

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

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

The board (the “Board”) of directors (the “Directors”) of Kong Sun Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025 as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

(Expressed in Renminbi unless otherwise stated)

		Six months ended 30 June	
		2025	2024
	Notes	RMB '000	RMB '000
		(Unaudited)	(Unaudited)
Revenue	3	160,979	229,087
Cost of sales		<u>(73,658)</u>	<u>(110,537)</u>
Gross profit		87,321	118,550
Other gains/(losses), net	4	10,364	(2,687)
Administrative expenses		(34,856)	(177,210)
Losses on disposal of subsidiaries, net		—	(3,307)
Impairment loss on a disposal group classified as held for sale		—	(1,443)
Impairment losses on trade and other receivables, net	10	(22,690)	(20,543)
Finance costs	5	(47,777)	(58,039)
Impairment loss on interest in a joint venture		—	(6,842)
Share of losses of joint ventures		(257)	(27,232)
Share of (losses)/profits of associates		<u>(3,287)</u>	<u>735</u>
Loss before income tax	6	(11,182)	(178,018)
Income tax expense	7	<u>(3,444)</u>	<u>(4,646)</u>
Loss for the period		<u>(14,626)</u>	<u>(182,664)</u>

		Six months ended 30 June	
		2025	2024
<i>Notes</i>		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
Loss for the period attributable to:			
	Owners of the Company	(11,874)	(163,727)
	Non-controlling interests	<u>(2,752)</u>	<u>(18,937)</u>
		<u>(14,626)</u>	<u>(182,664)</u>
Loss per share attributable to owners of the Company			
	for the period		
	Basic and diluted (RMB cents)	<u>(0.08)</u>	<u>(1.09)</u>

8

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

(Expressed in Renminbi unless otherwise stated)

	Six months ended 30 June	
	2025	2024
	Notes RMB'000 (Unaudited)	RMB'000 (Unaudited)
Loss for the period	(11,874)	(163,727)
Other comprehensive income, net of tax		
<i>Item that will not be reclassified to profit or loss:</i>		
Fair value changes in financial assets measured at fair value through other comprehensive income, net	17,398	(20,609)
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of foreign operations	43,024	28,693
Other comprehensive income for the period, net of tax	60,422	8,084
Total comprehensive income for the period	48,548	(155,643)
Total comprehensive income attributable to:		
Owners of the Company	51,300	(136,706)
Non-controlling interests	(2,752)	(18,937)
	48,548	(155,643)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

(Expressed in Renminbi unless otherwise stated)

		At 30 June 2025	At 31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		16,914	17,448
Solar power plants		1,347,799	1,397,635
Interests in associates		123,091	128,334
Interest in joint ventures		202,171	202,469
Right-of-use assets		97,043	117,580
Financial assets measured at fair value through other comprehensive income		434,415	559,211
Trade receivables	10	125,640	124,371
Deferred tax assets		12,164	12,164
Loan to an associate		10,800	5,906
		<u>2,370,037</u>	<u>2,565,118</u>
Current assets			
Trade and other receivables	10	2,023,709	1,989,400
Loan to an associate		130,004	118,129
Loans to a joint venture		598	598
Restricted cash		29,967	18,256
Cash and cash equivalents		53,059	76,705
		<u>2,237,337</u>	<u>2,203,088</u>

		At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
	Notes		
Current liabilities			
Trade and other payables	11	421,773	470,319
Lease liabilities		24,083	24,459
Loans and borrowings		963,573	967,383
Tax payable		7,469	16,853
		<u>1,416,898</u>	<u>1,479,014</u>
Total current liabilities			
		<u>1,416,898</u>	<u>1,479,014</u>
Net current assets		<u>820,439</u>	<u>724,074</u>
Total assets less current liabilities		<u>3,190,476</u>	<u>3,289,192</u>
Non-current liabilities			
Lease liabilities		84,912	96,608
Loans and borrowings		717,644	846,661
Corporate bonds		7,831	8,334
		<u>810,387</u>	<u>951,603</u>
NET ASSETS		<u><u>2,380,089</u></u>	<u><u>2,337,589</u></u>
CAPITAL AND RESERVES			
Share capital	12	6,486,588	6,486,588
Reserves		<u>(4,162,418)</u>	<u>(4,210,966)</u>
Equity attributable to owners of the Company		<u>2,324,170</u>	<u>2,275,622</u>
Non-controlling interests		<u>55,919</u>	<u>61,967</u>
TOTAL EQUITY		<u><u>2,380,089</u></u>	<u><u>2,337,589</u></u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated interim financial information 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 (the “Stock Exchange”), and with Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). It was authorised for issue on 25 August 2025.

