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Concord New Energy Group Limited

協合新能源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 182)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “Directors”) of Concord New Energy Group Limited (the “Company”) announces the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025, together with the comparative figures for the corresponding period in 2024. These consolidated financial statements are unaudited but have been reviewed by the Company’s audit committee.

**for identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the six months ended 30 June 2025 – Unaudited**(Expressed in RMB)*

		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	2,3	1,400,319	1,498,857
Cost of sales and services rendered		(731,290)	(646,764)
Gross profit		669,029	852,093
Other income	4	53,960	76,577
Other gains and losses, net	5	24,070	(724)
Impairment losses under expected credit loss model, net of reversal		(2,306)	-
Distribution and selling expenses		(3,668)	(6,051)
Administrative expenses		(160,838)	(162,642)
Finance costs	6	(315,461)	(340,563)
Share of profit of joint ventures, net		82,550	94,466
Share of profit of associates, net		(825)	8,205
Profit before income tax		346,511	521,361
Income tax (expenses) / credit	7	(54,472)	26,097
Profit for the period		292,039	547,458
Attributable to:			
Equity shareholders of the Company		281,940	501,370
Non-controlling interests of the Company		10,099	46,088
Profit for the period		292,039	547,458
Earnings per share			
Basic earnings per share (<i>RMB cents</i>)	8(a)	3.58	6.24
Diluted earnings per share (<i>RMB cents</i>)	8(b)	3.58	6.23

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*For the six months ended 30 June 2025 – Unaudited**(Expressed in RMB)*

	2025	2024
	<i>RMB'000</i>	RMB'000
Profit for the period	292,039	547,458
Other comprehensive income:		
Item that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	11,721	(6,475)
Other comprehensive income for the period, net of tax	11,721	(6,475)
Total comprehensive income for the period	303,760	540,983
Attributable to:		
Equity shareholders of the Company	293,675	495,141
Non-controlling interests of the Company	10,085	45,842
Total comprehensive income for the period	303,760	540,983

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025– Unaudited

(Expressed in RMB)

		30 June 2025	31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		20,422,587	17,247,835
Right-of-use assets		1,576,363	1,400,314
Intangible assets		705,623	659,835
Interests in associates		752,940	761,872
Interests in joint ventures		2,019,489	2,147,270
Financial assets at fair value through profit or loss		125,157	125,157
Prepayments, deposits and other receivables		1,487,762	1,392,813
Finance lease receivables		133,065	177,746
Loan receivables		2,346	11,673
Deferred tax assets		86,158	61,266
		<u>27,311,490</u>	<u>23,985,781</u>
Current assets			
Inventories		22,264	19,217
Contract assets		55,870	78,815
Trade and bills receivables	10	1,743,833	1,648,792
Prepayments, deposits and other receivables		1,097,396	929,927
Finance lease receivables		44,424	48,066
Loan receivables		1,917	16,175
Amounts due from associates		1,042	53,121
Amounts due from joint ventures		444,144	287,109
Financial assets at fair value through profit or loss		83,741	55,733
Cash and cash equivalents		1,983,096	1,693,834
Restricted deposits		338,597	535,354
Assets held for sale	11	84,877	2,777,915
		<u>5,901,201</u>	<u>8,144,058</u>
Total assets		<u><u>33,212,691</u></u>	<u><u>32,129,839</u></u>
LIABILITIES			
Non-current liabilities			
Bank borrowings		6,206,205	4,809,590
Other borrowings		11,515,808	9,296,012
Lease liabilities		498,133	418,543
Deferred tax liabilities		2,772	20,052
Deferred government grants		4,081	4,261
Payables for construction in progress, other payables and accruals		633,227	730,050
Financial guarantee contract liabilities		11,019	4,772
		<u>18,871,245</u>	<u>15,283,280</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 30 June 2025 – Unaudited**(Expressed in RMB)*

		30 June 2025	31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current liabilities			
Trade and bills payables	12	468,675	589,014
Payables for construction in progress, other payables and accruals		2,579,523	2,552,221
Contract liabilities		40,628	25,029
Amounts due to associates		21,541	70
Amounts due to joint ventures		39,724	52,010
Bank borrowings		1,012,624	924,967
Other borrowings		1,129,389	1,167,151
Lease liabilities		61,889	33,561
Financial guarantee contract liabilities		2,190	3,774
Current income tax liabilities		44,684	50,640
Liabilities directly associated with the assets held for sale	11	40,530	2,541,816
		<u>5,441,397</u>	<u>7,940,253</u>
Total liabilities		<u>24,312,642</u>	<u>23,223,533</u>
Net current assets		<u>459,804</u>	<u>203,805</u>
Total assets less current liabilities		<u>27,771,294</u>	<u>24,189,586</u>
Net assets		<u>8,900,049</u>	<u>8,906,306</u>
EQUITY			
Share capital	13	67,422	68,390
Reserves		8,645,150	8,646,560
Total equity attributable to equity shareholders of the Company		<u>8,712,572</u>	<u>8,714,950</u>
Non-controlling interests		<u>187,477</u>	<u>191,356</u>
Total equity		<u>8,900,049</u>	<u>8,906,306</u>

NOTES

1 Basis of preparation and changes in accounting policies and disclosures

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 1 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Concord New Energy Group Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the HKICPA.

