implement action of the Company's 2023	The undertaking is being fulfilled with no signs

Origin of undertaking	Undertaker	Type of undertaking	Content	Date of undertaking	Duration	Status of fulfillment
					Restricted Stock Incentive Plan	of breaching.
Undertaking is fulfilled on time	Yes					
If the undertaking is expired and not fulfilled, specify the detailed reasons for failure to fulfill and subsequent action plans	Not Applicable					

2. If there is a profit forecast on the Company's assets or projects and the forecast period contains the reporting period, provide an explanation on whether assets or projects achieving the profit forecast and the reasons behind

Applicable Not Applicable

II. Non-Operating Appropriation of Funds by Controlling Shareholders or Other Related Parties

Applicable Not Applicable

In the reporting period, there was no non-operating appropriation of funds by controlling shareholders or other related parties.

III. Illegal External Guarantees

Applicable Not Applicable

In the reporting period, the Company made no illegal external guarantees.

IV. The Board of Directors' Statement on the Most Recent Non-Standard Audit Report

Applicable Not Applicable

V. Statement of the Board of Directors, the Board of Supervisors, and Independent Directors (if any) on the Non-Standard Audit Report Issued by the Accounting Firm in the Reporting Period

Applicable Not Applicable

VI. The Board of Directors' Statement on the Changes in Accounting Policies and Accounting Estimates and the Corrections to Significant Accounting Errors in the Reporting Period

Applicable Not Applicable

1. Implementation of "Accounting treatment for deferred income tax related to assets and liabilities arising from individual transactions that is not subject to initial recognition exemption" in the *No. 16 Interpretation of Accounting Standards for Business Enterprises*

On November 30, 2022, the Ministry of Finance issued the *No. 16 Interpretation of Accounting Standards for Business Enterprises* (MOF-Acc-[2022] No. 31, hereinafter referred to as the *Interpretation No. 16*), in which the "Accounting treatment for deferred income tax related to assets and liabilities arising from individual transactions that is not subject to initial recognition exemption" started to take effect as of January 1, 2023.

The Company started to implement this provision in the *Interpretation No. 16* as of January 1, 2023. For applicable individual transactions throughout the period from the beginning of the earliest period in financial statements where the provision was implemented for the first time (that is, January 1, 2022) to January 1, 2023, the Company made adjustments according to the provision in the *Interpretation No. 16*. For applicable lease liabilities and right of use assets recognized on January 1, 2022, should there be taxable temporary differences and deductible temporary differences, the Company adjusted the cumulative impact on retained earnings and other related financial statement items on the date of January 1, 2022 in accordance with the *Interpretation No. 16* and the provisions in *Accounting Standards for Business Enterprises No. 18—Income Tax*.

Following the implementation of this accounting treatment regulation, the Company retroactively adjusted the deferred income tax assets of CNY 1,091,131.85 in the consolidated financial statements dated January 1, 2022. The impact posed by this adjustment on equity attributable to owners of the parent company in the consolidated financial statements was CNY 951,864.62, including a capital reserve of CNY 38,645.81, a surplus reserve of CNY 29,777.66, and undistributed profits of CNY 883,441.15. The impact on equity of minority shareholders was CNY 139,267.23. In the financial statements of the parent company, the deferred income tax assets dated January 1, 2022 was adjusted by CNY 297,776.60. The impact posed by this adjustment on shareholder's equity in the financial statements of the parent company was CNY 297,776.60, including a surplus reserve of CNY 29,777.66 and undistributed profits of CNY 267,998.94.

In addition, the Company retrospectively adjusted the relevant items in the 2022 consolidated financial statements and the financial statements of the parent company as follows:

Items affected Balance sheet items:	Dated December 31, 2022/Year 2022 (Consolidated)		Dated December 31, 2022/Year 2022 (Parent Company)	
	Before Adjustment	After Adjustment	Before Adjustment	After Adjustment
Deferred income tax assets				
Capital reserve	1,024,759,727.51	1,025,988,368.36	310,943,335.06	311,100,998.02
Surplus reserve	7,052,840,542.50	7,052,879,188.31		
Undistributed profits	1,066,201,017.69	1,066,216,783.99	1,066,201,017.69	1,066,216,783.99
Minority shareholders' equity	9,613,342,847.73	9,614,276,805.07	8,636,973,267.33	8,637,115,163.99
Income statement items:				
Income tax expenses	1,070,689,811.07	1,070,930,082.47		
Items affected	438,525,751.74	438,388,242.74	380,272,127.77	380,412,241.41

2. The Company redefined non-recurring gains and losses for the year 2022 in accordance with the *Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Their Securities to Public - Non-recurring Gains and Losses (Revision 2023)* (CSRC Announcement [2023] No. 65). As a result, the net non-recurring gains and losses after income tax deduction for the year 2022 decreased by CNY 38,592,748.76, including a decrease of CNY 38,431,832.32 in the net non-recurring gains and losses attributable to common shareholders of the Company and a decrease of CNY 160,916.44 in the net non-recurring gains and losses attributable to minority shareholders. The major non-recurring profit and loss item affected in 2022 was Government subsidies included in the current profits and losses (excluding government subsidies closely related to the business and issued in the quota or quantity as per state standards), which decreased by CNY 38,742,748.76.

3. The Company implemented the “Accounting Treatment for Sale and Leaseback Transactions” in the *No. 17 Interpretation of Accounting Standards for Business Enterprises Interpretation*.

On October 25, 2023, the Ministry of Finance issued *No. 17 Interpretation of Accounting Standards for Business Enterprises* (MOF-Acc-[2023] No. 21) (hereinafter referred to as *Interpretation No. 17*), in which enterprises were allowed to implement the provisions on “Accounting Treatment for Sale and Leaseback Transactions” in advance from the year of issuance. The Company started to implement the provisions in *Interpretation No. 17* on “Accounting Treatment for Sale and Leaseback Transactions” as of January 1, 2024, and the implementation of *Interpretation No. 17* posed no significant impact on the Company's financial statements.

VII. Changes in the Scope of Consolidated Statements as Compared to the Financial Reports of the Previous Year

Applicable Not Applicable

1. Newly established subsidiaries

In this period, the Company newly established 4 wholly-owned subsidiaries, namely Hefei Sungrow Electrical Equipment Co., Ltd., Tangshan Leyang Power Supply Co., Ltd., Jiangsu Yuyi Yangxuan Energy Technology Co., Ltd., Weihai Renyang Power Supply Co., Ltd. The Company's holding subsidiary, Sungrow Renewables Development Co., Ltd., newly established 333 subsidiaries for power station projects; other holding subsidiaries of the Company newly established 6 subsidiaries, and none of the subsidiaries newly established in this period is an important one.

2. Consolidated project companies in this period

In this period, the Company's holding subsidiary, Sungrow Renewables Development Co., Ltd., acquired 18 overseas project companies for the purpose of developing power station business. None of the project companies newly included in the scope of consolidated statements for this period is an important one.

3. Cancelled subsidiaries

According to the Company's business needs, in this period, the Company's holding subsidiary, Sungrow Renewables Development Co., Ltd., cancelled 224 subsidiaries that were not in actual business; the Company's holding subsidiary, Sungrow Floating Modules Technology Co., Ltd., cancelled 1 subsidiary that was not in actual business.

4. Transferred new energy project companies

According to the Company's business needs, the Company's holding subsidiary, Sungrow Renewables Development Co., Ltd., transferred 113 new energy project companies in this period, all of which were set up and transferred for the implementation of projects.

5. Reduced project companies via consolidation merger

According to operational needs, Sungrow Renewable Energy Development Co., Ltd., a controlling subsidiary of the Company, reduced one overseas subsidiary via consolidation merger in this period.

6. Control obtained in Hefei Sungrow Zhong'an New Energy Investment Management Co., Ltd. (hereinafter referred to as Sungrow Zhong'an) and Hefei Zhong'an Sungrow New Energy Industry Investment Partnership (Limited Partnership) (hereinafter referred to as Zhong'an Sungrow)

In October 2023, Anhui Railway Development Fund Co., Ltd. (hereinafter referred to as Railway Fund) withdrew its 49% equity in Sungrow Zhong'an through capital reduction, and the Company became the only shareholder of Sungrow Zhong'an. Therefore, Sungrow Zhong'an was included in the scope of consolidation. In December 2023, Railway Fund and other shareholders transferred 100% of the equity in Hefei Zhong'an Sungrow New Energy Industry Investment Partnership (Limited Partnership) to the controlling subsidiary of the Company, Sungrow Renewable Energy Development Co., Ltd. Therefore, Zhong'an Sungrow (including its subsidiary, Hefei Qianhe New Energy Investment Co., Ltd.) was included in the scope of consolidation.

VIII. Engagement and Disengagement of Accounting Firms

Accounting firm currently engaged

Name of accounting firm in China	RSM China (Special General Partnership)
Compensation for accounting firm in China (CNY 10K)	240
Years of continuous auditing service provided by the accounting firm in China	17
Name of CPAs of the accounting firm in China	Wan Yunlong, Jiang Wei, Pan Lili
Years of continuous auditing service provided by the CPAs of the firm	4 years, 4 years, 2 years

Whether to replace the accounting firm or not

Yes No

Engagement of internal control auditing/accounting firms, financial advisors, or sponsors

Applicable Not Applicable

IX. Statement on Delisting after the Disclosure of Annual Report

Applicable Not Applicable

X. Matters Related to Bankruptcy Reorganization

Applicable Not Applicable

No bankruptcy reorganization related matters happened to the Company in the reporting period.

XI. Major Litigations and Arbitrations

Applicable Not Applicable

Basic information of litigation (arbitration)	Amount involved (in CNY 10K)	An estimated liability Y/N	Progress of litigation (arbitration)	Result and impacts of litigation (arbitration)	Execution of litigation (arbitration) judgment	Date of disclosure	Index of disclosure
A case was filed against the customer because they failed to make the payment as agreed in the contract. We applied for enforcement to the court, and the case is under enforcement at the moment.	116.02	Yes	In bankruptcy proceedings	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. Our bankruptcy liquidation application (2022-JS-1282-BLA-38) has been accepted by the People's Court of Jingjiang City, our rights as a creditor has been declared and confirmed. Currently, Jiangsu Shenque Law Firm, the bankruptcy administrator, is proceeding with bankruptcy liquidation, we will receive corresponding repayment in proportion to the asset situation in the future.	Sep. 5, 2019	Announcement 2019-057 (http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900021300&stockCode=300274&announcementId=1206903792&announcementTime=2019-09-05%2015:52)
A case was filed against the customer because they failed to make the payment as agreed in the contract. The two parties reached a mediation in the second instance, but the defendant failed to perform as per the mediation. Therefore, we applied for enforcement to the court, and the case is under enforcement at the moment.	103	No	In enforcement	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone, and mediated at the Intermediate People's Court of Hefei City	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. After our bankruptcy liquidation application (2022-GD-13-BLA-46) was rejected by the Interim People's Court of Huizhou City, we appealed to the Higher People's Court of Guangdong Province. On June 6, 2023, Guangdong Provincial High People's Court dismissed the appeal and affirmed the original judgment Affirmed in civil ruling 2022-GD-BFR-206. Our bankruptcy application retrial filed at the Supreme People's Court has been accepted.		
The customer is a subsidiary of Zhejiang Dunan Group. Affected by the overall operation of Dunan Group, the customer failed to pay as agreed in the contract. Although a lawsuit was brought	1,634.4	Yes	In bankruptcy proceedings	Judgment made by the Intermediate People's Court of Hangzhou City	We were not effectively repaid after judgment was made by the Intermediate People's Court of Hangzhou City. On February 4, 2021, the Intermediate People's Court of Ordos City in Inner Mongolia issued a ruling (2021-IM-0602-BLA-1) on the Company's bankruptcy and liquidation, and we have declared creditors'		

Basic information of litigation (arbitration)	Amount involved (in CNY 10K)	An estimated liability Y/N	Progress of litigation (arbitration)	Result and impacts of litigation (arbitration)	Execution of litigation (arbitration) judgment	Date of disclosure	Index of disclosure
to the court, they failed to perform; therefore, we applied for enforcement.					claims to the administrator. So far, the first creditors' meeting has been held, the administrator is working on the checking, sorting, and resale of the company's assets.		
The customer is a subsidiary of Zhejiang Dunan Group. Affected by the overall operation of Dunan Group, the customer failed to pay as agreed in the contract. Although a lawsuit was brought to the court, they failed to perform; therefore, we applied for enforcement.	359	Yes	In bankruptcy proceedings	Judgment made by the Intermediate People's Court of Hangzhou City	We were not effectively repaid after judgment was made by the Intermediate People's Court of Hangzhou City. On February 4, 2021, the Intermediate People's Court of Ordos City in Inner Mongolia issued a ruling (2021-IM-0602-BLA-1) on the Company's bankruptcy and liquidation, and we have declared creditors' claims to the administrator. So far, the first creditors' meeting has been held, the administrator is working on the checking, sorting, and resale of the company's assets.		
The customer is a subsidiary of Zhejiang Dunan Group. Affected by the overall operation of Dunan Group, the customer failed to pay as agreed in the contract. Although a lawsuit was brought to the court, they failed to perform; therefore, we applied for enforcement.	534	Yes	In bankruptcy proceedings	Judgment made by the Intermediate People's Court of Hangzhou City	We were not effectively repaid after judgment was made by the Intermediate People's Court of Hangzhou City. On February 4, 2021, the Intermediate People's Court of Ordos City in Inner Mongolia issued a ruling (2021-IM-0602-BLA-1) on the Company's bankruptcy and liquidation, and we have declared creditors' claims to the administrator. So far, the first creditors' meeting has been held, the administrator is working on the checking, sorting, and resale of the company's assets.		
A case was filed against the customer because they failed to make the payment as agreed in the contract. We brought a lawsuit to the court, and the case is under enforcement at the moment.	60.2	No	In enforcement	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. After we filed the bankruptcy liquidation application at the Intermediate People's Court of Wuhan City on May 28, 2022, the company provided its accounts receivable claims to a third party. Based on the		