The financial information relating to the financial year ended 31 December 2024 that is included in the condensed consolidated interim financial information as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) of the Laws of Hong Kong (the “Companies Ordinance”) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6, to the Companies Ordinance.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024 which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The preparation of interim financial information 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.

The unaudited interim financial information contains the 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 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 full set of financial statements prepared in accordance with HKFRSs.

These condensed consolidated interim financial information are unaudited and have not been reviewed by the auditors, but have been reviewed by the audit committee of the Company (“Audit Committee”) and approved and authorised for issue by the Board on 25 August 2025.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared on the historical cost convention except for certain financial assets measured at fair value through other comprehensive income which are stated at fair values.

The accounting policies used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the financial statements contained in the 2024 annual report except for the adoption of the new standards, amendments or interpretations issued by the HKICPA which are mandatory for the annual periods beginning on or after 1 January 2025.

For the six months ended 30 June 2025, the Group has applied the following new and amendments to HKFRS issued by the HKICPA which were effective for the annual periods beginning on or after 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The adoption of the above new or revised HKFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated financial statements.

The following new or revised HKFRSs, potentially relevant to the Group's condensed consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

Amendments to HKFRS 18	Presentation and Disclosure of Financial Statement ²
Amendments to HKFRS 19	Subsidiaries without Public Accountability – Disclosures ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹

1 Effective for annual periods beginning on or after 1 January 2026.

2 Effective for annual periods beginning on or after 1 January 2027.

3 Effective for annual periods beginning on or after a date to be determined.

The Group is not yet in a position to state whether these amendments will result in substantial changes to the Group's accounting policies and financial statements.

3. REVENUE

Revenue mainly represents income from sales of electricity (including renewable energy subsidies), interest income generated from provision of financial services, income from provision of solar power plant operation and maintenance services and income from health management services. The amount of each significant category of revenue during the period is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Sales of electricity	104,255	130,030
Interest income generated from provision of financial services	56,724	55,837
Provision of solar power plant operation and maintenance services	—	37,871
Health management services	—	5,349
	<u>160,979</u>	<u>229,087</u>

During the six months ended 30 June 2025, sales of electricity includes renewable energy subsidies amounted to approximately RMB66,129,000 (six months ended 30 June 2024: RMB84,889,000).

4. OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest income	6,392	6,788
Net foreign exchange (loss)/gain	(3,458)	1,903
Properties rental income	6,171	—
Solar power plant rectification expenses	—	(10,932)
Others	1,259	(446)
	<u>10,364</u>	<u>(2,687)</u>

5. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest on loans and borrowings	44,070	51,465
Imputed interest on corporate bonds	388	367
Interest on lease liabilities	3,319	6,207
	<u>47,777</u>	<u>58,039</u>

6. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging:

A. Employee benefit expenses (including directors' emoluments)

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Salaries, wages and other benefits	12,971	104,383
Contributions to defined contribution retirement plan	1,850	14,831
	<u>14,821</u>	<u>119,214</u>

B. Other items

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Amortization of right-of-use assets	10,183	14,785
Auditor's remuneration	108	289
Depreciation		
— Property, plant and equipment	589	2,069
— Solar power plants	40,375	35,339
Operating lease expenses in respect of short-term leases	675	715

7. INCOME TAX EXPENSE

The amount of income tax expense in the condensed consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax		
— PRC corporate income tax	3,444	5,948
Deferred tax	—	(1,302)
	<u>3,444</u>	<u>4,646</u>

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024.

The Group's PRC entities are subject to corporate income tax at the statutory rate of 25%, unless otherwise specified.

8. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE PERIOD

The calculation of basic and diluted loss per share for the six months ended 30 June 2025 is based on loss attributable to owners of the Company for the period of approximately RMB11,874,000 (six months ended 30 June 2024: RMB163,727,000) and on the weighted average number of approximately 14,964,442,000 (six months ended 30 June 2024: 14,964,442,000) ordinary shares in issue during the period.

Diluted loss per share for the six months ended 30 June 2025 and 2024 was the same as basic loss per share because there was no potentially dilutive ordinary shares in issue.

9. DIVIDEND

No dividend was paid or proposed during the six months ended 30 June 2025 nor has any dividend been proposed since the end of the reporting period up to the date of this announcement (six months ended 30 June 2024: Nil).