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 Segment information

Business segments

The management has determined the operating segments based on the internal reports reviewed and used by executive directors of the Company, who are the chief operating decision markers (“CODM”), for strategic decision making.

The CODM consider the business from a product and service perspective. The Group is organised into certain business units according to the nature of the products sold or services provided. The CODM review operating results and financial information of each business unit separately. Accordingly, each business unit (including joint ventures and associates) is identified as an operating segment. These operating segments with similar economic characteristics and similar nature of products sold or services provided have been aggregated into the following reporting segments.

- Power generation segment – operation of wind and solar power plants through subsidiaries, generating electric power for sale to external power grid companies, investing in power plants through joint ventures and associates;
- “Others” segment – provision of design, technical and consultancy services, undertaking electrical engineering and construction of power plant projects, and stock finance lease services.

The CODM assess the performance of the operating segments based on a measure of adjusted earnings before interest and income tax. This measurement basis excludes the effects of non-recurring income and expenditure from the operating segments.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to the third parties at the then prevailing market prices.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' remuneration, certain other gains and losses, certain other income, finance income and finance costs.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated to operating segments other than assets and liabilities attributable to head office.

Segment revenues and results, and segment assets and liabilities

	Power generation	Others	Elimination	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
For the six months ended 30 June 2025				
Segment revenue				
Sales to external customers	1,335,393*	64,926	-	1,400,319
Inter-segment revenues	-	269,995	(269,995)	-
	<u>1,335,393</u>	<u>334,921</u>	<u>(269,995)</u>	<u>1,400,319</u>
Segment results	625,860	(5,516)	-	620,344
Unallocated other gains and losses, net				21,764
Unallocated income				15,776
Unallocated expenses				(3,955)
Interest revenue				8,043
Finance costs				(315,461)
Profit before income tax				346,511
Income tax expense				(54,472)
Profit for the period				<u>292,039</u>
At 30 June 2025				
Segment assets	31,287,237	1,533,936	-	32,821,173
Unallocated assets				391,518
Total assets				<u>33,212,691</u>
Segment liabilities	(23,412,468)	(449,314)	-	(23,861,782)
Unallocated liabilities				(450,860)
Total liabilities				<u>(24,312,642)</u>

*Revenue from power generation comprised electricity charges and other revenue from wind power plants and solar power plants of RMB1,115,501,000 and RMB219,892,000, respectively.

Segment revenues and results, and segment assets and liabilities

	Power generation	Others	Elimination	Total
	RMB'000	RMB'000	RMB'000	RMB'000
For the six months ended 30 June 2024				
Segment revenue				
Sales to external customers	1,364,318*	134,539	-	1,498,857
Inter-segment revenues	-	189,027	(189,027)	-
	<u>1,364,318</u>	<u>323,566</u>	<u>(189,027)</u>	<u>1,498,857</u>
Segment results	812,081	(5,513)	-	806,568
Unallocated other gains and losses, net				(724)
Unallocated income				33,626
Unallocated expenses				(3,131)
Interest revenue				25,585
Finance costs				(340,563)
Profit before income tax				<u>521,361</u>
Income tax credit				26,097
Profit for the period				<u><u>547,458</u></u>
At 31 December 2024				
Segment assets	30,334,019	1,690,979	-	32,024,998
Unallocated assets				104,841
Total assets				<u><u>32,129,839</u></u>
Segment liabilities	(22,431,730)	(592,044)	-	(23,023,774)
Unallocated liabilities				(199,759)
Total liabilities				<u><u>(23,223,533)</u></u>

*Revenue from power generation comprised electricity charges and other revenue from wind power plants and solar power plants of RMB1,176,495,000 and RMB187,823,000, respectively.

3 Revenue

An analysis of the Group's revenue for six months ended 30 June is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of electricity:		
Basic and trading electricity price	1,170,425	1,188,558
Renewable energy subsidy	153,436	146,391
Green energy certificates	7,211	19,716
Engineering, procurement and construction services	26,217	40,109
Provision of design services	20,658	14,099
Provision of technical and consultancy services	6,763	12,409
Other revenue	6,470	59,751
	1,391,180	1,481,033
Revenue from other source		
Finance lease income	9,139	17,824
Total revenue	1,400,319	1,498,857

4 Other income

An analysis of the Group's other income for six months ended 30 June is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest revenue	8,043	25,585
Government grants:		
— Tax refunds	30,141	17,366
— Others	1,970	1,461
Gain on transfer the right of use of boosting substations	-	18,868
Compensation	3,726	3,822
Guarantee income	1,980	4,014
Rental income	5,003	2,766
Others	3,097	2,695
	53,960	76,577

5 Other gains and losses, net

An analysis of other gains and losses, net is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Reversal of impairment loss on assets held for sale	14,637	-
Gain on disposal of a joint venture, net	11,461	-
Fair value gains on the financial assets at fair value through profit or loss ("FVTPL")	4,155	5,794
Loss on disposal / liquidation of subsidiaries, net	(3,215)	(33)
Exchange loss, net	(1,307)	(4,061)
Gain / (loss) on disposal of property, plant and equipment, net	192	(93)
Others	(1,853)	(2,331)
	<u>24,070</u>	<u>(724)</u>

6 Finance costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest expenses on:		
— Bank borrowings	99,192	97,974
— Other borrowings	238,985	260,603
— Lease liabilities	12,274	6,660
	<u>350,451</u>	<u>365,237</u>
Less: Interest capitalised	(34,990)	(24,674)
	<u>315,461</u>	<u>340,563</u>