Basic information of litigation (arbitration)	Amount involved (in CNY 10K)	An estimated liability Y/N	Progress of litigation (arbitration)	Result and impacts of litigation (arbitration)	Execution of litigation (arbitration) judgment	Date of disclosure	Index of disclosure
					information, we had the accounts receivable claims to third party frozen. Currently, the claims have not matured and will be paid as conditions allow.		
A case was filed at the court because the customer failed to make the payment as agreed in the contract. Customer was requested to pay CNY 222,000 for the purchase together with overdue interests. Judgment has been made and enforcement in progress.	22.2	Yes	In bankruptcy proceedings	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. On March 29, 2021, other creditors applied for bankruptcy liquidation of the company; however, the bankruptcy reorganization failed. On July 2, 2022, the People's Court of Zhenjiang Economic Development Zone ruled bankruptcy liquidation of the Company (2021-JS-1191-BLA-3). We have declared creditor's rights to the administrator and is currently waiting for the administrator's further advice.		
A case was filed at the court because the customer failed to make the payment as agreed in the contract. Judgment has been made and enforcement in progress.	34.38	No	In enforcement	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. In June 2022, we filed a bankruptcy liquidation application for the company at the People's Court of Lanshan District, Linyi City, and the application materials are currently being reviewed by the court.		
A case was filed at the court because the customer failed to make the payment as agreed in the contract. Judgment has been made and enforcement in progress.	112.53	Yes	In bankruptcy proceedings	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement was terminated by the People's Court of Hefei High-Tech Industrial Development Zone because the defendant had no property available for enforcement. The bankruptcy liquidation application (2022-AH-8601-BLA-15) filed by the Company had been accepted by the Railway Transportation Primary Court of Hefei. So far, the first creditors' meeting has been held, the administrator is sorting the company's assets.		

Basic information of litigation (arbitration)	Amount involved (in CNY 10K)	An estimated liability Y/N	Progress of litigation (arbitration)	Result and impacts of litigation (arbitration)	Execution of litigation (arbitration) judgment	Date of disclosure	Index of disclosure
A case was filed at the court because the customer failed to make the payment as agreed in the contract. Judgment has been made and enforcement in progress.	139.6	No	In enforcement	Judgment made by the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement in process. Application has been filed to the court to list the respondent as a defaulter and limit his/her high-end consumption. The Company is actively pursuing clues of respondent's property at the moment. The Company has filed an application to Suzhou Intermediate People's Court in Jiangsu Province for bankruptcy liquidation of the respondent, and the court is currently reviewing the application.		
A case was filed at the court because the customer failed to make the payment as agreed in the contract. Judgment has been made and enforcement in progress.	784.18	Yes	In enforcement	Mediated at the People's Court of Hefei High-Tech Industrial Development Zone	Enforcement in process. Application has been filed to the court to list the respondent as a defaulter and limit his/her high-end consumption. The payment has been partially recovered from the enforcement, and the Company is actively pursuing clues of respondent's property at the moment.		
A case was filed at the court because the defendant, Qinghai Zhuma, refused to refund the bid security. We requested Qinghai Zhuma and the guarantor He Kangyu to assume the repayment obligations. After the case came into effect, we applied for enforcement to the court, and the enforcement is in process at the moment.	355.57	No	In enforcement	Application for court enforcement filed at the People's Court of Hefei High-Tech Zone	Qinghai Zhuma Sapphire Crystal Co., Ltd. and He Kangyu were listed as defaulters by the court. No money or assets have been collected from the execution.		

XII. Punishments and Rectification

Applicable Not Applicable

The Company was subject to no punishment or rectification in the reporting period.

XIII. Integrity of the Company, its Controlling Shareholder and Actual Controller

Applicable Not Applicable

XIV. Significant Related-Party Transactions

1. Related-party transactions involving daily operations

Applicable Not Applicable

Related-party	Relation	Type of transaction	Content of transaction	Pricing principles for transactions	Transaction price	Amount of related-party transaction (in CNY 10K)	In percentage of the amount of similar transactions	Transaction limit approved (in CNY 10K)	Exceeding the approved limit Y/N	Settlement of transaction	Market price available for similar transactions	Date of disclosure	Index of disclosure
EnerTrack Technology Co., Ltd. (EnerTrack)	Hefei Renchuang Phase II Equity Partnership (Limited Partnership) is the controlling shareholder of EnerTrack, and Mr. Cao Renxian, Chairman of Sungrow, holds 99.9975% of the equity in Hefei Renchuang Phase II Equity Partnership (Limited Partnership) as a limited partner. Based on the principle of prudence, the Company	Purchase from related-party	Racks	Market price-based	Market price-based	26,599.53	59.15%	40,000	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023; Announcement 2023-097 on Oct. 28, 2023
		Sell to related-party	OEM, technical services & raw materials			61.71	0.00%	30	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023

<p>reviewed and disclosed transactions with EnerTrack as related-party transactions. Hefei Renchuang Investment Management Center (Limited Partnership) is the largest shareholder of Sunpure, and Mr. Cao Renxian, Chairman of Sungrow, holds 98.6562% of the equity in Hefei Renchuang as a limited partner. Based on the principle of prudence, the Company reviewed and disclosed transactions with Sunpure as related-party transactions.</p>													
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Sunpure Intelligent Technology Co., Ltd. (Sunpure)	Hefei Renchuang Phase II Equity Partnership (Limited Partnership) is the controlling shareholder of Bluesight, and Mr. Cao Renxian, Chairman of Sungrow, holds 99.9975% of the equity in Hefei Renchuang Phase II Equity Partnership (Limited Partnership) as a limited partner. Based on the principle of prudence, the Company reviewed and disclosed transactions with Bluesight as related-party transactions. Hefei	Purchase from related-party	Intelligent cleaning robots	Market price-based	Market price-based	636.58	100%	1,500	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023
		Sell to related-party	OEM, technical services & raw materials			418.72	100%	1,500	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023
		Lease from related-party	Facilities & houses			60.49	2.64%	40	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023

<p>Renchuang Phase II Equity Partnership (Limited Partnership) is the controlling shareholder of EnerTrack, and Mr. Cao Renxian, Chairman of Sungrow, holds 99.9975% of the equity in Hefei RENCHUANG Phase II Equity Partnership (Limited Partnership) as a limited partner. Based on the principle of prudence, the Company reviewed and disclosed transactions with EnerTrack as related-party transactions. Hefei</p>														
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	<p>Renchuang Investment Management Center (Limited Partnership) is the largest shareholder of Sunpure, and Mr. Cao Renxian, Chairman of Sungrow, holds 98.6562% of the equity in Hefei Renchuang as a limited partner. Based on the principle of prudence, the Company reviewed and disclosed transactions with Sunpure as related-party transactions.</p>												
Hefei Bluesight Power Co., Ltd. (Bluesight)	Hefei Renchuang Phase II Equity Partnership (Limited Partnership) is the	Purchase from related-party	Testing power supply	Market price-based	Market price-based	4,927.13	83.31%	8,000	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023
		Sell to related-party	Assets, equipment, technical			337.81	100%	500	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023

	controlling shareholder of Bluesight, and Mr. Cao Renxian, Chairman of Sungrow, holds 99.9975% of the equity in Hefei Renchuang Phase II Equity Partnership (Limited Partnership) as a limited partner. Based on the principle of prudence, the Company reviewed and disclosed transactions with Blugesight as related-party transactions.	Lease to related-party	l services & raw materials Facilities			27.82	64.04%	50	No	Wire transfer, bank transfer	Not Applicable	Apr. 25, 2023	Announcement 2023-025 on Apr. 25, 2023
Total	--	--	33,069.79	--	51,620	--	--	--	--	--	--		
Details of large sales returns	Not Applicable												
Actual performance of daily related-party transactions in the reporting period (if any), for which the total amount is estimated by category	Not Applicable												
Reasons for significant differences between transaction prices and market prices (if applicable)	Not Applicable												

2. Related-party transactions arising from the acquisition or sale of assets or equity

Applicable Not Applicable

The Company did not make any related-party transactions arising from the acquisition or sale of assets or equity in the reporting period.

3. Related-party transactions of joint outbound investment

Applicable Not Applicable

Co-Investors	Relationship	Name of investee	Main business of investee	Registered capital of investee (in CNY 10K)	Total assets of investee (in CNY 10K)	Net assets of investee (in CNY 10K)	Net profit of investee (in CNY 10K)
Hefei Renrui Enterprise Management Partnership (Limited Partnership), Hefei Yueling Equity Investment Partnership (Limited Partnership)	Mr. Cao Renxian, Chairman of Sungrow, holds 99.9980% of the equity in Hefei Renrui Enterprise Management Partnership (Limited Partnership) as a limited partner; Mr. Zhao Wei, Director and Senior Vice President of Sungrow, is the Executive Partner of Hefei Yueling Equity Investment Partnership (Limited Partnership); Mr. Lu Yang, Vice President and Board Secretary of Sungrow, and Mr. Xie Xiaoyong, former Vice President of Sungrow, are limited partners of Hefei Yueling Equity Investment Partnership (Limited Partnership).	Hefei Tanrui Technology Co., Ltd.	Technology transfer, technology promotion, new technology research and development in the field of new energy, incubation of new technologies, etc.	10,000	Nil	Nil	Nil
Cao Renxian, Peng Chaocai, Hefei Yuanxi Qingwei New Energy Technology Partnership (Limited Partnership)	Mr. Cao Renxian is the Chairman of Sungrow; Mr. Peng Chaocai is a Vice President of Sungrow. The Executive Partner of Yuanxi Qingwei is Mr. Zhang Youquan, former Vice President of Sungrow; and limited partners of Yuanxi Qingwei are mostly directors, supervisors, and executives of Sungrow.	Sungrow Hydrogen Technology Co., Ltd.	Research and development of new material technologies, etc.	40,383	104,682.25	84,785.92	-11,368.28
Cao Renxian, Xie Xiaoyong, Wang Jun, Hefei Huizhang Enterprise	Mr. Cao Renxian is the Chairman of Sungrow; Mr. Xie Xiaoyong is former Vice President of	Sungrow Zhiwei Technology Co., Ltd.	Software development, IoT technology	9,881.5	47,974.80	34,981.89	3,528.56

Management Partnership (Limited Partnership), Hefei Zhiyun Enterprise Management Partnership (Limited Partnership), Hefei Shuren Enterprise Management Partnership (Limited Partnership), Hefei Haoqing Enterprise Management Partnership (Limited Partnership), Hefei Cuihui Enterprise Management Partnership (Limited Partnership), Hefei Langshu Enterprise Management Partnership (Limited Partnership), Hefei Jinlin Enterprise Management Partnership (Limited Partnership), Hefei Furui Enterprise Management Partnership (Limited Partnership)	Sungrow. Mr. He Wei, a Supervisor of Sungrow, is the Executive Partner of Hefei Huizhang; Mr. Gu Yilei, Vice Chairman and Senior Vice President of Sungrow, Mr. Wu Jiamao, Director and Senior Vice President of Sungrow, Mr. Li Shun, Senior Vice President of Sungrow, Mr. Chen Zhiqiang, Vice President of Sungrow, Mr. Deng Dejun, Vice President of Sungrow, Mr. Xie Xiaoyong, former Vice President of Sungrow, Mr. Lu Yang, Vice President and Board Secretary of Sungrow, Mr. Tian Shuai, Vice President and Finance Director of Sungrow, and Ms. Wang Lei, Vice President of Sungrow are limited partners of Hefei Huizhang. The above individuals collectively hold 100% of the equity in Hefei Huizhang.	(Equity Incentive)	services, industrial Internet data service, information system integration services, etc.				
Cao Renxian, Hong Siming, Hefei Zhouyang Electric Power Technology Partnership (Limited Partnership), Hefei Muyang Electric Power Technology Partnership (Limited Partnership), Hefei Shuiyang Electric Power Technology Partnership (Limited Partnership), Hefei Lanyang Electric Power Technology Partnership (Limited Partnership), Hefei Huoyang Electric Power Technology Partnership (Limited Partnership), Hefei Yueyang Electric Power Technology Partnership (Limited Partnership)	Mr. Cao Renxian is the Chairman of Sungrow. Mr. Zhang Youquan, former Vice President of Sungrow, is the Executive Partner of Hefei Zhouyang; Mr. Gu Yilei, Vice Chairman and Senior Vice President of Sungrow, Mr. Zheng Guibiao, former Director and Senior Vice President of Sungrow, Mr. Wu Jiamao, Director and Senior Vice President of Sungrow, Mr. Li Shun, Senior Vice President of Sungrow, Mr. Chen Zhiqiang, Vice President of Sungrow, Mr. Deng Dejun, Vice President of Sungrow, Mr. Lu Yang, Vice President and Board	Hefei Sungrow Electric Technology Co., Ltd. (Equity Incentive)	R&D, production, sales, and service of motor drive systems, motors, automotive electrical systems, and battery management systems, etc.	49,082.9	136,942.69	40,677.28	-7,310.54