10. TRADE AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Trade receivables	1,712,882	1,658,827
Impairment provision for trade receivables	(138,072)	(132,439)
Trade receivables, net (<i>note (i)</i>)	1,574,810	1,526,388
Other receivables, prepayments and deposits	1,012,079	1,025,317
Impairment provision for other receivables	(437,540)	(437,934)
Other receivables, prepayments and deposits, net	574,539	587,383
	2,149,349	2,113,771
Less: Amount shown under non-current assets		
Loan receivables, net	(125,640)	(4,078)
Consideration receivables in respect of disposal of subsidiaries, net	—	(120,293)
	(125,640)	(124,371)
Amount shown under current assets	2,023,709	1,989,400

Aging analysis of trade receivables (net of impairment), based on invoice dates, are as follows:

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Less than 3 months	103,938	145,151
Over 3 months but less than 6 months	59,422	78,811
Over 6 months but less than 12 months	193,266	142,030
Over 12 months but less than 24 months	209,070	315,844
Over 24 months	1,009,114	844,552
	1,574,810	1,526,388

Movements in provision for impairment of trade and other receivables for the six months ended 30 June 2024 are as follows:

	Trade receivables RMB'000 (Unaudited)	Other receivables RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At 1 January 2025	132,439	437,934	570,373
Impairment provision during the period	22,690	—	22,690
Write-off	(17,057)	(394)	(17,451)
	<u>138,072</u>	<u>437,540</u>	<u>575,612</u>
At 30 June 2025	<u>138,072</u>	<u>437,540</u>	<u>575,612</u>

Notes:

- (i) The Group's trade receivables are mainly receivables from sales of electricity. Generally, the receivables are due within 30 to 180 days (31 December 2024: 30 to 180 days) as at 30 June 2025 from the date of billing, except for renewable energy subsidies.

Renewable energy subsidies receivables represent PRC government subsidies on solar power plants to be received from the State Grid Company based on the respective electricity sale and purchase agreements for each of the solar power plants and the prevailing nationwide government policies. As at 30 June 2025, the outstanding renewable energy subsidies amounted to approximately RMB1,208,021,000 (31 December 2024: RMB1,134,694,000).

- (ii) As at 30 June 2025, certain trade receivables arising from the sales of electricity amounting to approximately RMB719,469,000 (31 December 2024: RMB675,335,000) were pledged as securities for the Group's loans and borrowings.

11. TRADE AND OTHER PAYABLES

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Trade payables	62,817	78,422
Other payables and accruals	<u>358,956</u>	<u>391,897</u>
	<u>421,773</u>	<u>470,319</u>

Aging analysis of trade payables, based on the invoice date, are as follows:

	At 30 June 2025 <i>RMB'000</i> (Unaudited)	At 31 December 2024 <i>RMB'000</i> (Audited)
Current or less than 3 months	3,862	4,167
Over 3 months but less than 6 months	3,461	1,041
Over 6 months but less than 12 months	2,700	1,638
Over 12 months	52,794	71,576
	62,817	78,422

12. SHARE CAPITAL

	Number of shares '000	<i>RMB'000</i>
Issued and fully paid:		
At 1 January 2024, 30 June 2024, 31 December 2024, 1 January 2025 and 30 June 2025	14,964,442	6,486,588

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company with its subsidiaries mainly engaged in the investment in and the operation of solar power plants and provision of financial services and asset management services.

SOLAR POWER PLANTS BUSINESS

During the six months ended 30 June 2025, the Group continued its investment in and the operation of solar power plants in the PRC. As at 30 June 2025, the Group had a total of 290 MW completed solar power plants as follows:

Completed solar power plants

PRC Province	Number of solar power plants	Capacity of solar power plants
Shaanxi	3	90 MW
Inner Mongolia	1	10 MW
Shanxi	1	20 MW
Anhui	5	140 MW
Hubei	1	30 MW
	<hr/>	<hr/>
Total	11	290 MW
	<hr/> <hr/>	<hr/> <hr/>

PROVISION OF FINANCIAL SERVICES

The revenue arising from the provision of financial services increased by approximately 1.6% from approximately RMB55,837,000 for the six months ended 30 June 2024 to approximately RMB56,724,000 for the six months ended 30 June 2025 due to more loans made to customers during the period.