7 Income tax expenses / (credit)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current tax:		
— People's Republic of China (the "PRC") corporate income tax	65,422	49,294
— PRC withholding tax	16,842	53,982
Under / (over)-provision in prior years:		
— PRC corporate income tax	9,812	3,618
— PRC withholding tax (note (i))	-	(90,000)
Deferred tax	(37,604)	(42,991)
	<u>54,472</u>	<u>(26,097)</u>

Note (i):

On 25 June 2024, the Company qualified as Hong Kong resident and the Company is entitled to a reduce dividend withholding tax rate at 5% for 2022 and 2023. The Group reversed PRC dividend withholding tax of RMB90,000,000 in relation to declared dividend distribution out of earnings of PRC subsidiaries of RMB1,800,000,000 in 2022 and 2023 with withholding tax previously recognised at a rate of 10%. The Group has received the tax refund in relation to amount paid in previous years from tax authorities in 2024.

8 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the six months ended 30 June 2025.

(i) Profit attributable to ordinary shareholders

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Profit attributable to ordinary shareholders	281,940	501,370

(ii) Weighted-average number of ordinary shares

	Six months ended 30 June	
	2025	2024
	'000	'000
Issued ordinary shares at 1 January	7,982,039	8,444,719
Effect of treasury shares	(113,005)	(412,745)
Weighted-average number of ordinary shares	7,869,034	8,031,974

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares from the share award scheme.

(i) Profit attributable to ordinary shareholders (diluted)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Profit attributable to ordinary shareholders (diluted)	281,940	501,370

(ii) Weighted-average number of ordinary shares (diluted)

	Six months ended 30 June	
	2025	2024
	'000	'000
Weighted-average number of ordinary shares	7,869,034	8,031,974
Effect of share award scheme	4,184	15,426
Weighted-average number of ordinary shares (diluted)	7,873,218	8,047,400

9 Dividend

During the six months ended 30 June 2025, a final dividend of HK\$0.035 per ordinary share in respect of the year ended 31 December 2024 (the year ended 31 December 2023: HK\$0.035) was declared to the shareholders of the Company. The aggregate amount of final dividend declared in the period ended 30 June 2025 equivalent to approximately RMB251,442,000 (the corresponding period of 2024: RMB258,890,000). The dividend was paid on 4 July 2025 (the corresponding period of 2024: 3 July 2024).

The directors of the Company have determined that no dividend will be declared in respect of the period ended 30 June 2025 (the corresponding period of 2024: Nil).

10 Trade and bills receivables

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables, at amortised cost	352,354	348,152
Tariff adjustment receivables, at amortised cost	1,352,241	1,178,858
Bills receivables, at FVTPL	43,508	126,546
	<u>1,748,103</u>	<u>1,653,556</u>
Impairment loss on trade receivables	(4,270)	(4,764)
	<u>1,743,833</u>	<u>1,648,792</u>

As at 30 June 2025, the ageing analysis of the trade receivables, net of allowance for credit losses, presented based on invoice date, is as follows:

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	217,482	238,011
3 to 6 months	45,760	14,224
6 to 12 months	1,734	19,396
1 to 2 years	12,489	66,658
Over 2 years	70,619	5,099
	<u>348,084</u>	<u>343,388</u>

The Group's trade receivables include receivables from the sale of electricity, provision of construction and other services. The Group's credit terms granted to customers ranging from 30 to 180 days. For certain construction projects, the Group generally grants project final acceptance period and retention period to its customers ranging from 1 to 2 years from the date of acceptance according to the contracts signed between the Group and its customers.

As at 30 June 2025, the ageing analysis of the tariff adjustment receivable, based on the revenue recognition date, is as follows:

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	83,391	100,254
3 to 6 months	89,992	77,453
6 to 12 months	177,707	164,713
Over 1 year	1,001,151	836,438
	<u>1,352,241</u>	<u>1,178,858</u>

11 Assets / liabilities classified as held for sale

In August 2024, the Group committed to a plan to sell its entire equity interests in three subsidiaries within the Power generation segment to a third party (the “Disposal”). On 15 January 2025, 17 January 2025 and 27 January 2025, the Group entered into agreements with ACWA Power (Shanghai) Renewable Energy Co., Ltd. (“ACWA Power”) (the “Disposal Agreements”), an independent third party to the Group, pursuant to which the Group has agreed to dispose of its entire entity interest in Yilan County Concord Wind Power Generation Co., Ltd. (“Yilan Concord”), Dachaidan Concord Wind Power Generation Co., Ltd. (“Dachaidan Concord”) and Tonghe County Juting New Energy Co., Ltd. (“Tonghe New Energy”) to ACWA Power at a consideration of RMB506,107,000, RMB65,000,000 and RMB636,241,000, respectively. Accordingly, the assets and liabilities related to these three subsidiaries, which are expected to be sold within twelve months, are classified as held for sale assets and liabilities in the Group’s consolidated statement of financial position as at 31 December 2024.

As certain conditions precedent have not been fulfilled for each of the Disposal Agreements as of 30 June 2025, and ACWA Power and the Group are unable to reach an agreement on any extension for the fulfilment or waiver of those unfulfilled conditions precedent, all the Disposal Agreements have ceased to be legally binding, and all rights and obligations of the parties under the Disposal Agreements were terminated. Accordingly, the assets and liabilities attributable to Yilan Concord, Dachaidan Concord and Tonghe New Energy were reclassified from held-for-sale to held-for-use.