Partnership), Hefei Yuyang Electric Power Technology Partnership (Limited Partnership), Hefei Weiyang Electric Power Technology Partnership (Limited Partnership), Hefei Huiyang Electric Power Technology Partnership (Limited Partnership), Hefei Xinyang Electric Power Technology Partnership (Limited Partnership)	Secretary of Sungrow, Mr. Tian Shuai, Vice President and Finance Director of Sungrow, Mr. He Wei, Supervisor of Sungrow, and Ms. Wang Lei, Vice President of Sungrow are limited partners of Hefei Zhouyang. The above individuals collectively hold 100% of the equity in Hefei Zhouyang.						
Hefei Shangren New Energy Industry Development Partnership (Limited Partnership), Hefei Chuangwei Equity Investment Partnership (Limited Partnership)	Hefei Renzhi New Energy Industry Development Partnership (Limited Partnership) is a limited partner of Hefei Shangren, and Mr. Cao Renxian, Chairman of Sungrow, is a limited partner of Hefei Renzhi. Mr. Zhao Wei, Director and Senior Vice President of Sungrow, is a limited partner of Hefei Chuangwei.	Hefei Zero Carbon Technology Co., Ltd.	Research and development of emerging energy technologies, etc.	30,000	47,547.85	23,055.04	-4,587.21
Cao Renxian, Li Xiang, Huainan Haoyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Hanyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Lanyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Qiyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Chengyang Photovoltaic Technology Partnership (Limited Partnership)	Mr. Cao Renxian is the Chairman of Sungrow. Ms. Wang Lei, Vice President of Sungrow, is the Executive Partner of Huainan Chengyang; Mr. Gu Yilei, Vice Chairman and Senior Vice President of Sungrow, Mr. Wu Jiamao, Director and Senior Vice President of Sungrow, Mr. Li Shun, Senior Vice President of Sungrow, Mr. Chen Zhiqiang, Vice President of Sungrow, Mr. Deng Dejun, Vice President of Sungrow, Mr. Lu Yang, Vice President and Board Secretary of Sungrow, Mr. Tian Shuai, Vice President and Finance Director of Sungrow, Mr. He Wei, Supervisor	Sungrow Floating Modules Technology Co., Ltd. (Equity Incentive)	Solar power generation technology services, research and development of new material technologies, etc.	12,252.1	50,700.07	27,870.43	4,219.99

Partnership), Huainan Pengyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Yuyang Photovoltaic Technology Partnership (Limited Partnership), Huainan Zeyang Photovoltaic Technology Partnership (Limited Partnership)	of Sungrow, and Mr. Zheng Guibiao, former Director and Senior Vice President of Sungrow, are limited partners of Huainan Chengyang. The above individuals collectively hold 100% of the equity in Huainan Chengyang.						
Cao Renxian, Gu Yilei, Zhang Xucheng, Hefei Yueyang New Energy Technology Partnership(Limited Partnership)	Mr. Cao Renxian is the Chairman of Sungrow; Mr. Gu Yilei is Vice Chairman and Senior Vice President of Sungrow; Mr. Zhang Xucheng is Director of Sungrow. Ms. Wang Lei, Vice President of Sungrow is the Executive Partner of Yueyang Partnership; Mr. Peng Chaocai, Vice President of Sungrow, Mr. Deng Dejun, Vice President of Sungrow, Mr. Lu Yang, Vice President and Board Secretary of Sungrow, and Mr. Tian Shuai, Vice President and Finance Director of Sungrow, are limited partners of Yueyang Partnership. The above individuals collectively hold 33.99% of the equity in Yueyang Partnership.	Sungrow Renewables Development Co., Ltd.	New energy investment and development	149,946.0959			
					2,813,805.07	782,661.82	114,840.97
Status of major construction-in-progress of the investee (if any)	Not Applicable						

4. Related credits and liabilities

Applicable Not Applicable

There were no related credits and liabilities in the reporting period.

5. Transactions with related financial companies

Applicable Not Applicable

There was no saving, loan, credit or other financial business between the Company and related financial companies or related parties.

6. Transactions between financial companies controlled by the Company and related parties

Applicable Not Applicable

There was no saving, loan, credit or other financial business between financial companies controlled by the Company and related parties.

7. Other significant related-party transactions

Applicable Not Applicable

There were no other significant related-party transactions in the reporting period.

XV. Major Contracts and the Contract Performance

1. Trusteeship, contracting and leasing

(1) Trusteeship

Applicable Not Applicable

There was no trusteeship in the reporting period.

(2) Contracting

Applicable Not Applicable

There was no contracting in the reporting period.

(3) Leasing

Applicable Not Applicable

There was no leasing in the reporting period.

2. Major guarantees

Applicable Not Applicable

Outbound Guarantees of the Company and its Subsidiaries (Excl. Guarantees for Subsidiaries)										
Guarantee Object	Date of Disclosing the Amount Guaranteed	Amount Guaranteed	Actual Date of Guarantee	Actual Amount of Guarantee	Type of Guarantee	Collateral (if any)	Counter-Guarantee (if any)	Guarantee Period	Fulfilled Y/N	Guarantee for Related Party Y/N
Users of the Company's residential PV products, owners of industrial and commercial distributed projects (loan application from collaborating banks)	Jan. 26, 2018	80,478.17	Jan. 26, 2018	39,233.89	Joint and several liability guarantee			From the date of loan origination to the date of loan pay off	No	No
Residential PV users eligible for financing	Aug. 5, 2021	50,000	Aug. 6, 2021	14,471.99	Joint and several liability guarantee			From the date of loan origination to the date of loan pay off	No	No
The Company's Guarantee for Subsidiaries										
Guarantee Object	Date of Disclosing the Amount Guaranteed	Amount Guaranteed	Actual Date of Guarantee	Actual Amount of Guarantee	Type of Guarantee	Collateral (if any)	Counter-Guarantee (if any)	Guarantee Period	Fulfilled Y/N	Guarantee for Related Party Y/N
Sungrow Power (Hong Kong) Co., Ltd.	May 19, 2020	14,181			Joint and several liability guarantee			No more than 3 years	Yes	No
Sungrow USA Corporation	Nov. 17, 2020	71,742.63			Joint and several liability guarantee			No more than 2 years	Yes	No
SUNGROW POWER UK LIMITED	Apr. 1, 2021	40,075.15	Aug. 2, 2021	12,042.18	Joint and several liability guarantee			No more than 10 years	No	No
			Nov. 15, 2021	28,032.97	Joint and several liability guarantee			No more than 10 years	No	No

Sungrow USA Corporation	May 18, 2021	115,966.11	Feb. 17, 2022	61,736.75	Joint and several liability guarantee			No later than Dec. 31, 2025	No	No
			Dec. 4, 2021	54,229.36	Joint and several liability guarantee			No later than Dec. 31, 2026	No	No
Sungrow Energy Storage Technology Co., Ltd.	May 18, 2022	500,000	Sep. 27, 2023	193,573.99	Joint and several liability guarantee			No more than 2 years	No	No
Sungrow Renewables Development Co., Ltd.	Apr. 1, 2021	150,000			Joint and several liability guarantee			No more than 2 years	Yes	No
Sungrow Renewables Development Co., Ltd.	May 18, 2021	250,000			Joint and several liability guarantee			No more than 2 years	Yes	No
SUNGROW POWER (VIETNAM) LIMITED COMPANY	Aug. 20, 2021	21,005.31			Joint and several liability guarantee			As of end 2024	Yes	No
Sungrow USA Corporation	May 18, 2022	426,224.43	Aug. 10, 2022	79,487.91	Joint and several liability guarantee			No later than Dec. 31, 2027	No	No
			Oct. 19, 2022	15,052.4	Joint and several liability guarantee			No later than Jul. 13, 2028	No	No
			Feb. 24, 2023		Joint and several liability guarantee			No later than Nov. 28, 2028	Yes	No

			Mar. 3, 2023	88,074.93	Joint and several liability guarantee			No later than Aug. 16, 2028	No	No
			Apr. 3, 2023	75,757.11	Joint and several liability guarantee			No later than May 22, 2027	No	No
			May 9, 2023	114,242.49	Joint and several liability guarantee			No later than Apr. 1, 2029	No	No
			May 9, 2023	53,609.79	Joint and several liability guarantee			No later than Jul. 31, 2024	No	No
Sungrow Australia Group PTY LTD	May 18, 2022	75,000						As of the 2022 Annual Shareholders' Meeting	Yes	No
Sungrow Japan K.K.	May 18, 2022	5,000						As of the 2022 Annual Shareholders' Meeting	Yes	No
Sungrow Power UK limited	May 18, 2022	28,860.28	Jul. 14, 2022	8,517.92	Joint and several liability guarantee			No more than 10 years	No	No
			Apr. 26, 2023	20,342.36	Joint and several liability guarantee			No more than 10 years	No	No
SUNGROW DO BRASIL REPRESENTACAO COMERCIAL, INSTALACAO E MANUTENCAO DE EQUIPAMENTOS LTDA	May 18, 2022	1,454.83	Sep. 29, 2022	1,454.83	Joint and several liability guarantee			When obligations are completed or five years from the date of the Letter of guarantee (whichever comes first)	No	No
Sungrow Power Korea Limited	May 18, 2022	3,000						As of the 2022 Shareholders' Meeting	Yes	No

Sungrow Floating Modules Co., Ltd.	May 18, 2022	10,000	Apr. 3, 2023	5,000	Joint and several liability guarantee			No more than 2 years	No	No
Hefei Sungrow Electric Power Technology Co., Ltd.	May 18, 2022	10,000	Mar. 7, 2023	10,000	Joint and several liability guarantee			No more than 2 years	No	No
Sungrow Zhiwei Technology Co., Ltd.	May 18, 2022	10,000			Joint and several liability guarantee			No more than 2 years	No	No
Sungrow USA Corporation	May 19, 2023	650,000	May 29, 2023	89,932.84	Joint and several liability guarantee			No later than Mar. 18, 2029	No	No
			Jun. 28, 2023	32,215.34	Joint and several liability guarantee			No later than Dec. 31, 2026	No	No
			Jul. 27, 2023	2,316.11	Joint and several liability guarantee			No later than Dec. 31, 2026	No	No
			Nov. 2, 2023	9,600.97	Joint and several liability guarantee			No later than Dec. 31, 2026	No	No
Sungrow Australia Group PTY LTD	May 19, 2023	120,000					As of the 2023 Shareholders' Meeting	No	No	
Sungrow Japan K.K.	May 19, 2023	5,000					As of the 2023 Shareholders' Meeting	No	No	
Sungrow Power UK limited	May 19, 2023	240,000	Nov. 27, 2023	18,062.8	Joint and several liability guarantee			From the date of the Letter of guarantee to 10 years after the warranty takes effect	No	No

SUNGROW DO BRASIL REPRESENTACAO COMERCIAL, INSTALACAO E MANUTENCAO DE EQUIPAMENTOS LTDA	May 19, 2023	50,000	Dec. 20, 2023	7,573.22	Joint and several liability guarantee			No later than Dec. 20, 2028	No	No
SUNGROW ITALY S.R.L.	May 19, 2023	5,000						As of the 2023 Shareholders' Meeting	No	No
SUNGROW (INDIA) PRIVATE LIMITED	May 19, 2023	5,000						As of the 2023 Shareholders' Meeting	No	No
SUNGROW IBERICA SA	May 19, 2023	20,000						As of the 2023 Shareholders' Meeting	No	No
Sungrow Power Korea Limited	May 19, 2023	5,000						As of the 2023 Shareholders' Meeting	No	No
Sungrow Energy Storage Technology Co., Ltd.	May 19, 2023	300,000	Dec. 27, 2023	199,756.44	Joint and several liability guarantee			No more than 3 years	No	No
Sungrow Floating Modules Co., Ltd.	May 19, 2023	20,000			Joint and several liability guarantee			No more than 3 years	No	No
Hefei Sungrow Electric Power Technology Co., Ltd.	May 19, 2023	40,000			Joint and several liability guarantee			No more than 3 years	No	No
Hefei Zero Carbon Technology Co., Ltd.	Dec. 22, 2023	80,000	Dec. 25, 2023	80,000	Joint and several liability guarantee			No more than 15 years	No	No
Hefei Sungrow Electric Power Technology Co., Ltd.	Dec. 22, 2023	12,000	Dec. 28, 2023	12,000	Joint and several liability guarantee			No more than 4 years	No	No
Subsidiary's Guarantee for Subsidiaries										
Guarantee Object	Date of Disclosing the Amount Guaranteed	Amount Guaranteed	Actual Date of Guarantee	Actual Amount of Guarantee	Type of Guarantee	Collateral (if any)	Counter-Guarantee (if any)	Guarantee Period	Fulfilled Y/N	Guarantee for Related Party Y/N