HEALTH MANAGEMENT SERVICES

The revenue arising from the health management services was approximately RMB5,349,000 for the six months ended 30 June 2024. With the disposal of 北京鷹之眼智能科技有限公司 (Beijing Eagle Eye Intelligent Health Technology Co., Ltd.*) (“Beijing Eagle Eye”) in December 2024, no such revenue was recorded for the six months ended 30 June 2025.

RESULTS OF OPERATIONS

Revenue

The Group's revenue decreased by approximately 29.7% from approximately RMB229,087,000 for the six months ended 30 June 2024 to approximately RMB160,979,000 for the six months ended 30 June 2025. The decrease was mainly due to the decrease in revenue from provision of solar power plant operation and maintenance services with the disposal of 60% equity interests in the relevant operating subsidiaries in April 2024.

Revenue from sales of electricity and provision of solar power plant operation and maintenance services

The Group's revenue from sales of electricity decreased by approximately 19.8% from approximately RMB130,030,000 for the six months ended 30 June 2024 to approximately RMB104,255,000 for the six months ended 30 June 2025. As at 30 June 2025, the Group had a total of 290 MW (31 December 2024: 290 MW) installed capacity of solar power plants. The decrease was mainly due to generated electricity by the solar power plants owned by the Group for the period. The solar power plants owned by the Group have generated electricity in an aggregate volume of approximately 154,779 MWh for the six months ended 30 June 2025, representing a decrease of approximately 5.7% as compared to approximately 164,173 MWh for the six months ended 30 June 2024.

The Group's revenue from provision of solar power plant operation and maintenance services was approximately RMB37,871,000 for the six months ended 30 June 2024. With the disposal of the solar power plant operation and maintenance services business in April 2024, no such revenue was recorded for the six months ended 30 June 2025.

Revenue from provision of financial services

The Group's revenue from the provision of financial services increased by approximately 1.6% from approximately RMB55,837,000 for the six months ended 30 June 2024 to approximately RMB56,724,000 for the six months ended 30 June 2025 due to more loans made to customers during the period.

Revenue from health management services

The Group's revenue from health management services was approximately RMB5,349,000 for the six months ended 30 June 2024. No such amount was recorded for the six months ended 30 June 2025 following the disposal of Beijing Eagle Eye in December 2024.

Gross profit and gross profit margin

The gross profit of the Group decreased by approximately 26.3% from approximately RMB118,550,000 for the six months ended 30 June 2024 to approximately RMB87,321,000 for the six months ended 30 June 2025. The gross profit margin of the Group increased from approximately 51.7% for the six months ended 30 June 2024 to approximately 54.2% for the six months ended 30 June 2025 mainly due to decrease in the Group's revenue derived from provision of solar power plant operation and maintenance services, which has a lower gross profit margin than sales of electricity and provision of financial services, thus improving the overall gross profit margin of the Group.

Other gains/(losses), net

The other gains, net of the Group for the six months ended 30 June 2025 was approximately RMB10,364,000, compared to other losses, net of approximately RMB2,687,000 for the six months ended 30 June 2024. The change was mainly due to (i) the increase in rental income from the office premises of approximately RMB6,171,000; and (ii) the decrease in solar power plant rectification expenses of approximately RMB10,932,000, partially offset by the increase in exchange loss of approximately RMB5,361,000.

Administrative expenses

Administrative expenses of the Group decreased by approximately 80.3% from approximately RMB177,210,000 for the six months ended 30 June 2024 to approximately RMB34,856,000 for the six months ended 30 June 2025. The decrease was mainly attributable to the decrease in employee benefit expense and research and development expense during the six months ended 30 June 2025 following the disposal of Beijing Eagle Eye in December 2024.

Loss on disposal of subsidiaries, net

During the six months ended 30 June 2024, the Group disposed of 60% interests in its subsidiaries engaged in the solar power plant operation and maintenance services, and recorded net loss on such disposals of approximately RMB3,307,000. No such amount was recorded for the six months ended 30 June 2025.

Impairment loss on a disposal group classified as held for sale

On 11 August 2023, the Group entered into sale and purchase agreements with an independent third party to dispose of the entire equity interests in four solar power projects in the PRC, for a total equity consideration of approximately RMB350,179,000.

During the six months ended 30 June 2024, the Group has recorded an impairment loss on a disposal group classified as held for sale of approximately RMB1,443,000 for the reason set out below.