As the change to held-for-sale classification occurred in the current period and its effects were therefore reflected in this period. On reclassification from held-for-sale to held-for-use, non-current asset was remeasured at the lower of its recoverable amount and the carrying amount that would have been recognised had the asset never been classified as held-for-sale. The calculation of this carrying amount includes any depreciation that would have been recognised had the asset not been classified as held-for-sale. As a result, depreciation of RMB 105,061,000 was recognised in “cost of sales and services rendered” and reversal of impairment losses of RMB14,637,000 for write-downs of the held-for-sale assets was recognised in “other gains and losses, net” during the six months ended 30 June 2025.

In April 2025, the Group entered into an agreement with a third party to sell its entire equity interests in one subsidiary within the Power generation segment and this sale is expected to be completed by December 2025. Accordingly, this subsidiary was presented as a disposal group held for sale.

At 30 June 2025, the assets and liabilities attributable to this disposal subsidiary were stated at the lower of their carrying amount and fair value less costs to sell and comprised the following items, which not including the intra-group balances.

	At 30 June 2025
	<i>RMB'000</i>
Property, plant and equipment	66,126
Intangible assets	845
Prepayments, deposits and other receivables	17,794
Cash and cash equivalents	112
Assets held for sale	84,877
Payables for construction in progress, other payables and accruals	40,530
Liabilities held for sale	40,530

12 Trade and bills payables

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	267,541	276,796
Bills payables	201,134	312,218
	468,675	589,014

An ageing analysis of the trade payables based on invoice date is as follows:

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	8,451	19,131
3 to 6 months	5,204	6,947
6 to 12 months	13,636	19,127
1 to 2 years	26,533	15,796
Over 2 years	213,717	215,795
	267,541	276,796

13 Share Capital

Ordinary shares issued of HK\$0.01 each:

	No. of shares '000	Nominal value RMB '000
As at 1 January 2025	7,982,039	68,390
Cancellation of ordinary shares (<i>note (i)</i>)	(104,360)	(968)
As at 30 June 2025	7,877,679	67,422

Note (i):

During the six months ended 30 June 2025, the Group repurchased a total of 104,360,000 ordinary shares of the Company from the market for a total consideration of RMB42,051,000. 104,360,000 ordinary shares of the Company with total par value of RMB968,000 were cancelled and the exceed of costs of repurchase over the par value of the shares was charged to share premium.

Treasury shares

As at 30 June 2025, 58,400,000 ordinary shares are held as treasury shares of the Company (31 December 2024: 75,650,000 ordinary shares).

14 Comparative figures

During the six months ended 30 June 2024, the revenue derived from certain transactions was recognised with gross basis, the Group has revisited the arrangement and related revenue has been reflected in consolidated financial statements for the year ended 31 December 2024 with net basis. The Group has adjusted comparative figures related to revenue and cost of sales and services rendered for the six months ended 30 June 2024. These adjustments have no impact on the Group's profit for the six months ended 30 June 2024 and retained earnings as at 1 January 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS ENVIRONMENT

In the first half of 2025, the global renewable energy industry sustained its rapid growth trend. Driven by declining financing rates and growing demand for clean energy, global clean energy investment maintained its steady growth. According to the International Energy Agency, global investment in renewable energy, energy storage, and power grids is projected to increase by 2% year-on-year to US\$2.2 trillion in 2025. China, the United States, and the European Union remain the top three regions for investment, while Southeast Asia, Latin America, and the Middle East are also demonstrating strong growth potential.

The continuous breakthroughs in technology and application scale of artificial intelligence drive the surge of global investment in AI data centers. This investment trend has become a significant driver for renewable energy investment and power grid construction.

China's wind and solar power installed capacity sustained its rapid growth momentum. As of the end of June 2025, the cumulative installed capacity of wind and solar power reached 1,670 GW, historically surpassing the capacity of thermal power, a milestone marking China's rapid transition toward a New Power System with high proportions of renewable energy integration. Currently, after years of high-speed growth, China's overall growth rate of electricity demand is gradually slowing. In regions with abundant renewable energy resources, the grid's flexibility and integration capacity have become insufficient, resulting in an increasingly severe renewable energy curtailment issue. The pressure from this structural supply-demand imbalance is transmitted to electricity prices via market transactions, placing pressure on the overall profitability of renewable energy assets.

The Chinese government has accelerated power market reforms, announcing the full market-oriented trading coverage for new energy five years ahead of the previous timetable. Provinces and cities have successively established price settlement mechanisms to support the sustainable development of renewables. Additionally, the government is advancing direct green power supply in an orderly manner, enhancing the green certificate consumption system and its international recognition, and steadily guiding more industries to adopt green certificates, which has driven a rebound in their prices from a low point.

(1) Wind Power Continues Incremental Innovation, Market Prices Show Regional Differentiation

The upsizing trend of wind turbine capacity has slowed, while R&D in wind power technology is showing incremental innovation across multiple sub-fields to enhance overall performance. Innovative hybrid towers can reduce tower-sweeping risks, increase load-bearing capacity, and improve the convenience of installation and transportation. New turbines with grid-forming technology can enhance the operational stability of the New Power System. Artificial intelligence is being applied to improve turbine design, optimize dispatch, and increase O&M efficiency.