Sungrow USA Corporation	Apr. 25, 2020	15,445.9	Apr. 22, 2020	15,445.9	General guarantee			No more than 5 years	No	No
SUNGROW DO BRASIL REPRESENTACAO COMERCIAL, INSTALACAO E MANUTENCAO DE EQUIPAMENTOS LTDA	Apr. 1, 2021	8,449.79	Mar. 30, 2021	8,449.79	Joint and several liability guarantee			No more than 7 years	No	No
Sungrow Power Australia Pty Ltd	Dec. 4, 2021	14,714.05			General guarantee			Less than 2 years from the date the Letter of Guarantee takes effect	Yes	No
Sungrow Ibérica S.A.U.	Dec. 4, 2021	3,309.16	Dec. 2, 2021	3,309.16	Joint and several liability guarantee			No later than Dec. 2, 2026	No	No
SUNGROW IBERICA SA	Jul. 1, 2022	26,459.68	Jul. 1, 2022	26,459.68	Joint and several liability guarantee			No later than Jul. 1, 2027	No	No
Sungrow Ibérica S.A.U.	Sep. 22, 2023	16,264.11	Sep. 20, 2023	16,264.11	Joint and several liability guarantee			No later than Sep. 20, 2028	No	No
Sungrow Ibérica S.A.U.	Oct. 11, 2023	10,085.51	Sep. 30, 2023	10,085.51	Joint and several liability guarantee			No later than Sep. 30, 2028	No	No
SUNGROW ITALY S.R.L.	Dec. 14, 2023	1,600.2	Dec. 8, 2023	1,600.2	Joint and several liability guarantee			No later than Dec. 8, 2028	No	No
Sungrow Benelux B.V.	Dec. 14, 2023	141,092.22	Dec. 12, 2023	141,092.22	Joint and several liability guarantee			No later than Dec. 12, 2028	No	No

SUNGROW DEUTSCHLAND GMBH	Dec. 29, 2023	1,559.42	Dec. 22, 2023	1,559.42	Joint and several liability guarantee			No later than Dec. 22, 2028	No	No
SUNGROW RENEWABLE ENERGY INVESTMENT PTE.LTD	Dec. 2, 2022	3,500	Aug. 10, 2023	3,500	Joint and several liability guarantee			From the date of the main debt contract to 1 year after the debt maturity under the main contract	No	No
SUNGROW POWER (VIETNAM) COMPANY LIMITED	Dec. 2, 2022	35,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
SUNGROW QURYLYS LLP	Dec. 2, 2022	35,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
SUNGROW POWER AUSTRALIA PTY LTD	Dec. 2, 2022	30,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
SUNGROW RENEWABLE ENERGY SPAIN, S.L.	Dec. 2, 2022	15,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
Xuancheng Heyang New Energy Co., Ltd.	Dec. 2, 2022	4,118.57	Jan. 31, 2023	4,118.57	Joint and several liability guarantee			Three years after the maturity of the last debt repayment	No	No
Anhui Sungrow Supply Chain Management Co., Ltd.	Dec. 2, 2022	300,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
SUNGROW POWER CONSTRUCCIONES SPA	Dec. 2, 2022	25,000						As of the 2022 Annual Shareholders' Meeting of Sungrow RE	Yes	No
SUNGROW RENEWABLE ENERGY INVESTMENT PTE. LTD	Jun. 8, 2023	240,000	Jun. 25, 2023	865.05	Joint and several liability guarantee			From the date of each debt maturity to three years after the maturity of the last repayment of the contract	No	No

SUNGROW RENEWABLE ENERGY INVESTMENT PTE. LTD	Jun. 8, 2023	240,000	Jul. 14, 2023	3,119.4	Joint and several liability guarantee			From the date of each debt maturity to three years after the maturity of the last repayment of the contract	No	No
SUNGROW POWER (VIETNAM) COMPANY LIMITED	Jun. 8, 2023	40,000						One year from the date it is approved at the 2022 Annual Shareholders' Meeting of Sungrow RE	No	No
SUNGROW POWER AUSTRALIA PTY LTD	Jun. 8, 2023	40,000						One year from the date it is approved at the 2022 Annual Shareholders' Meeting of Sungrow RE	No	No
SUNGROW RENEWABLE ENERGY SPAIN, S.L.	Jun. 8, 2023	40,000						One year from the date it is approved at the 2022 Annual Shareholders' Meeting of Sungrow RE	No	No
ECO WATT AKA LLP	Jun. 8, 2023	40,000						One year from the date it is approved at the 2022 Annual Shareholders' Meeting of Sungrow RE	No	No
CAO NGUYEN 1 WIND POWER DEVELOPMENT INVESTMENT JOINT STOCK COMPANY	Jun. 8, 2023	80,000						One year from the date it is approved at the 2022 Annual Shareholders' Meeting of Sungrow RE	No	No
Anhui Sungrow Supply Chain Management Co., Ltd.	Jun. 8, 2023	150,000	Nov. 21, 2023	5,100	Joint and several liability guarantee			No more than 1 year	No	No
SUNGROW QURYLYS LLP	Jun. 8, 2023	40,000	Sep. 21, 2023	1,000	Joint and several liability guarantee			Three years from the date of debt maturity under the main contract	No	No

3. Cash Assets Management Entrusted to Others**(1) Entrusted financial management**

Applicable Not Applicable

Overview of entrusted financial management in the reporting period

(in 10K CNY)

Type	Source of funds for entrusted financial management	Amount of entrusted financial management	Undue balance	Overdue amount to be collected	Impairment provision for overdue amount to be collected
Financial products issued by banks	Funds raised	194,000	60,000		
Financial products issued by banks	Funds owned by the Company	280,000	108,500		
Financial products issued by securities traders	Funds owned by the Company	20,000	1,000		
Total		494,000	169,500		

Details of high-risk entrusted financial management with large amount, low security, or low flowability

Applicable Not Applicable

Expected inability to recover the principal of entrusted financial management or other circumstances that may lead to impairment

Applicable Not Applicable

(2) Entrusted loans

Applicable Not Applicable

There were no entrusted loans in the reporting period.

4. Other major contracts

Applicable Not Applicable

There were no other major contracts in the reporting period.

XVI. Explanation on Other Significant Matters

Applicable Not Applicable

There were no other significant matters to be explained in the reporting period.

XVII. Significant Matters of the Company's Subsidiaries

Applicable Not Applicable

On December 8, 2023, the Company disclosed the *Announcement on the Planned Spin-Off and Listing of Holding Subsidiary* (Announcement No. 2023-117). According to the overall strategic layout of the Company and the business development needs of its holding subsidiary, Sungrow Renewable Energy Development Co., Ltd., the Company plans to initiate the preliminary work for the spin-off and listing of Sungrow Renewable Energy on China's stock exchanges.

Section VII Changes in Shares and Information about Shareholders

I. Changes in Share Capital

1. Changes in shares

(in shares)

	Before the change		Changes in the period (+, -)					After the change	
	Quantity	Percentage	New issuance	Bonus	Capitalized from common reserve	Others	Sub-total	Quantity	Percentage
I. Shares subject to conditional restriction(s)	355,968,316	23.97%				-10,749,370	-10,749,370	345,218,946	23.24%
3. Shares held by other domestic shareholders	355,968,316	23.97%				-10,749,370	-10,749,370	345,218,946	23.24%
Incl. shares held by domestic enterprise									
Shares held by domestic natural person	355,968,316	23.97%				-10,749,370	-10,749,370	345,218,946	23.24%
Incl. shares held by overseas enterprise									
Shares held by overseas natural person									
II. Shares subject to no restrictions	1,129,222,668	76.03%				10,709,370	10,709,370	1,139,932,038	76.76%
1. A-shares	1,129,222,668	76.03%				10,709,370	10,709,370	1,139,932,038	76.76%
III. Total	1,485,190,984	100.00%				-40,000.00	-40,000.00	1,485,150,984	100.00%

Reasons for share changes

 Applicable Not Applicable

1. On the first trading day of 2023, the statutory amount of transferable shares in 2023 held by the Company's directors, supervisors, and executives were calculated as 25% of total shares registered to each of them on the last trading day of 2022. On the same day, Shenzhen Branch of China Securities Depository and Clearing Corporation Limited unlocked the tradable shares held by the Company's directors, supervisors, and executives that are subject to no transfer restrictions within the current year's transferable amount.

2. Mr. Zheng Guibiao, Director of the fourth Board of Directors and Senior Vice President of the Company, no longer assumed the office as a director and executive after the election of the fifth Board of Directors. Mr. Zhang Youquan, Vice President in the fourth management team of the Company, no longer assumed the office as an executive after the election of the fifth Board of Directors. The shares held by Mr. Zheng Guibiao and Mr. Zhang Youquan will be unlocked 6 months after their terms of office expire. Should any executive in the fourth management team resign before the expiration of his/her term, the shares held by this executive will be unlocked 6 months after his/her term of office was due to expire.

3. Ms. Wang Lei was appointed as the Vice President of the Company. According to relevant laws and regulations, 75% of the company shares held by Ms. Wang Lei was locked after she assumed the office as an executive.

4. Mr. Xie Xiaoyong, Vice President in the fifth management team of the Company, resigned due to work adjustments. All of the company shares held by him was locked for 6 months after his resignation.

5. On April 24, 2023, the Company held the twenty-third meeting of the fourth Board of Directors and the twentieth meeting of the fourth Board of Supervisors, at which the *Proposal on the Buyback and Cancellation of Some Restricted Shares* was reviewed and approved. Since two incentive objects in the Company's 2018 Restricted Stock Incentive Plan departed, according to the *Measures for the Administration of Equity Incentives of Listed Companies* and the *2018 Restricted Stock Incentive Plan (Draft)*, all the restricted shares that were granted to the aforementioned personnel but not unlocked should be bought back and cancelled by the Company, with the total buyback quantity amounting to 40,000 shares. The Company completed the buyback and cancellation at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on July 18, 2023, and the Company's total share capital changed from 1,485,190,984 shares to 1,485,150,984 shares.

Approvals for share changes

Applicable Not Applicable

Refer to "Reasons for share changes" in the above.

Share transfers

Applicable Not Applicable

Refer to "Reasons for share changes" in the above.

The impact of changes in shares on financial indicators such as basic earnings per share, diluted earnings per share, net assets per share attributable to common shareholders in the last year and the last period

Applicable Not Applicable

Other contents the Company considers necessary or required by the securities regulatory authorities to disclose

Applicable Not Applicable

2. Changes in restricted shares

Applicable Not Applicable

(in shares)

Shareholder	Opening restricted shares	Increased in current period	Unlocked in current period	Closing restricted shares	Reason for restriction	Estimated date of unlocking
Cao Renxian	338,256,000			338,256,000	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Zhao Wei	5,307,000			5,307,000	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year

Shareholder	Opening restricted shares	Increased in current period	Unlocked in current period	Closing restricted shares	Reason for restriction	Estimated date of unlocking
Gu Yilei	337,500			337,500	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Chen Zhiqiang	281,250			281,250	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Wu Jiamao	281,250			281,250	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Deng Dejun	277,259			277,259	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Zhang Xucheng	112,500		28,125	84,375	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Peng Chaocai	59,062			59,062	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Li Shun	18,750			18,750	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Wang Lei		16,500		16,500	Lock-up of executives' shares	25% of lock-up shares at the end of last year is released every year
Zheng Guibiao	8,982,270		8,982,270		Lock-up of executives' shares, although holder has departed upon the expiration of the term of office	Holder departed upon the expiration of the term of office in the reporting period, and the restriction will be released in 6 month after the departure
Zhang Youquan	168,750		168,750		Lock-up of executives' shares, although holder has departed upon the expiration of the term of office	Holder departed upon the expiration of the term of office in the reporting period, and the restriction will be released in 6 month after the departure
Xie Xiaoyong	225,000	75,000		300,000	Lock-up of executives' shares, although holder has resigned as an executive prior to the expiration of the term of office	Holder resigned prior to the expiration of the term of office in the reporting period, the shares remain locked up in 6 month after the resignation
Departed executives (resigned before expiration of term)	1,621,725		1,621,725		Lock-up of executives' shares, although holder has resigned as an executive prior to the expiration of the term of office	Holder departed upon the expiration of the term of office in the reporting period, and the restriction will be released in 6 month after the departure
Other incentive objects	40,000		40,000		Equity incentive restriction	As per the relevant regulations of the Restricted Stock Incentive Plan
Total	355,968,316	91,500	10,840,870	345,218,946	--	--

II. Issuance and Listing of Securities

1. Securities (excl. preference shares) issued during the reporting period

Applicable Not Applicable

2. Changes in the Company's total shares and shareholder structure, and changes in the Company's asset and liability structure

Applicable Not Applicable

On April 24, 2023, the Company held the twenty-third meeting of the fourth Board of Directors and the twentieth meeting of the fourth Board of Supervisors, at which the *Proposal on the Buyback and Cancellation of Some Restricted Shares* was reviewed and approved. Since two incentive objects in the Company's 2018 Restricted Stock Incentive Plan departed, according to the *Measures for the Administration of Equity Incentives of Listed Companies* and the *2018 Restricted Stock Incentive Plan (Draft)*, all the restricted shares that were granted to the aforementioned personnel but not unlocked should be bought back and cancelled by the Company, with the total buyback quantity amounting to 40,000 shares. The Company completed the buyback and cancellation at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on July 18, 2023, and the Company's total share capital changed from 1,485,190,984 shares to 1,485,150,984 shares.

