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凱盛新能源股份有限公司
Triumph New Energy Company Limited

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

(Stock code: 01108)

INSIDE INFORMATION
ANNOUNCEMENT ON ACCRUAL AND WRITE-OFF OF ASSETS IMPAIRMENT PROVISION FOR 2024

This announcement is made by Triumph New Energy Company Limited (the "**Company**") pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), and Rule 13.09 and Rule 13.10B of the Listing Rules.

The board (the "**Board**") of directors (the "**Directors**") of the Company and all Directors warrant the truthfulness, accuracy and completeness of the contents in this announcement, and accept joint responsibilities for any false information, misleading statements or material omissions in this announcement.

On 28 March 2025, the Company convened the 31st meeting of the tenth session of the Board and the 2025 first meeting of the supervisory committee of the Company, at which the "Resolution on Accrual and Write-off of Assets Impairment Provision for 2024" was considered and passed, the contents of which are as follows:

I. SUMMARY OF THE ACCRUAL OF PROVISION FOR ASSETS IMPAIRMENT

According to the "Accounting Standards for Business Enterprises" of the People's Republic of China (the "**PRC**") and the relevant requirements under the accounting policies of the Company, in order to objectively and truly reflect the Company's financial position and results of operations for the year ended 31 December 2024 (the "**Year 2024**" or the "**Reporting Period**"), based on the principle of prudence, the Company conducted a comprehensive inventory of all assets, including receivables, inventories, and fixed assets, as at 31 December 2024, and tested for impairment for assets for which there might be indications of impairment, and made corresponding provisions for impairment after recognition or measurement. At the same time, assets that meet the conditions for recognition as financial write-offs are recognised and written off.

II. PARTICULARS OF THE ACCRUAL OF PROVISION FOR EACH ASSETS IMPAIRMENT

(I) Credit impairment losses

The Company recognized loss provision for receivables based on expected credit losses. The probability-weighted amount of the difference in present value between the cash flow of receivables from contracts and the cash flow expected to be received, weighted with the risk of default, will be measured by taking into account reasonable and valid information on, among other things, past events, current status and forecast of future economic conditions. Remeasurement of expected credit losses at the end of the Reporting Period, and the resulting increase or reversal of the amount of the allowance for losses should be recognised in profit or loss as an impairment loss or gain against the carrying amount of the asset as stated in the balance sheet.

After testing, the total amount of credit impairment losses of RMB6,498,500 was recognised for the Year 2024:

1. A credit impairment loss of RMB6,476,700 was provided for due to the prolongation of the aging of certain accounts receivable;

2. A credit impairment loss of RMB1,185,900 was provided for other receivables due to the extended aging of certain other receivables;

3. A credit impairment loss of RMB1,164,100 was reversed due to the decrease in the closing balance of commercial bills of exchange.

(II) Provision for inventories impairment

As a result of the multiple challenges of intensified competition, accelerated technology iteration and imbalance between supply and demand in the market in the PV industry, the industry entered into a cycle of deep adjustment, and the prices of our products dropped significantly during the Reporting Period. At the end of the Reporting Period, the Company conducted a comprehensive inventory of inventories, tested the realisable value and made a provision of RMB129,477,900 for the decline in value of inventories based on the lower of the cost of inventories and the net realisable value.

(III) Write-off of assets

During the Reporting Period, the Company wrote off a total of RMB1,156,600 in accounts receivable. The accounts receivable were old and consist of two parts: one part was those that cannot be recovered as the debtor has already been deregistered, and the other part was those that is difficult to recover with relatively small balance for a single debtor (below RMB10,000). The lawyers of the Company issued a legal opinion stating that there is a high possibility of losing the lawsuit if it enters into litigation. The forensic report issued by Grant Thornton LLP was of the view that the write-off complied with the Notice on Issuing the Financial Write-off Work Rules for Asset Impairment Provision of Central Enterprises* (《關於印發中央企業資產減值準備財務核銷工作規則的通知》).

The receivables of RMB1,156,600 which were written off by the Company during the Reporting Period had been fully impaired in previous years and did not affect the Company's profit or loss for the Reporting Period. The write-off was in compliance with the requirements of the "Accounting Standards for Business Enterprises" and the relevant systems of the Company.

III. THE IMPACT OF THE ACCRUAL OF ASSETS IMPAIRMENT PROVISION ON THE RESULTS OF THE COMPANY DURING THE REPORTING PERIOD

The Company recognised assets impairment provision of RMB135,976,400 in total for the Year 2024, and, the amount of effect on net profit attributable to shareholders of the Company amounted to RMB119,599,000 after deducting the factors of income tax and minority interests.

IV. REVIEW PROCEDURES FOR THE ACCRUAL AND WRITE-OFF OF ASSETS IMPAIRMENT PROVISION

The audit committee of the Board considered and approved the "Resolution on Accrual and Write-off of Assets Impairment Provision for 2024" at its first meeting in 2025. The audit committee is of the view that the accrual and write-off of assets impairment provision of the Company is in compliance with and consistent with the provisions of the "Accounting Standards for Business Enterprises" and the relevant accounting policies of the Company, and that the basis for the provision of impairment allowance for each asset is sufficient and consistent with the current status of the Company's assets. The provision and write-off of impairment allowances is based on the principle of prudence, which is conducive to a fairer reflection of the Company's financial position, asset value and operating results, and makes the Company's accounting information more reasonable.

The "Resolution on Accrual and Write-off of Assets Impairment Provision for 2024" was considered and approved at the 31st meeting of the tenth session of the Board. The Board is of the opinion that, after the provision for asset impairment and write-offs in accordance with the "Accounting Standards for Business Enterprises" and the Company's accounting policies and other provisions, the Company's 2024 financial statements fairly presents the financial position, asset values and operating results as of 31 December 2024, and the Company's accounting information is more reasonable.

The "Resolution on Accrual and Write-off of Assets Impairment Provision for 2024" was considered and approved at the 2025 first meeting of the supervisory committee of the Company. The supervisory committee of the Company is of the view that, the decision-making procedure of the accrual of assets impairment provision of the Company is legal with sufficient foundations. The accrual was in compliance with the "Accounting Standards for Business Enterprises" of the PRC and other relevant regulations and fairly reflected the asset conditions of the Company upon the accrual.

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

Luoyang, the PRC
28 March 2025

As at the date of this announcement, the Board comprises four executive Directors: Mr. Xie Jun, Mr. Zhang Rong, Mr. He Qingbo and Mr. Chen Peng; one non-executive Director: Ms. Wu Dan; and three independent non-executive Directors: Mr. Chen Qisuo, Mr. Fan Baoqun and Ms. Yuan Jian.

* *For identification purpose only*