In the first half of 2025, international wind turbine prices rose year-on-year due to supply chain cost pass-through, tariffs, and limited competition. Despite a slight rebound driven by factors like short-term installation rushes, wind turbine prices in the Chinese market stayed largely low.

(2) Solar PV Innovation Supports Expanding Applications, Prices Remain Low Overall

As the current mainstream N-type module technology, TOPCon continues to iterate and improve. The penetration rate of back-contact (BC) technology has risen, while more manufacturers have launched module products based on perovskite technology. Specialized PV modules have become increasingly diverse, including those optimized for aquatic environments, BIPV modules suitable for vertical installation, and products with enhanced anti-shading and anti-soiling performance tailored to various application scenarios. The power output of string inverters continues to increase, with new products exceeding 450 kW per unit, contributing to a further reduction in overall LCOE (Levelized Cost of Energy).

Despite price-boosting factors such as industry-advocated self-disciplined production cuts and installation rushes triggered by China's new policy, PV module prices remained generally low overall. Ample production capacity and competitive pricing continue to stimulate investment demand in emerging global markets.

(3) Energy Storage Grows Rapidly in Global Markets, Green Hydrogen Industry Gathers Momentum for Technological Breakthroughs

Innovation in battery energy storage technology remains vibrant. The new-generation 587Ah cells have entered mass production and delivery, which is expected to elevate battery storage to new heights in balancing safety, performance, and cost. Solid-state battery technology is maturing and has been deployed in several demonstration projects. Pilot initiatives for long-duration energy storage, such as compressed air and flow battery technologies, are being launched continuously.

Global investment in energy storage is growing robustly. Beyond active policy support from various countries and continuously declining costs, the key driver lies in the increasingly prominent multi-dimensional value of energy storage: mitigating renewable energy curtailment, enhancing grid flexibility, and enabling energy arbitrage. While China, the US, and Europe remain the leading trio of markets, emerging storage markets such as Saudi Arabia, the UAE, and Australia are also demonstrating substantial demand potential.

The global green hydrogen industry continues to advance amid challenges and exploration. In the first half of 2025, the EU Hydrogen Bank completed a new round of auctions for "fixed premium" subsidies, allocating nearly EUR 1 billion to 15 green hydrogen projects. The EU is actively preparing to establish the European Network of Network Operators for Hydrogen (ENNOH) to facilitate the development of the EU's hydrogen transmission network and cross-border trade. Australia has unveiled a new policy offering tax credit subsidies for green hydrogen production.

(4) Financing Environment Eases, Financing Costs Further Decline

Although the U.S. Federal Reserve has kept its target interest rate range unchanged, the market widely expects rate cuts to occur in the second half of 2025. The European Central Bank has already cut its key policy rates four times in the first half of the year to further boost economic growth. In May 2025, the People's Bank of China announced an additional 10-basis-point reduction in the over-5-year Loan Prime Rate (LPR), bringing it down to 3.5%. These developments underscore a global trend toward monetary easing amid a downward interest rate cycle, which will help renewable energy investors lower their financing costs.

II. BUSINESS REVIEW

In the first half of 2025, the Group's newly built power plants were successively commissioned, and financing costs were further reduced. However, facing the dual challenges of worsening curtailment in renewable energy-intensive regions of China and a decline in comprehensive electricity prices, the Group's core business came under pressure, resulting in a decrease in both revenue and profit.

In response, the Group promptly adjusted its development strategy in light of the changing environment. With the goal of enhancing profit certainty and strengthening the Group, we revised our business strategies to prioritize quality and pursue prudent development. Guided by the principles of improving efficiency and creating value, we optimized our organizational structure and personnel, and enhanced our management. The Group focused on consolidating and strengthening its power trading capabilities, intensified power marketing efforts, promoted green electricity trading and green certificate sales, and concentrated on refined and professional management to boost quality and efficiency. These measures have begun to show positive effects.

In the first half of 2025, the Group achieved revenue of RMB1,400,319,000 (2024H1: RMB1,498,857,000), representing a year-on-year drop of 6.6%. Profit attributable to equity holders of the Group amounted to RMB281,940,000 (2024H1: RMB501,370,000), representing a year-on-year decrease of 43.8%. Basic earnings per share was RMB3.58 cents (2024H1: RMB6.24 cents), and diluted earnings per share was RMB3.58 cents (2024H1: RMB6.23 cents).

As of 30 June 2025, the Group had net assets of RMB8,900,049,000 (31 December 2024: RMB8,906,306,000) and net assets attributable to equity shareholders of the Group per share was RMB1.11 (31 December 2024: RMB1.09), and the asset-liability ratio was 73.20% (31 December, 2024: 72.28%).

(1) Power Generation Remained Stable, Revenue and Profit Faced Downward Pressure

1. Attributable Power Generation Remained Stable

The Group has consistently adhered to the safety management philosophy of "Safety First, Prevention Priority, and Comprehensive Governance", continuously improving its safety management system and strictly implementing the safety production responsibility system. Through a series of dedicated initiatives, such as comprehensive safety inspections, we have ensured the safe and orderly execution of project construction and the stable operation of our power plants. During the reporting period, the Group's power plants maintained safe and stable operations.