3. Existing employees' shares

Applicable Not Applicable

III. Shareholders and Actual Controllers

1. Total number of shareholders and share holdings

(in shares)

Total number of ordinary shareholders at the end of the reporting period	128,503	Total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report	109,029	Total number of preference shareholders with restored voting rights at the end of the reporting period (if any) (see Note 9)		Total number of preference shareholders with restored voting rights at the end of the previous month before the disclosure date of the annual report (if any) (see Note 9)		Total number of shareholders holding special voting shares (if any)	
Shareholders with a shareholding of over 5% or shareholdings of the top ten shareholders									
Name of shareholder	Nature of shareholder	Percentage	Total shares held at the end of the reporting period	Changes in the reporting period	Non-tradable shares held	Tradable shares held	Pledged, marked, or frozen		
							Share status	Quantity	
Cao Renxian	Domestic natural person	30.37%	451,008,000		338,256,000	112,752,000	Pledged	32,770,000	
Hong Kong Securities Clearing Company Limited	Overseas legal person	11.64%	172,808,826	21,748,596		172,808,826			

Hefei Huizhuo Equity Investment Partnership (Limited Partnership)	Domestic non-state-owned legal person	3.03%	44,965,442	-7,721,759		44,965,442		
Industrial and Commercial Bank of China Limited - E Fund GEM Open-Ended Index Securities Investment Fund	Other	1.01%	14,933,708	9,710,200		14,933,708		
Zheng Guibiao	Domestic natural person	0.81%	11,971,360	-5,000		11,971,360		
Bank of China Co., Ltd. - Huatai-PineBridge CSI PV Industry Open-Ended Index Securities Investment Fund	Other	0.76%	11,330,519	948,872		11,330,519		
Chinalink Asia Holdings Limited	Overseas legal person	0.71%	10,586,305	-649,000		10,586,305		
China Construction Bank Corporation - GF Technology Pioneer Hybrid Securities Investment Fund	Other	0.70%	10,381,073	-333,933		10,381,073		
China Minsheng Bank Co., Ltd. - GF Industry Selected Three-Year Hybrid Securities Investment Fund	Other	0.62%	9,142,619	-279,800		9,142,619		
CITIC Securities Co., Ltd. - Tianhong CSI PV Industry Index Initiated Securities Investment Fund	Other	0.61%	9,104,396	1,050,787		9,104,396		
Strategic investors or general legal persons becoming the top 10 shareholders due to placement of new shares (if any) (refer to Note 4)	Not Applicable							
Relations between the above-mentioned shareholders or actions in concert	Mr. Cao Renxian, the controlling shareholder and actual controller of the Company, holds 10.44% equity of Hefei Huizhuo Equity Investment Partnership (Limited Partnership). Apart from the shareholders' relations specified as above, the Company is not aware of any other relations between shareholders, and does not know whether they are persons acting in concert as stipulated in the <i>Administrative Measures for the Acquisition of Listed Companies</i> .							
Notes on above shareholders who are involved in delegating/delegated voting rights and waiving of voting rights	Not Applicable							
Special notes on dedicated buy-back accounts held by top 10 shareholders (if any) (refer to Note 10)	As of the end of the reporting period, the Company's special account for buyback shares holds 16,312,308 shares, accounting for 1.10% of the total shares. Although the number of shares held ranked fourth among all shareholders in the current period, the special account is not listed in top ten shareholders according to prevailing disclosure rules.							
Shares held by top 10 shareholders subject to no restrictions on trading								
Shareholder						Share Details		
						Unrestricted shares held at the end of the reporting period	Type	Quantity
Hong Kong Securities Clearing Company Limited						172,808,826	A-share	172,808,826

Cao Renxian		112,752,000	A-share	112,752,000
Hefei Huizhuo Equity Investment Partnership (Limited Partnership)		44,965,442	A-share	44,965,442
Industrial and Commercial Bank of China Limited - E Fund GEM Open-Ended Index Securities Investment Fund		14,933,708	A-share	14,933,708
Zheng Guibiao		11,971,360	A-share	11,971,360
Bank of China Co., Ltd. - Huatai-PineBridge CSI PV Industry Open-Ended Index Securities Investment Fund		11,330,519	A-share	11,330,519
Chinalink Asia Holdings Limited		10,586,305	A-share	10,586,305
China Construction Bank Corporation - GF Technology Pioneer Hybrid Securities Investment Fund		10,381,073	A-share	10,381,073
China Minsheng Bank Co., Ltd. - GF Industry Selected Three-Year Hybrid Securities Investment Fund		9,142,619	A-share	9,142,619
CITIC Securities Co., Ltd. - Tianhong CSI PV Industry Index Initiated Securities Investment Fund		9,104,396	A-share	9,104,396
Relations between top 10 shareholders of unrestricted circulating shares, relations between top 10 shareholders of unrestricted circulating shares and top 10 shareholders, or actions in concert	Mr. Cao Renxian, the controlling shareholder and actual controller of the Company, holds 10.44% equity of Hefei Huizhuo Equity Investment Partnership (Limited Partnership). Apart from the shareholders' relations specified as above, the Company is not aware of any other relations between shareholders, and does not know whether they are persons acting in concert as stipulated in the <i>Administrative Measures for the Acquisition of Listed Companies</i> .			
Shareholders participating in margin financing and securities lending business (if any) (refer to Note 10)	Not Applicable			

Top ten shareholders' participation in share lending through refinancing

Applicable Not Applicable

(in shares)

Top ten shareholders' lending of shares via refinancing activities								
Shareholder (Full Name)	Shared held in regular account and credit account at the beginning of the period		Shares lent via refinancing at the beginning of the period and not yet returned		Shared held in regular account and credit account at the end of the period		Shares lent via refinancing at the end of the period and not yet returned	
	Quantity	% in total share capital	Quantity	% in total share capital	Quantity	% in total share capital	Quantity	% in total share capital
CITIC Securities Co., Ltd. - Tianhong CSI PV Industry Index Initiated Securities Investment Fund	8,053,609	0.54%	466,200	0.03%	9,104,396	0.61%	111,600	0.01%
Bank of China Co., Ltd. - Huatai-PineBridge CSI PV Industry Open-Ended Index Securities Investment Fund	10,381,647	0.70%	206,300	0.01%	11,330,519	0.76%	147,200	0.01%
Industrial and Commercial Bank of China Limited - E Fund GEM Open-Ended Index Securities Investment Fund	5,223,508	0.35%	1,460,200	0.10%	14,933,708	1.01%	36,500	0.00%

Changes in top ten shareholders during the reporting period

Applicable Not Applicable

(in shares)

Changes in top ten shareholders during the reporting period					
Shareholder (Full Name)	Changes in the reporting period	Shares lent via refinancing at the end of the period and not yet returned		Shares held in regular account and credit account at the end of the period and shares lent via refinancing at the end of the period and not yet returned	
		Quantity	% in total share capital	Quantity	% in total share capital
Industrial and Commercial Bank of China Limited - E Fund GEM Open-Ended Index Securities Investment Fund	New	36,500	0.00%	14,970,208	1.01%
Shanghai Pudong Development Bank Co., Ltd. - GF High-End Manufacturing Equity Sponsored Securities Investment Fund	Exit	0	0.00%	8,781,661	0.59%

Whether the Company has made arrangements for different voting rights

Applicable Not Applicable

Whether the top 10 shareholders of ordinary shares and the top 10 shareholders of ordinary shares subject to no trading restrictions made the buy-back transaction as agreed in the reporting period

Yes No

The top 10 shareholders of ordinary shares and the top 10 shareholders of ordinary shares subject to no trading restrictions did not make the buy-back transaction as agreed in the reporting period.

2. Controlling shareholders of the Company

Nature of controlling shareholder: Natural person

Type of controlling shareholder: Natural person

Name of controlling shareholder	Nationality	In possession of right of abode in other countries
Cao Renxian	Chinese	No
Main occupation and title	Mr. Cao Renxian has been the Chairman and President of the Company for the past 5 years	
Domestic/overseas listed companies controlled/vested in the past 10 years	Mr. Cao Renxian does not control other domestic/overseas listed companies	

Changes of controlling shareholder during the reporting period

Applicable Not Applicable

The controlling shareholder of the Company did not change in the reporting period.

3. Actual controllers and persons acting in concert

Nature of actual controller: Domestic natural person

Type of actual controller: Natural person

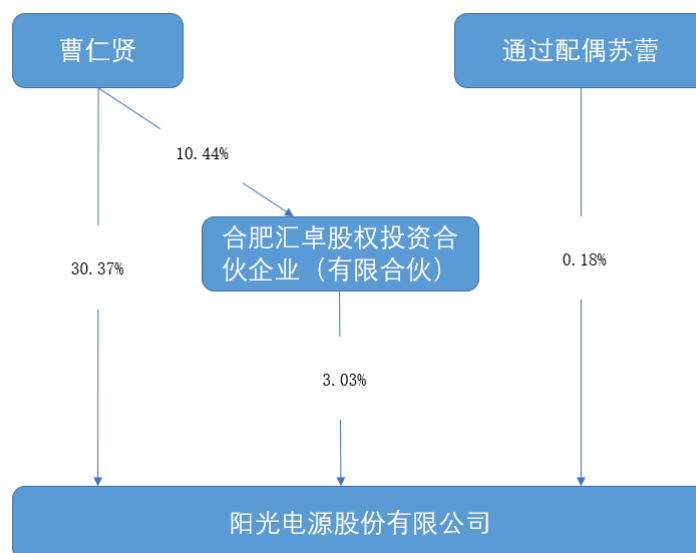
Name of actual controller	Relationship with actual controller	Nationality	In possession of right of abode in other countries
Cao Renxian	Himself	Chinese	No
Main occupation and title	Mr. Cao Renxian has been the Chairman and President of the Company for the past 5 years		
Domestic/overseas listed companies controlled/vested in the past 10 years	Mr. Cao Renxian does not control other domestic/overseas listed companies		

Change of actual controller during the reporting period

Applicable Not Applicable

The actual controller of the Company did not change during the reporting period.

Block diagram of the property rights and control relationship between the Company and the actual controller



中文	英文
曹仁贤	Cao Renxian
通过配偶苏蕾	Via spouse Su Lei
泸州汇卓企业管理合伙企业(有限合伙)	Luzhou Huizhuo Enterprise Management Partnership (Limited Partnership)
阳光电源股份有限公司	Sungrow Power Supply Co., Ltd.

The actual controller controls the Company through trust or other asset management methods

Applicable Not Applicable

4. The cumulative quantity of pledged shares of the Company's controlling shareholder or the largest shareholder and its persons acting in concert account for more than 80% of the Company's shares held by them

Applicable Not Applicable

5. Other legal person shareholders holding more than 10% of the shares

Applicable Not Applicable

6. Share restrictions and reductions of controlling shareholder, actual controller, restructuring parties, and other undertaking entities

Applicable Not Applicable

IV. Specific implementation of share buy-back during the reporting period

Progress of share buy-back

Applicable Not Applicable

Date of plan disclosure	Number of shares to be bought-back	In percentage of total share capital	Planned amount of buy-back (in 10K CNY)	Planned period of buy-back	Purpose of buy-back	Number of shares already bought-back	In percentage of the target quantity involved in the equity incentive plan (if any)
May. 14, 2022	5,000,000 – 10,000,000	0.34% – 0.67%	50,000 – 100,000	May 13, 2022 – May 12, 2023	For the employee stock ownership plan or equity incentive plan	6,485,049	99.77%
Sep. 13, 2023	3,330,000 – 6,660,000	0.22% – 0.45%	50,000 – 100,000	Sep. 12, 2023 – Sep. 12, 2024	For the employee stock ownership plan or equity incentive plan	11,316,009	98.40%

Progress of buy-back share reduction via centralized bidding

Applicable Not Applicable

Section VIII Preference Shares

Applicable Not Applicable

No preference shares exist in the Company during the reporting period.

Section IX Bonds

Applicable Not Applicable

Section X Financial Reports

I. Audit Report

Type of Audit Opinion	Standard unqualified opinion
Audit Report Signed on	April 22, 2024
Auditing Firm	RSM China (Special General Partnership)
Audit Report Number	RSM-AR [2024] No. 230Z0321
Name of CPAs	Wan Yunlong, Jiang Wei, Pan Lili

Audit Report

I. Audit Opinion

We have audited the financial statements of Sungrow Power Supply Co., Ltd. (hereinafter referred to as Sungrow), including the Consolidated Balance Sheet and Balance Sheet of Parent Company as at December 31, 2023, the Consolidated Income Statement and Income Statement of Parent Company in 2023, and the Consolidated Statement of Cash Flows and Statement of Cash Flows of Parent Company, Consolidated Statement of Changes in Equity and Statement of Changes in Equity of Parent Company, as well as Notes to the relevant financial statements.

In our opinion, the financial statements as attached were prepared in accordance with the Accounting Standards for Business Enterprises in all material aspects, which fairly reflect the consolidated financial position of Sungrow and the parent company as at December 31, 2023, as well as the consolidated operating results and cash flows of Sungrow and the parent company in 2023.

II. Grounds for the Audit Opinion

The audit has been performed in accordance with the Auditing Standards for Certified Public Accountants of China. Our responsibilities under these standards are further explained in the part CPA's Responsibilities for the Audit of Financial Statements in this audit report. Abiding by the *China Code of Ethics for Certified Public Accountants*, we have operated independently from Sungrow, and fulfilled other responsibilities in professional ethics. We believe that the audit evidence we obtained is sufficient and appropriate to provide a ground for our audit opinion.

III. Key Audit Matters

Key audit matters are those we consider to be the most important to the audit of financial statements of the current period based on our professional judgment. Such matters are addressed in the context that the financial statements are audited as a whole with the audit opinion issued. We do not express separate opinions on these matters.

A. Recoverability of accounts receivable

1. Description of the matter

As stated in Notes "V. 11 Financial Instruments" and "VII. 4 Accounts Receivable", the book value of accounts receivable in Sungrow's consolidated financial statements was CNY 21,098 million, of which bad debt provision was CNY 2,002 million. The Company determined the bad debt provision according to the recoverability of accounts receivable. To determine the book value of the accounts receivable at the end of the period, the Sungrow management team (hereinafter referred to as the Management) needs to identify the items that have been impaired and the objective evidences, evaluate the cash flows that are expected in the future and determine their present value, which involves the Management's use of significant accounting estimates and judgments. Moreover, the recoverability of accounts receivable is vital to the financial statements; therefore, we have identified the recoverability of accounts receivable as a key audit matter.