As of 30 June 2025, the Group owned operational wind and solar power plants with an attributable installed capacity of 4,778 MW (2024H1: 4,050 MW). This includes 3,844 MW from wind farms and 934 MW from solar PV power plants. The attributable installed capacity of the Group's subsidy-free power plants has reached 3,380 MW, accounting for 70.7% of the Group's total attributable installed capacity.

Attributable Installed Capacity of Wind and Solar PV (MW)			
Business Segments	2025H1	2024H1	Change Rate
Wind	3,844	3,467	10.9%
Solar PV	934	583	60.2%
Total	4,778	4,050	18.0%

Despite adverse factors such as widespread increases in wind and solar curtailment rates and unfavorable resource conditions in certain regions, the Group's attributable power generation remained stable compared to the same period last year. Attributable wind power generation saw a slight decrease of 2.6%, while growth in solar installed capacity drove a 28.0% year-on-year increase in attributable solar power generation.

Attributable Power Generation (GWh)			
Business Segments	2025H1	2024H1	Change Rate
Wind	4,155	4,266	-2.6%
Solar PV	604	472	28.0%
Total	4,759	4,738	0.4%

In the first half of 2025, affected by adverse factors such as unfavorable wind resources and increased curtailment at some power plants, the Group's weighted average utilization hours for wind farms were 1,142 hours, and for solar PV power plants, they were 531 hours. The average wind curtailment rate for the Group's wind farms was 12.9%, while the rate for the solar power plants was 32.6%.

Weighted Average Utilization Hours (Hour)			
Business Segments	2025H1	2024H1	Change Rate
Wind	1,142	1,220	-6.4%
Solar PV	531	659	-19.3%

2. Decline in Power Generation Revenue and Profit

In the first half of 2025, the Group's power generation revenue declined by 2.1%. The net profit from subsidiary-owned power plants and jointly-owned power plants dropped by 28.6% and 7.8% respectively. The profit decline was primarily attributable to a combination of factors, including reduced generation utilization hours due to declined resource conditions and increased wind and solar curtailment, a decrease in the comprehensive electricity price, and non-recurring gains and losses.

Facing headwinds, the Group adhered to an operational strategy that emphasizes both production and marketing. We strengthened power plant production management and reduced power generation losses caused by equipment failure by 40% through enhanced equipment management. We intensified our power marketing efforts by deeply analyzing power market trading rules across various regions, leveraging the Group's strong capabilities in power trading, and continuously reviewing and optimizing trading strategies to achieve higher returns. Additionally, the Group captured environmental premiums by strengthening green electricity trading and green certificate sales, with green electricity transaction volume increasing by 26% year-on-year, effectively offsetting the adverse impact of the overall decline in electricity prices.

The Group will further focus on ensuring the certainty of project returns, continuously optimize its assets, and firmly implement its "Prioritizing Quality" development strategy.

Revenue and Net Profit from Power Plants (RMB'000)				
	2025H1	2024H1	Change Rate	
Revenue from Subsidiary-owned Power Plants	1,335,393	1,364,318	-2.1%	
Including: Wind	1,115,501	1,176,495	-5.2%	
Solar PV	219,892	187,823	17.1%	
Net Profit from Subsidiary-owned Power Plants	350,200	490,557	-28.6%	
Including: Wind	303,384	461,244	-34.2%	
Solar PV	46,816	29,313	59.7%	
Net Profit from Jointly-owned Power Plants	87,606	94,978	-7.8%	
Including: Wind	86,159	92,410	-6.8%	
Solar PV	1,447	2,568	-43.7%	

Average Comprehensive Electricity Price (RMB/kWh, including VAT)			
Business Segments	2025H1	2024H1	Change
Wind	0.3653	0.3838	-0.0185
Solar PV	0.4278	0.4714	-0.0436

(2) Prioritizing Efficiency, Emphasizing Development Quality, Projects Commissioned on Schedule

1. Value-Guided Strategy Formulation, Efficiency-Based Project Screening

The Group adheres to the principle of prioritizing efficiency, continuously adjusting its business development regions to focus more on project development in promising areas, thereby enhancing the quality and scale of its wind and solar project pipeline. We continue to expand our presence in key global markets, strengthen our independent development capabilities, and focus on developing renewable energy projects with strong return certainty, while actively broadening our global market footprint.

During the reporting period, the Group secured 600 MW of new wind investment projects (listed in annual construction plans) in China, and 152.5 MW of solar projects and 300 MW of energy storage projects outside China.

Additionally, during the development of power plant projects, the Group created multi-dimensional synergies with its professional service businesses, including power plant O&M, design, consulting and power trading, which has helped these service businesses expand their external client base. The contract value of newly signed external agreements for power plant O&M, design and consulting grew significantly.

2. Strictly Managing Project Milestones and Cost Control, Wind and Solar Projects Commissioned on Schedule

To ensure that projects could qualify for the Mechanism Tariffs under the policy of China's National Development and Reform Commission (No. 136 Notice), the Group overcame tight supply chain delivery timelines and multiple on-site challenges through meticulous planning and organization. By seizing key milestones and strictly controlling costs, we successfully achieved the on-schedule commissioning of multiple projects.

In the first half of 2025, the Group's newly commissioned projects added an attributable capacity of 191 MW, including 140 MW of wind and 51 MW of solar power.

For the Group's other projects under construction or in preparation, we have continuously strengthened construction management by closely monitoring policies and mitigating compliance risks. We have organized planning progress meetings and key task implementation meetings, held specialized experience-sharing sessions, and implemented measures for plan deviation correction and intervention to ensure project execution.

Furthermore, the Group has enhanced its technical capabilities by conducting in-depth design optimization of loops for collecting energy, substation layout, and wind turbine foundation designs, achieving reasonable cost reductions. Several projects have won the "Beijing Outstanding Award for Survey and Design". These efforts have strongly supported design optimization and improved cost-saving and efficiency gains for the Group's investment projects.

(3) Adapting to Changes, Strengthening Management, Reducing Costs and Improving Efficiency

1. Adapting to Changes and Adjusting Business Strategies Based on the Principle of Efficiency

The Group continuously adapts to policy and market changes across nations by assessing the situation and responding flexibly. Guided by the principle of efficiency and the goal of enhancing profit certainty, we have selectively adjusted development strategies in certain regions and systematically optimized our organizational structure and personnel. We are focusing on strengthening R&D and capability building in the application of artificial intelligence to power trading and power plant operations, while concentrating the Group's resources on our advantageous market regions and key business operations.

2. Comprehensively Strengthening Performance Management, Refining Cost Control and Boosting Staff Productivity

The Group has comprehensively strengthened its performance management by setting clear and focused performance targets, revising incentive and assessment systems accordingly, and conducting scientific and fair performance evaluations to motivate employees and drive business development. Guided by the principle of "Strengthening Refined and Professional Management", we have urged all departments to continuously review and improve their work. We continue to enhance the refinement of cost control through budget planning and approval process management, strictly controlling expenses and implementing full digital coverage for business travel to further improve compliance management and daily operational efficiency, leading to a reduction in administrative costs.

3. Continuously Reducing Financing Costs and Enhancing Financing Capabilities

Based on the funding needs of new projects and the refinancing plans for operational power plants, the Group has formulated financing solutions that are both cost-effective and well-aligned with business needs. During the reporting period, the average financing cost for newly drawn loans decreased to 3.15%, and the Group's overall financing cost fell to 3.63%, both remaining at low levels. Additionally, in line with business needs, we are actively building our global financing capabilities, with a focus on enhancing practical skills such as issuing letters of guarantee and securing project financing.

4. Initiating a Secondary Listing in Singapore to Broaden Capital Platform

The Group initiated the process for a secondary listing in Singapore in February 2025. This opportunity is expected to further broaden our access to the global capital market and enhance our presence in the global market.

III. ESG PERFORMANCE

Beyond financial performance, the Group attaches great importance to its Environmental, Social, and Governance (ESG) performance. We have firmly integrated the principles of sustainable development into our strategic decision-making and daily operations, regarding them as a core driver for creating long-term value. The Group continues to deepen its presence in the clean energy sector by investing, constructing, and operating efficient wind and solar power projects to provide society with stable and reliable green electricity. Every kilowatt-hour of green power we generate effectively reduces the consumption of standard coal and water resources, contributes to the reduction of greenhouse gases and pollutant emissions, and actively contributes to the global transition to clean and low-carbon energy.

During this reporting period, the Group was once again successfully included in S&P Global's Sustainability Yearbook (China) 2025 and was further awarded the "Top 5%" distinction for its leading ESG performance.

Emission Reduction from Power Plants

Emission Reduction Indicators	2025H1	Accumulated Amount
CO ₂ (Kilotons)	4,534	66,249
SO ₂ (Tons)	1,131	32,870
NO _x (Tons)	1,180	30,841
Standard Coal Saving (Kilotons)	1,854	26,051
Water Saving (Kilotons)	7,320	133,458

IV. HUMAN RESOURCES

The Group continues to strengthen the foundation of its talent growth system. We have co-cultivated talent by deepening strategic cooperation and technical exchanges with the National University of Singapore and North China Electric Power University. We have continuously innovated our training models by launching specialized talent development programs such as training camps and building professional curriculum systems. Additionally, in line with our business strategy adjustments, we have optimized our organizational structure and revitalized our talent management, and per capita productivity indicators are trending positively, with the Group's revenue per employee rising by 10.4% year-on-year. As of the end of June 2025, the Group had 736 full-time employees.

V. OUTLOOK

Looking ahead to the second half of 2025, the new wave of technological advancements, led by artificial intelligence, continues to fuel strong growth in electricity demand. Technological innovations in wind and solar power, novel energy storage, and New Power System-related technologies are continuously emerging, evolving, and improving through development, driving the global energy transition forward.

In capital markets, as global inflation subsides, developed economies like the United States and Europe are expected to further cut interest rates. The People's Bank of China will continue to pursue a moderately accommodative monetary policy, with timely reductions in the reserve requirement ratio and interest rates. The further easing of the financing environment will be more favorable for investment in renewable energy.

The Group will accurately identify new situations and analyze new trends, formulating and implementing a new development strategy centered on the core philosophy of "Strengthening the Group and Increasing Assets with Return Certainty". Adhering to the principle of efficiency, prioritizing development quality, and continuously creating value, the Group will focus on the following key initiatives:

(1) Meticulously Manage and Optimize Power Plant in Operation

The Group will continue to rigorously manage power plant safety, thoroughly investigate potential hazards, and ensure a stable safety production environment. We will enhance equipment management to further reduce downtime due to failures, deepen technological retrofitting to improve the reliability and economic efficiency of plant operations, and accelerate the transition of plant operations toward an "AI + data-driven decision-making" method to effectively boost production efficiency. Meanwhile, we will strengthen the dynamic analysis of power plant asset quality and continuously carry out asset optimization.