2. Audit response

The procedures we performed mainly include the following:

- (1) We evaluated and tested the rationality of design and operational effectiveness of Sungrow's credit policy and internal controls related to accounts receivable management.
- (2) We analyzed the rationality of accounting estimates for bad debt provision for Sungrow's accounts receivable, including the basis for determining the combination of accounts receivable and the judgment on separate bad debts provision.
- (3) On perusal of the actual amount of bad debts of similar receivables and the situations in the past, as well as customer credit, market condition and other factors, we evaluated the appropriateness of approaches used by the Management which divided receivables into

several groups for impairment assessment. For receivables that had been accrued for bad debt provision individually, we verified the foundations used by the Management to evaluate the expected cash flow; for receivables that had been accrued for bad debt provision according to the characteristics of credit risk combination, we used expected credit loss rate and aging analysis to test the rationality and accuracy of the Management's provision for bad debts.

(4) We evaluated the recoverability of accounts receivable in large amount, with special attention paid to those with an aging of more than one year and those covered in lawsuits filed by Sungrow (for selected samples). Through the investigation of customer background, operating status, litigation situation and the like, we interviewed with lawyers and sales personnel, inspected the letters of confirmation and collections after the period, in order to evaluate the rationality and adequacy of the Management's bad debts provision.

B. Revenue recognition

1. Description of the matter

As stated in Notes "V. 27 Principles and Measurements for Revenue Recognition" and "VII. 47 Operating Income and Operating Costs", Sungrow recognized an operating income of CNY 72,251 million. Since operating income is one of the Company's key metrics, there might be an inherent risk that the Management manipulate revenue recognition in order to achieve specific goals or expectations; therefore, we have identified revenue recognition as a key audit matter.

2. Audit response

The procedures we used mainly include the following:

(1) We evaluated and tested the design and operational effectiveness of internal controls related to Sungrow's revenue from product sales and power station construction.

(2) We verified revenue growth and changes in gross profit in an analytic way.

(3) For revenue from product sales, we inspected samples of sales contracts, sales invoices, logistics documents, customer receipts, customs declarations and other relevant materials to evaluate the authenticity of revenue recognition; for sales revenue recognized around the date of the balance sheet, we ran cut-off test and verified supporting documents such as customer receipts, thereby evaluating the completeness of revenue recognition.

(4) For revenue from collective power station construction, we compared and analyzed the actual total cost of the completed project samples and the total contract cost estimated by the Management before project completion to evaluate the Management's experience and capacity in making the accounting estimation; we inspected contracts of major construction projects to verify the total contract revenue, review key contract terms, and confirm the correctness of contract revenue. For major contracts involving power generation commitments, we reviewed the basis for determining the power generation estimation and the accuracy of revenue recognition. For the actual cost of major projects, we checked the supporting documents such as contracts, invoices, equipment receipts, progress confirmation documents, and analyzed the gross profit rate of the project, thereby evaluating the authenticity and accuracy of the actual cost accounting. We shortlisted several projects and visited the project sites to determine whether the site status matched the progress recorded.

(5) For revenue from distributed residential power station construction, we checked the equity transfer agreements, sales contracts, and grid-connected power generation situation of the power stations to evaluate the authenticity, accuracy, and completeness of revenue recognition.

C. Inventory impairment

1. Description of the matter

As stated in Notes "V. 13 Inventories" and "VII. 9 Inventories", as of December 31, 2023, the book balance of inventories in Sungrow's consolidated financial statements is CNY 23,130 million, the inventory depreciation provision is CNY 1,689 million, and the book value of inventories is CNY 21,442 million. Because the inventory amount is huge and the determination of the net realizable value of inventories involves significant management judgment, we have identified inventories as a key audit matter.

2. Audit response

The procedures we used mainly include the following:

(1) We evaluated and tested the rationality of design and operational effectiveness of Sungrow's internal controls related to inventory management.

(2) We supervised inventory counting in the field, and inspected the quantity and status of inventories, with special attention paid to the ending inventory status and the identification of obsolete stocks. For inventories at customers' premises, we ran external confirmations to verify the quantity.

(3) We obtained the Management's spreadsheet for calculating inventory depreciation provision, ran the inventory impairment test and confirmation procedure, checked and analyzed the rationality of the net realizable value, and evaluated the accuracy of the inventory depreciation reserve and resale.

(4) We conducted peer analysis of Sungrow's inventory turnover rate and ratio of inventory depreciation provision, to analyze whether the Company's inventory depreciation significantly deviates from the average level of the peer industry.

(5) We evaluated the appropriateness of the Management's disclosure of inventories and notes in the financial statements.

IV. Other information

The Management is responsible for other information. Other information includes those covered in Sungrow's 2023 annual report, but does not include the financial statements and our audit report.

The audit opinion on financial statements does not cover other information, nor do we make assurance conclusions on other information in any form.

As it relates to the audit of financial statements, our responsibility is to read other information and identify whether there are material inconsistency or errors between other information and the financial statements or the situation we learned during the audit.

Based on what we have done, if we are certain that material errors exist in other information, we should report. In this case, there is nothing to be reported.

V. Management's and Governance's Responsibilities for the Financial Statements

The Management is responsible for preparing and presenting these financial statements fairly in accordance with the Accounting Standards for Business Enterprises, and for designing, implementing, and maintaining necessary internal controls so that the financial statements are free from material misstatements due to fraud or error.

When preparing the financial statements, the Management is responsible for evaluating Sungrow's ability to continue as a going concern, disclosing matters related to going concerns (if applicable), and applying going concern assumptions, unless the Management is arranging liquidation, termination, or options of no other realistic alternatives for Sungrow.

Sungrow's governance team is responsible for overseeing Sungrow's financial reporting process.

VI. CPA's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance on that the financial statements as a whole are free from material misstatement due to fraud or error, and to issue an auditor report containing our audit opinion. A reasonable assurance is a high level of assurance, however, there is no assurance that an audit performed in accordance with Auditing Standards can always identify a material misstatement in existence. Misstatements may result from fraud or error, and are generally considered material if, individually or in aggregate, the misstatements could be reasonably expected to influence the economic decisions made by users of the financial statements based on the content of the financial statements.

In the process of conducting the audit in accordance with Auditing Standards, we exercise professional judgment and maintain professional skepticism. At the same time, we also perform the following:

1. Identify and evaluate the risk of material misstatement due to fraud or error, design and implement auditing procedures to address the risk, and obtain sufficient and appropriate audit evidence as the grounds for our audit opinion. Since fraud may involve collusion, forgery, intentional omission, misrepresentation or override of internal controls, the risk of failure to detect material misstatements due to fraud is higher than the risk of failure to detect material misstatements due to error.
2. Understand the audit-related internal controls in order to design an appropriate auditing procedure, but our purpose is not to judge the effectiveness of internal controls.
3. Evaluate the appropriateness of accounting policies selected by the Management and the rationality of accounting estimates and related disclosures.
4. Conclude on the appropriateness of the going concern assumptions used by the Management. Based on the audit evidence obtained, draw conclusions on whether there are significant uncertainties in matters or situations that are likely to impair Sungrow's ability to

continue as a going concern. Should the conclusions considered significant uncertainties, we are required by the auditing standards to remind users of the financial statements to the relevant disclosures in the financial statements; if the disclosures were insufficient, we should not issue our opinion as non-qualified. Our conclusions are based on information available as of the date of the audit report. However, matters or circumstances in the future may still cause Sungrow to cease to operate as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, and evaluate whether the financial statements fairly reflect the relevant transactions and matters.

6. Obtain sufficient and appropriate audit evidence on the financial information of Sungrow's entities or business activities, so as to issue an audit opinion on the financial statements. We are responsible for directing, supervising and performing the group audit, and are solely responsible for the audit opinion we make.

We communicate with the governance team on the planned scope, schedule and significant audit findings of the audit, including internal control deficiencies of concern that we identified during our audit.

We have also provided the governance team with a statement of compliance with professional ethical requirements related to independence, and communicated with them on all relationships and other matters that might be reasonably believed to affect our independence, together with the corresponding countermeasures.

From the list of matters that we have communicated with the governance team, we identify those of the most significance to the audit of financial statements of the current period as the key audit matters. We describe these matters in our audit report unless public disclosure of such matters is prohibited by laws or regulations or; in rare circumstances where the adverse consequences of communicating a matter in the audit report would be reasonably expected to outweigh the benefits in the public interest, we decide not to communicate such a matter in the audit report.

II. Financial Statements

All numbers in the financial statements are in CNY.

1. Consolidated Balance Sheet

Prepared by: Sungrow Power Supply Co., Ltd.

December 31, 2023

(in CNY)

Item	December 31, 2023	January 1, 2023
Current Assets:		
Cash and cash equivalents	18,030,617,790.74	11,666,601,491.42
Settlements Provision		
Loans to banks and other financial institutions		
Financial assets held for trading	2,072,049,126.18	1,490,493,996.98
Derivative financial assets		
Notes receivable	693,721,862.60	1,086,866,640.25
Accounts receivable	21,097,509,472.32	13,804,040,262.60
Financing receivables	772,690,180.45	1,038,041,498.25
Prepayments	542,848,240.91	382,891,914.73
Insurance premium receivable		
Due from reinsurers		
Reinsurance contract reserves receivable		
Other receivables	1,408,874,420.62	1,171,813,634.65
Including: Interest receivable		
Dividends receivable	1,188,236.31	27,389,502.93
Financial assets purchased under agreements to resell		
Inventories	21,441,505,396.60	19,060,142,584.88
Contract assets	2,008,704,215.79	1,291,527,303.40
Assets classified as held for sale		

Item	December 31, 2023	January 1, 2023
Non-current assets due in one year	53,789,000.00	53,713,000.00
Other current assets	1,161,580,351.66	947,593,110.24
Total current assets	69,283,890,057.87	51,993,725,437.40
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investments		
Long-term receivables	320,380,000.00	352,460,000.00
Long-term equity investments	440,042,074.75	228,278,242.43
Other equity instruments investments		
Other non-current financial assets	500,017,198.94	303,677,642.96
Investment properties		
Fixed assets	6,438,183,727.36	4,543,555,993.02
Construction in progress	1,685,757,860.53	1,188,671,605.49
Productive biological assets		
Oil and gas assets		
Right-of-use asset	397,537,305.84	559,699,600.83
Intangible assets	732,415,239.68	340,374,616.37
Development expenditures		
Goodwill		
Long-term prepaid expenses	89,178,971.43	98,761,004.79
Deferred tax assets	2,071,287,917.89	1,025,988,368.36
Other non-current assets	917,816,373.28	992,247,656.31
Total non-current assets	13,592,616,669.70	9,633,714,730.56
Total assets	82,876,506,727.57	61,627,440,167.96
Current liabilities:		
Short-term borrowings	2,793,019,025.13	1,422,187,421.05
Borrowing from the central bank		
Deposits and balances from banks and other financial institutions		
Financial liabilities held for trading		51,919,973.63
Derivative financial liabilities		1,027,953.77
Notes payable	12,914,780,574.41	12,502,200,528.61
Accounts payable	15,571,135,653.23	13,423,788,672.62
Receipts in advance		
Contract liabilities	6,564,810,202.26	3,788,439,560.39
Financial assets sold under agreements to buy		
Customer deposits and balances from banks and other financial institutions		
Customer brokerage deposits		
Securities underwriting brokerage deposits		
Payroll and employee benefits payable	1,063,589,056.26	647,136,521.65
Taxes payable	2,897,601,796.23	842,046,338.30
Other payables	1,418,388,234.60	760,375,319.15
Including: Interest payable		
Dividend payable		
Fees and commission payable		
Payable reinsurance		

Item	December 31, 2023	January 1, 2023
Liabilities classified as held for sale		
Non-current liabilities due in one year	1,342,087,764.59	809,879,585.68
Other current liabilities	1,371,576,221.97	1,219,596,256.39
Total current liabilities	45,936,988,528.68	35,468,598,131.24
Non-current liabilities:		
Insurance reserves		
Long-term borrowings	4,179,703,100.00	4,161,650,000.00
Bonds payable		
Including: Preference shares		
Perpetual debt		
Lease liabilities	323,824,924.50	430,999,112.05
Long-term Payable	191,823,895.92	596,102,307.79
Long-term payroll and employee benefits payable		
Provisions	2,568,690,015.39	1,012,055,993.93
Deferred income	168,761,589.35	166,799,167.22
Deferred tax liabilities	12,608,380.01	13,401,614.14
Other non-current liabilities	39,610,000.00	39,610,000.00
Total non-current liabilities	7,485,021,905.17	6,420,618,195.13
Total liabilities	53,422,010,433.85	41,889,216,326.37
Owners' equity:		
Paid-in capital	1,485,150,984.00	1,485,190,984.00
Other equity instruments		
Including: Preference share		
Perpetual debt		
Capital reserve	7,606,175,870.49	7,052,879,188.31
Less: treasury shares	1,381,067,983.76	520,749,625.73
Other comprehensive income	172,490,837.09	-30,520,376.52
Including: Preference share	27,728,572.97	
Special reserve	1,066,216,783.99	1,066,216,783.99
Surplus reserve		
General risk reserve	18,728,523,299.62	9,614,276,805.07
Retained earnings	27,705,218,364.40	18,667,293,759.12
Equity attributable to owners of the parent	1,749,277,929.32	1,070,930,082.47
Non-controlling interests	29,454,496,293.72	19,738,223,841.59
Total owners' equity	82,876,506,727.57	61,627,440,167.96