(2) Intensify Capability Building in Power Trading and Marketing

We will continue to strengthen our capability building, to develop a leading power trading team. We will closely track policy trends in regional power market reforms, enhance marketing efforts for medium/long-term power purchase deals, increase participation in green electricity transactions and other high-return trading types, and optimize our power trading strategies accordingly. We will also strengthen the promotion and sales of green certificates, implementing multiple measures to boost power generation profitability. Concurrently, we will leverage artificial intelligence to optimize our power trading support systems, improving the accuracy and efficiency of trading decision-making and capturing opportunities to increase returns.

(3) Focus on Project Quality and Emphasize the Certainty of Investment Returns

We will resolutely implement the Group's project development strategy of "Prioritizing Quality over Quantity". We will continuously monitor market changes and focus on high-quality projects in regions with high investment efficiency and strong return certainty. We will make every effort to secure project approvals and get projects ready for construction, flexibly engage in various cooperation models, and accelerate the value realization of our existing project development achievements.

(4) Anchor to Milestone Targets and Solidly Advance Project Construction

We will anchor to our construction milestone targets, develop backward plans based on these targets, and enhance the synergistic efficiency of design, procurement, and on-site construction. We will diligently secure compliance approvals, strictly adhere to safety guidelines, and rigorously control costs and schedules to ensure that the Group's projects under construction are commissioned on time and to high-quality standards. We will strictly manage construction quality, adhere to design standards, and emphasize improving project profitability through design optimization and refined management. By benchmarking against industry leaders, we will actively transform our project construction management model to improve overall efficiency.

(5) Actively Expand Global Markets

Guided by the principle of efficiency, we will select key markets and high-quality projects globally. Based on the criteria of return levels and profit certainty, we will deeply promote the development of high-quality projects in regions with sound legal and market mechanisms. By securing high-quality resources, optimizing technical solutions, and signing attractive long-term Power Purchase Agreements (PPAs), we will build a pipeline of projects with high bankability and strong certainty of return, laying a solid foundation for the Group's sustainable and steady development.

(6) Actively Explore New Business Models

We will seize the new opportunities constantly emerging from technological advancements, actively venture into new businesses, and leverage synergies with our core business. We will actively explore expanding into electricity retail, develop emerging business models such as Virtual Power Plants (VPPs) to pilot grid-side aggregation and user-side collaboration. At the same time, we will vigorously advance our renewable energy private equity fund business, accelerate the upgrade of our asset management qualifications, and explore the issuance of new energy REITs.

(7) Continue to Strengthen Refined and Professional Management, Further Reduce Cost and Improve Efficiency

Further centered on the "Lowest LCOE" principle, the Group will enhance operational excellence awareness among all employees. We will leverage professional capabilities to drive business cost reductions, transform management models for improved efficiency and cost-saving, and utilize AI technology for cost optimization. We will continue to deepen our comprehensive performance management to convey pressure and stimulate organizational and employee vitality. This will enable us to accurately identify key operational aspects, improve efficiency, create value, and ultimately enhance the Group's core competitiveness in a fiercely competitive market.

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

During the six months ended 30 June 2025, the Company repurchased a total of 104,360,000 ordinary shares of the Company for an aggregate consideration of HK\$45,250,000 on The Stock Exchange of Hong Kong Limited, all of the purchased shares were cancelled by the Company and the issued share capital of the Company was reduced thereon. Details of the share repurchases during the period are as follows:

Share Repurchased		Purchase Price per Share		
Month	Number	Highest HK\$	Lowest HK\$	Aggregate Amount HK\$
February 2025	8,970,000	0.480	0.470	4,259,600
April 2025	95,390,000	0.445	0.415	40,990,400
	104,360,000			45,250,000

Save as disclosed above, neither the Group, nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities (including sale of treasury shares) during the period under review. During the six months ended 30 June 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Board has reviewed the Group's corporate governance practices and is satisfied that the Company has complied with the provisions of the Corporate Governance Code (the "CG Code") from time to time, as set out in Appendix C1 to the Listing Rules.

All other information on the CG Code of the Company has been disclosed in the Corporate Governance Report contained in the 2024 annual report of the Company issued in April 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") set out in Appendix C3 to the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company, Ms. Huang Jian, Mr. Zhang Zhong and Ms. Li Yongli. Ms. Huang Jian is the chairperson of the Audit Committee. The Audit Committee has adopted the terms of reference which are in line with the CG Code. The Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025 have been reviewed by the Audit Committee.

The Company's independent auditor, KPMG, has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

For and on behalf of
Concord New Energy Group Limited
Chairman
Liu Shunxing

Hong Kong, 1 August 2025

As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Gui Kai (Chief Executive Officer), Mr. Niu Wenhui, Mr. Zhai Feng, Ms. Shang Jia and Mr. Chan Kam Kwan, Jason (who are executive Directors), Mr. Wang Feng (who is a non-executive Director) and Ms. Huang Jian, Mr. Jesse Zhixi Fang, Mr. Zhang Zhong, Ms. Li Yongli and Mr. Chua Pin (who are independent non-executive Directors).