Legal Representative: Cao Renxian

Chief Accountant: Tian Shuai

Head of Accounting Department: Li Pan

2. Balance Sheet of Parent Company

(in CNY)

Item	December 31, 2023	January 1, 2023
Current Assets:		
Cash and cash equivalents	12,265,530,503.76	7,843,493,020.92
Financial assets held for trading	1,792,634,524.90	1,023,462,624.14
Derivative financial assets		
Notes receivable	617,470,007.33	513,951,198.39
Accounts receivable	11,479,153,437.35	12,289,281,607.26
Financing receivables	623,245,933.65	841,039,102.74

Item	December 31, 2023	January 1, 2023
Prepayments	33,593,762.18	15,214,576.36
Other receivables	1,916,890,245.06	1,064,683,730.83
Including: Interest receivable		
Dividends receivable		27,389,502.93
Inventories	5,937,909,845.99	4,305,038,408.84
Contract assets	531,059,645.40	356,483,190.49
Assets classified as held for sale		
Non-current assets due in one year	53,789,000.00	53,713,000.00
Other current assets	13,798.87	49,297,706.52
Total current assets	35,251,290,704.49	28,355,658,166.49
Non-current assets:		
Debt investment		
Other debt investments		
Long-term receivables	3,913,030,600.00	352,460,000.00
Long-term equity investments	7,103,505,466.75	5,287,620,696.34
Other equity instruments investments		
Other non-current financial assets	201,011,383.13	125,035,324.41
Investment properties		
Fixed assets	2,305,827,037.94	1,412,825,971.90
Construction in progress	1,040,113,698.40	585,904,972.37
Productive biological assets		
Oil and gas assets		
Right-of-use asset	19,917,144.38	47,727,364.25
Intangible assets	322,028,915.70	207,480,610.30
Development expenditures		
Goodwill		
Long-term prepaid expenses	37,956,122.81	57,092,196.74
Deferred tax assets	471,147,897.46	311,100,998.02
Other non-current assets	607,088,723.95	537,065,057.02
Total non-current assets	16,021,626,990.52	8,924,313,191.35
Total assets	51,272,917,695.01	37,279,971,357.84
Current liabilities:		
Short-term borrowings	12,122,000.00	74,407,523.19
Financial liabilities held for trading		6,367,790.64
Derivative financial liabilities		1,027,953.77
Notes payable	6,536,520,996.50	6,574,809,279.06
Accounts payable	9,418,109,832.25	9,326,539,265.79
Receipts in advance		
Contract liabilities	1,661,943,885.04	690,409,136.06
Payroll and employee benefits payable	440,161,828.92	259,302,306.80
Taxes payable	1,381,108,157.24	265,054,124.87
Other payables	2,932,177,231.32	419,115,721.82
Including: Interest payable		
Dividend payable		
Liabilities classified as held for sale		
Non-current liabilities due in one year	165,036,053.57	64,942,372.58
Other current liabilities	630,180,362.22	124,706,255.00

Item	December 31, 2023	January 1, 2023
Total current liabilities	23,177,360,347.06	17,806,681,729.58
Non-current liabilities:		
Long-term borrowings	811,360,000.00	957,720,000.00
Bonds payable		
Including: Preference shares		
Perpetual debt		
Lease liabilities	2,605,017.41	21,784,939.47
Long-term Payable		
Long-term payroll and employee benefits payable		
Provisions	834,812,719.63	532,428,639.25
Deferred income	140,456,724.31	146,613,574.00
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,789,234,461.35	1,658,547,152.72
Total liabilities	24,966,594,808.41	19,465,228,882.30
Owners' equity:		
Paid-in capital	1,485,150,984.00	1,485,190,984.00
Other equity instruments		
Including: Preference share		
Perpetual debt		
Capital reserve	7,206,040,925.89	7,146,687,476.79
Less: treasury shares	1,381,067,983.76	520,749,625.73
Other comprehensive income		281,692.50
Special reserve	11,303,424.15	
Surplus reserve	1,066,216,783.99	1,066,216,783.99
Retained earnings	17,918,678,752.33	8,637,115,163.99
Total owners' equity	26,306,322,886.60	17,814,742,475.54
Total liabilities and owners' equity	51,272,917,695.01	37,279,971,357.84

3. Consolidated Income Statement

(in CNY)

Item	2023	2022
I. Total revenue	72,250,674,939.46	40,257,239,155.34
Including: Operating proceeds	72,250,674,939.46	40,257,239,155.34
Interest income		
Net earned premiums		
Net fee and commission revenue		
II. Total operating costs	59,150,023,669.27	35,514,911,265.50
Including: Operating costs	50,317,573,513.17	30,375,806,550.32
Interest expenses		
Fees and commission expenses		
Surrenders		
Net payments for insurance claims		
Net provision of insurance reserve		
Policyholder dividends		
Reinsurance expenses		
Taxes and surcharges	324,453,897.24	142,614,456.42

Item	2023	2022
Selling expenses	5,166,844,506.28	3,169,263,472.82
General and administrative expenses	873,167,416.41	612,314,748.77
R&D expenses	2,447,389,317.47	1,692,156,198.42
Financial expenses	20,595,018.70	-477,244,161.25
Including: Interest expense	318,936,658.27	209,088,016.88
Interest income	198,329,706.84	77,821,870.16
Add: Other income	266,145,031.37	220,935,253.06
Investment gains (or losses)	96,558,622.32	40,338,523.02
Including: Share of gains of associates and joint ventures	-2,984,635.20	-2,286,676.64
Gains from derecognition of financial assets measured at amortized cost		
Exchange gains (or losses)		
Net exposure hedging gains (or losses)		
Gains (or losses) on the changes in fair value	36,192,212.68	-29,610,984.47
Credit impairment losses	-727,817,342.49	-456,447,435.65
Assets impairment losses	-1,300,637,092.52	-374,657,742.38
Gain (or losses) from disposal of assets	-4,638,267.85	-1,741,000.52
III. Operating profit (or loss)	11,466,454,433.70	4,141,144,502.90
Add: Non-operating income	25,159,042.65	9,156,115.54
Less: Non-operating costs	31,650,315.31	16,339,008.39
IV. Profit (or loss) before tax	11,459,963,161.04	4,133,961,610.05
Less: Income tax expense	1,851,223,389.07	438,388,242.74
V. Net profit (or loss)	9,608,739,771.97	3,695,573,367.31
(1) Categorized by operation continuity		
1. Net profit (or loss) from continuing operations	9,608,739,771.97	3,695,573,367.31
2. Net profit (or loss) from discontinuing operations		
(2) Categorized by ownership		
1. Net profit attributable to shareholders of parent company	9,439,561,800.25	3,593,446,514.09
2. Net profit attributable to non-controlling interests	169,177,971.72	102,126,853.22
VI. Other comprehensive income, net of tax	205,116,106.60	-7,899,020.61
Other comprehensive income, net of tax, attributable to shareholders of parent company	203,011,213.61	-6,299,086.40
a. Other comprehensive income not be reclassified as profit or loss		
1. Remeasurement gains or losses of a defined benefit plan		
2. Other comprehensive income not to be reclassified as profit or loss using the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise's own credit risk		
5. Others		
b. Other comprehensive income to be reclassified as profit or loss	203,011,213.61	-6,299,086.40
1. Other comprehensive income to be reclassified as profit or loss using equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		

Item	2023	2022
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves	-281,692.50	281,692.50
6. Exchange differences on translation of foreign currency financial	203,292,906.11	-6,580,778.90
7. Others		
Other comprehensive income, net of tax, attributable to non-controlling interests	2,104,892.99	-1,599,934.21
VII. Total comprehensive income	9,813,855,878.57	3,687,674,346.70
Total comprehensive income attributable to owners of parent company	9,642,573,013.86	3,587,147,427.69
Total comprehensive income attributable to non-controlling interests	171,282,864.71	100,526,919.01
VIII. Earnings per share		
(1) Basic earnings per share	6.36	2.42
(2) Diluted earnings per share	6.36	2.42

Legal Representative: Cao Renxian

Chief Accountant: Tian Shuai

Head of Accounting Department: Li Pan

4. Income Statement of Parent Company

(in CNY)

Item	2023	2022
I. Operating revenue	37,321,678,590.58	26,798,345,232.68
Less: Operating costs	23,356,714,305.38	20,736,938,957.77
Taxes and surcharges	184,254,854.76	89,454,540.58
Selling expenses	1,535,457,794.43	1,121,725,628.76
General and administrative expenses	407,053,310.39	294,158,951.57
R&D expenses	1,679,755,029.12	1,108,693,906.17
Financial expenses	-308,921,861.88	-387,191,420.14
Including: Interest expense	25,051,165.78	24,305,403.72
Interest income	132,016,709.02	75,655,482.56
Add: Other income	89,069,732.35	70,596,800.23
Investment gains (or losses)	742,350,027.68	434,746,619.98
Including: Share of gains of associates and joint ventures	-6,167,283.56	-2,408,049.57
Gains (or losses) from derecognition of financial assets measured at amortized cost		
Net exposure hedging gains (or losses)		
Gains (or losses) on the changes in fair value	53,915,750.12	-506,748.31
Credit impairment losses	-177,336,989.70	-447,759,303.14
Assets impairment losses	-204,710,292.22	-15,264,193.57
Gain (or losses) from disposal of assets	-1,611,581.06	86,130.64
II. Operating profit (or loss)	10,969,041,805.55	3,876,463,973.80
Add: Non-operating income	14,297,511.32	4,704,919.95
Less: Non-operating costs	9,366,929.68	5,014,049.48
III. Total profit (or loss)	10,973,972,387.19	3,876,154,844.27
Less: Income tax expense	1,367,093,493.15	380,412,241.41
V. Net profit (or loss)	9,606,878,894.04	3,495,742,602.86
a. Net profit (or loss) from continuing operations	9,606,878,894.04	3,495,742,602.86
b. Net profit (or loss) from discontinuing operations		

Item	2023	2022
V. Other comprehensive income, net of tax	-281,692.50	281,692.50
a. Other comprehensive income not to be reclassified as profit or loss		
1. Remeasurement gains or losses of a defined benefit plan		
2. Other comprehensive income not to be reclassified as profit or loss using the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise's own credit risk		
5. Others		
b. Other comprehensive income to be reclassified as profit or loss	-281,692.50	281,692.50
1. Other comprehensive income to be reclassified as profit or loss using equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserves	-281,692.50	281,692.50
6. Exchange differences on translation of foreign currency financial		
7. Others		
VI. Total comprehensive income	9,606,597,201.54	3,496,024,295.36
VII. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

5. Consolidated Statement of Cash Flows

(in CNY)

Item	2023	2022
I. Cash flows from operating activities		
Cash receipts from the sale of goods and the rendering of services	61,905,685,054.30	38,113,475,847.04
Net increase in customer bank deposits and due to banks and other financial institutions		
Net increase in loans from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash premiums received on original insurance contracts		
Net cash received from re-insurance business		
Net increase in deposits and investments from insurers		
Cash received from interest, fees and commission		
Net increase in funds deposit		
Net increase in repurchase business funds		
Net income from securities trading brokerage business		
Tax refunds received	1,910,464,684.09	2,010,210,787.57
Cash received relating to other operating activities	1,093,633,476.16	636,129,354.20

Item	2023	2022
Sub-total of cash inflows	64,909,783,214.55	40,759,815,988.81
Cash paid for purchase of goods and services	47,378,838,109.93	32,223,692,792.32
Net increase in loans and payments on behalf of customers		
Net increase in deposits with central bank and other financial institutions		
Payments for claims for original insurance contracts		
Net increase in funds lent		
Cash paid for interest, fees and commission		
Commissions on insurance policies paid		
Cash paid to and on behalf of employee	3,919,184,125.68	2,905,936,662.96
Cash paid for taxes	2,925,533,794.68	1,983,956,956.63
Cash paid relating to other operating activities	3,704,388,206.98	2,435,731,091.01
Sub-total of cash outflows	57,927,944,237.27	39,549,317,502.92
Net cash flows from operating activities	6,981,838,977.28	1,210,498,485.89
II. Cash flows from investing activities:		
Cash received from disposal of investments	23,445,934,178.93	14,661,894,272.35
Cash received from investment income	99,611,189.52	13,728,203.53
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	-1,409,268.89	9,368,073.62
Cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflows	23,544,136,099.56	14,684,990,549.50
Cash paid for purchase/construction of fixed assets, intangible assets and other non-current assets	2,741,238,644.00	1,526,766,108.85
Cash paid for investments	24,633,662,834.72	12,812,669,124.27
Net increase in secured loans		
Net cash paid for acquisition of a subsidiary and other operating units	-9,608,508.09	
Cash paid relating to other investing activities		
Sub-total of cash outflows	27,365,292,970.63	14,339,435,233.12
Net cash flows from investing activities	-3,821,156,871.07	345,555,316.38
III. Cash flows from financing activities:		
Cash received from investment	1,012,744,912.50	15,000,000.00
Including: Cash receipts from capital contributions from non-controlling interests of subsidiaries	959,998,500.00	15,000,000.00
Proceeds from borrowings	6,849,766,421.53	8,870,222,959.85
Cash receipts relating to other financing activities	2,110,483,282.13	1,064,751,941.30
Subtotal of cash inflows	9,972,994,616.16	9,949,974,901.15
Repayments for debts	3,560,563,814.12	5,678,221,694.06
Cash payments for distribution of dividends or profit and interest expenses	640,318,279.02	351,615,275.80
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries	37,595,727.30	
Cash payments relating to other financing activities	2,492,603,592.17	2,173,420,467.94
Subtotal of cash outflows	6,693,485,685.31	8,203,257,437.80
Net cash flows from financing activities	3,279,508,930.85	1,746,717,463.35
IV. Effect of exchange rate changes on cash and cash	24,738,607.63	-60,678,401.58

Item	2023	2022
equivalents		
V. Net increase in cash and cash equivalents	6,464,929,644.69	3,242,092,864.04
Add: Cash and cash equivalents at beginning of the period	9,802,092,656.80	6,559,999,792.76
VI. Cash and cash equivalents at end of the period	16,267,022,301.49	9,802,092,656.80

6. Statement of Cash Flows of Parent Company

(in CNY)

Item	2023	2022
I. Cash flows from operating activities		
Cash receipts from the sale of goods and the rendering of services	33,393,260,474.98	21,311,183,225.00
Tax refunds received	1,353,859,576.51	1,147,907,367.79
Cash received relating to other operating activities	260,602,342.64	190,264,372.84
Sub-total of cash inflows	35,007,722,394.13	22,649,354,965.63
Cash paid for purchase of goods and services	22,346,864,428.08	16,517,692,526.60
Cash paid to and on behalf of employee	1,597,003,312.62	1,275,541,506.39
Cash paid for taxes	606,106,105.13	417,527,277.33
Cash paid relating to other operating activities	2,090,113,582.90	1,213,446,733.19
Sub-total of cash outflows	26,640,087,428.73	19,424,208,043.51
Net cash flows from operating activities	8,367,634,965.40	3,225,146,922.12
II. Cash flows from investing activities:		
Cash received from disposal of investments	22,901,050,502.93	13,338,421,935.62
Cash received from investment income	368,517,311.24	107,506,947.55
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	50,042.63	25,086,997.75
Cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		2,019,346,250.00
Sub-total of cash inflows	23,269,617,856.80	15,490,362,130.92
Cash paid for purchase/construction of fixed assets, intangible assets and other non-current assets	1,377,398,308.87	853,811,119.38
Cash paid for investments	25,467,532,068.00	12,442,801,480.00
Net increase in secured loans		
Net cash paid for acquisition of a subsidiary and other operating units	921,372,338.90	2,267,731,705.99
Cash paid relating to other investing activities	27,766,302,715.77	15,564,344,305.37
Sub-total of cash outflows	-4,496,684,858.97	-73,982,174.45
Net cash flows from investing activities		
III. Cash flows from financing activities:	52,746,412.50	
Cash received from investment	12,122,000.00	1,209,531,000.00
Cash received from borrowings	2,716,599,774.59	134,997,884.97
Cash receipts relating to other financing activities	2,781,468,187.09	1,344,528,884.97
Subtotal of cash inflows	113,641,000.00	726,205,196.00
Repayments for debts	350,502,484.73	182,657,721.65
Cash payments for distribution of dividends or profit and interest expenses	1,436,611,304.72	736,422,321.35
Cash payments relating to other financing activities	1,900,754,789.45	1,645,285,239.00

Item	2023	2022
Net cash flows from financing activities	880,713,397.64	-300,756,354.03
IV. Effect of exchange rate changes on cash and cash equivalents	23,432,884.88	-52,497,688.47
V. Net increase in cash and cash equivalents	4,775,096,388.95	2,797,910,705.17
Add: Cash and cash equivalents at beginning of the period	6,925,024,941.28	4,127,114,236.11
VI. Cash and cash equivalents at end of the period	11,700,121,330.23	6,925,024,941.28

7. Consolidated Statement of Changes in Equity

Current amount

(in CNY)

Item	2023														
	Equity attributable to owners of the parent												Non-controlling interests	Total owners' equity	
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others			Subtotal
	Preference share	Perpetual debt	Others												
I. Balance at the end of previous year	1,485,190,984.00				7,052,840,542.50	520,749,625.73	30,520,376.52		1,066,201,017.69		9,613,342,847.73		18,666,305,389.67	1,070,689,811.07	19,736,995,200.74
Add: changes in accounting policies					38,645.81				15,766.30		933,957.34		988,369.45	240,271.40	1,228,640.85
Corrections of prior period errors															
Others															
II. Balance at the beginning of the year	1,485,190,984.00				7,052,791,188.31	520,749,625.73	30,520,376.52		1,066,216,783.99		9,614,276,805.07		18,667,293,759.12	1,070,930,082.47	19,738,223,841.59
III. Increase (or decrease) during the period	-40,000.00				553,296,682.18	860,318,358.03	203,011,213.61	27,728,572.97			9,114,246,494.55		9,037,924,605.28	678,347,846.85	9,716,272,452.13
a. Total comprehensive income							203,011,213.61				9,439,561,800.25		9,642,573,013.86	169,177,971.72	9,811,750,985.58
b. Owners' contribution and reduction	-40,000.00				122,883,862.87								122,843,862.87	973,754,916.85	1,096,598,779.72

Item	2023														
	Equity attributable to owners of the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others	Subtotal		
	Preference share	Perpetual debt	Others												
1. Owners' contribution in ordinary share	- 40,000 .00				- 153,180 .00								- 193,18 0.00	959,998,5 00.00	959,80 5,320. 00
2. Contribution from other equity instruments															
3. Amount of share-based payments recognized in equity					123,037 ,042.87								123,03 7,042. 87	13,756,41 6.85	136,79 3,459. 72
4. Others															
c. Profit distribution													- 325,31 5,305. 70	- 37,595,72 7.30	- 362,91 1,033. 00
1. Transfer to surplus reserve															
2. Transfer to general reserve															
3. Distribution to owner (or shareholder)													- 325,31 5,305. 70	- 37,595,72 7.30	- 362,91 1,033. 00
4. Others															
d. Transfer within equity															
1. Capital reserves converted to share capital															

Item	2023														
	Equity attributable to owners of the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others	Subtotal		
	Preference share	Perpetual debt	Others												
2. Surplus reserves converted to share capital															
3. Loss made up by surplus reserves															
4. Changes in the defined benefit plan transferred to retained earnings															
5. Other comprehensive income transferred to retained earnings															
6. Others															
e. Special reserve															
													27,728,572.97	1,629,782.36	29,358,355.33
1. Additions													39,006,173.61	1,629,782.36	40,635,955.97
2. Utilization													11,277,600.64		11,277,600.64
f. Others													-	-	-
					430,412,819.31	860,318,358.03							429,905,538.72	428,619,096.78	858,524,635.50

Item	2023														
	Equity attributable to owners of the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others	Subtotal		
	Preference share	Perpetual debt	Others												
IV. Balance at the end of the period	1,485,150,984.00				7,606,175,870.49	1,381,067,983.76	172,490,837.09	27,728,572.97	1,066,216,783.99		18,728,523.299.62		27,705,218.364.40	1,749,277,929.32	29,454,496.293.72

Last period amount

(in CNY)

Item	2022														
	Equity attributable to owners of the parent													Non-controlling interests	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others	Subtotal		
	Preference share	Perpetual debt	Others												
I. Balance at the end of previous year	1,485,215,984.00				6,959,695,649.18	15,133,520.00	-24,221,290.12		716,612,746.04		6,532,893.916.61		15,655,063,485.71	1,048,614,563.05	16,703,678,048.76
Add: changes in accounting policies					38,645.81				29,777.66		883.441.15		951,864.62	139,267.23	1,091,131.85
Corrections of prior period errors															
Others															
II. Balance at the beginning of the year	1,485,215,984.00				6,959,734,294.99	15,133,520.00	-24,221,290.12		716,642,523.70		6,533,777.357.76		15,656,015,350.33	1,048,753,830.28	16,704,769,180.61
III. Increase (or decrease) during the period	-25,000.00				93,144,893.32	505,616,105.73	-6,299,086.40		349,574,260.29		3,080,499.447.31		3,011,278,408.79	22,176,252.19	3,033,454,660.98
a. Total comprehensive income							-6,299,086.40				3,593,446.514.09		3,587,147,427.69	102,126,853.22	3,689,274,280.91
b. Owners' contribution and reduction	-25,000.00				118,536,062.03	505,616,105.73							-387,105,043.70	-4,729,545.53	-391,834,589.23
1. Owners' contribution in ordinary share	-25,000.00				-101,237.94								-126,237.94	-4,729,545.53	-4,855,783.47

retained earnings															
6. Others															
e. Special reserve															
1. Additions								1,165,580.09				1,165,580.09		1,165,580.09	
2. Utilization								1,165,580.09				1,165,580.09		1,165,580.09	
f. Others					-							-	-	-	
					25,391,168.71							25,391,168.71	75,221,055.50	100,612,224.21	
IV. Balance at the end of the period	1,485,190,984.00				7,052,879,188.31	520,749,625.73	-	30,520,376.52	1,066,216,783.99		9,614,276.805.07	18,667,293,759.12	1,070,930,082.47	19,738,223,841.59	

8. Statement of Changes in Owners' Equity of Parent Company

Current amount

(in CNY)

Item	2023											Total Owners' Equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	
		Preference share	Perpetual debt	Others								
I. Balance at the end of previous year	1,485,190,984.00				7,146,687,476.79	520,749,625.73	281,692.50		1,066,201,017.69	8,636,973,267.33		17,814,584,812.58
Add: changes in accounting policies									15,766.30	141,896.66		157,662.96
Corrections of prior period errors												
Others												
II. Balance at the beginning of the year	1,485,190,984.00				7,146,687,476.79	520,749,625.73	281,692.50		1,066,216,783.99	8,637,115,163.99		17,814,742,475.54

Item	2023											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	Total Owners' Equity
		Preference share	Perpetual debt	Others								
III. Increase (or decrease) during the period	-40,000.00				59,353,449.10	860,318,358.03	-281,692.50	11,303,424.15		9,281,563,588.34		8,491,580,411.06
a. Total comprehensive income							-281,692.50			9,606,878,894.04		9,606,597,201.54
b. Owners' contribution and reduction	-40,000.00				59,353,449.10							59,313,449.10
1. Owners' contribution in ordinary share	-40,000.00				-153,180.00							-193,180.00
2. Contribution from other equity instruments												
3. Amount of share-based payments recognized in equity					59,506,629.10							59,506,629.10
4. Others												
c. Profit distribution										-325,315,305.70		-325,315,305.70
1. Transfer to surplus reserve												
2. Distribution to owner (or shareholder)										-325,315,305.70		-325,315,305.70
3. Others												
d. Transfer within equity												
1. Capital reserves converted to share capital												
2. Surplus reserves converted to share capital												
3. Loss made up by surplus reserves												

Item	2023											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	Total Owners' Equity
		Preference share	Perpetual debt	Others								
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
e. Special reserve							11,303,424.15					11,303,424.15
1. Additions							18,509,172.62					18,509,172.62
2. Utilization							7,205,748.47					7,205,748.47
f. Others						860,318,358.03						-860,318,358.03
IV. Balance at the end of the period	1,485,150,984.00				7,206,040,925.89	1,381,067,983.76	11,303,424.15	1,066,216,783.99	17,918,678,752.33			26,306,322,886.60

Previous period amount

(in CNY)

Item	2022											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	Total Owners' Equity
		Preference share	Perpetual debt	Others								
I. Balance at the end of previous year	1,485,215,984.00				7,074,553,205.11	15,133,520.00		716,612,746.04	5,654,051,628.97			14,915,300,044.12
Add: changes in accounting policies								29,777.66	267,998.94			297,776.60
Corrections of prior period errors												
Others												
II. Balance at the beginning of the year	1,485,215,984.00				7,074,553,205.11	15,133,520.00		716,642,523.70	5,654,319,627.91			14,915,597,820.72

Item	2022											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	Total Owners' Equity
		Preference share	Perpetual debt	Others								
III. Increase (or decrease) during the period	-25,000.00				72,134,271.68	505,616,105.73	281,692.50		349,574,260.29	2,982,795,536.08		2,899,144,654.82
a. Total comprehensive income							281,692.50			3,495,742,602.86		3,496,024,295.36
b. Owners' contribution and reduction	-25,000.00				72,134,271.68	505,616,105.73						-433,506,834.05
1. Owners' contribution in ordinary share	-25,000.00				-101,237.94							-126,237.94
2. Contribution from other equity instruments												
3. Amount of share-based payments recognized in equity					72,235,509.62	505,616,105.73						-433,380,596.11
4. Others												
c. Profit distribution									349,574,260.29	-512,947,066.78		-163,372,806.49
1. Transfer to surplus reserve									349,574,260.29	-349,574,260.29		
2. Distribution to owner (or shareholder)										-163,372,806.49		-163,372,806.49
3. Others												
d. Transfer within equity												
1. Capital reserves converted to share capital												
2. Surplus reserves converted to share capital												
3. Loss made up by surplus reserves												

Item	2022											
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Others	Total Owners' Equity
		Preference share	Perpetual debt	Others								
4. Changes in the defined benefit plan transferred to retained earnings												
5. Other comprehensive income transferred to retained earnings												
6. Others												
e. Special reserve												
1. Additions								290,881.03				290,881.03
2. Utilization								290,881.03				290,881.03
f. Others												
IV. Balance at the end of the period	1,485,190,984.00				7,146,687,476.79	520,749,625.73	281,692.50		1,066,216,783.99	8,637,115,163.99		17,814,742,475.54