An impairment loss of approximately RMB1,443,000, representing difference between net asset value of 黃石黃源光伏電力開發有限公司 (Huangshi Huangyuan Photovoltaic Power Development Limited*), 定邊縣晶陽電力有限公司 (Dingbian Jingyang Electricity Limited*), 定邊縣萬和順新能源發電有限公司 (Dingbian Wanheshun New Energy Power Generation Limited*) and 榆林正信電力有限公司 (Yulin Zhengxin Electricity Limited*) (the “Disposal Group”) as at 31 December 2023 and 30 June 2024, was charged to profit or loss during the six months ended 30 June 2024.

During the second half of 2024, the Group ceased to classify the Disposal Group as held for sale. This change arose due to delays in completing the transactions pending the conclusion of the national subsidy verification process initiated by the PRC regulatory authorities and the fulfillment of certain conditions precedent. As the timing of completion remains uncertain, the Disposal Group no longer met the criteria under HKFRS 5 for continued classification as held for sale. Therefore, no such amount was recorded for the six months ended 30 June 2025.

Impairment loss on trade and other receivables, net

During the six months ended 30 June 2025, impairment loss regarding certain trade and other receivables, net amounting to approximately RMB22,690,000 (six months ended 30 June 2024: RMB20,543,000) was recorded based on the lifetime expected credit losses. For details, please refer to note 10 to the “Notes to the Condensed Consolidated Interim Financial Statements” of this announcement.

Finance costs

Finance costs of the Group decreased by approximately 17.7% from approximately RMB58,039,000 for the six months ended 30 June 2024 to approximately RMB47,777,000 for the six months ended 30 June 2025. As the Group’s average total loans and borrowings decreased as compared to the corresponding period last year, the finance costs related to these borrowings also decreased.

Solar power plants

As at 30 June 2025, the Group had a net carrying value of approximately RMB1,347,799,000 (31 December 2024: RMB1,397,635,000) in completed solar power plants. As at 30 June 2025, the Group had a total of 290 MW (31 December 2024: 290 MW) installed capacity of completed solar power plants.

Interest in associates

As at 30 June 2025, the net carrying amount of associates was approximately RMB123,091,000 (31 December 2024: RMB128,334,000).

Interest in joint ventures

As at 30 June 2025, the net carrying amount of joint ventures was approximately RMB202,171,000 (31 December 2024: RMB202,469,000).

Right-of-use assets

As at 30 June 2025, the right-of-use assets amounted to approximately RMB97,043,000 (31 December 2024: RMB117,580,000). The decrease was mainly contributed by the amortisation charged during the period.

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income decreased by approximately 22.3% from approximately RMB559,211,000 as at 31 December 2024 to approximately RMB434,415,000 as at 30 June 2025. The decrease was due to (i) the disposal of investment in 內蒙古呼和浩特金谷農村商業銀行股份有限公司 on 17 January 2025; and (ii) the fair value gain of approximately RMB17,398,000. The investments are held for long-term investment purpose and hence are classified as financial assets measured at fair value through other comprehensive income in the condensed consolidated statement of financial position.

Trade and other receivables

Trade and other receivables increased by approximately 1.7% from approximately RMB2,113,771,000 as at 31 December 2024 to approximately RMB2,149,349,000 as at 30 June 2025.

Loans to an associate

As at 30 June 2025, the Group had loans to an associate of approximately RM140,804,000 (31 December 2024: RMB124,035,000). The Group entered into a loan agreement with an associate, 江山寶源國際融資租賃有限公司 (Kong Sun Baoyuan International Financial Leasing Limited*) on 11 November 2022, 11 January 2023 and 10 February 2025, each for a loan period of 3 years. The first two loans are secured by certain account receivables amounting to RMB287,630,000 as at 30 June 2025 and interest-bearing, carrying interest rate of 9.0% per annum, while the third loan is unsecured and interest-bearing, carrying interest rate of 8.5% per annum.

Trade and other payables

Trade and other payables decreased by approximately 10.3% from approximately RMB470,319,000 as at 31 December 2024 to approximately RMB421,773,000 as at 30 June 2025.

Lease liabilities

As at 30 June 2025, the lease liabilities amounted to approximately RMB108,995,000 (31 December 2024: RMB121,067,000).

Liquidity and capital resources

As at 30 June 2025, including the restricted cash of approximately RMB29,967,000 (31 December 2024: RMB18,286,000), cash and bank balances of the Group was approximately RMB83,026,000 (31 December 2024: RMB94,961,000), which included cash and bank balances of approximately RMB82,434,000 (31 December 2024: RMB87,920,000) denominated in RMB placed with banks in the PRC. The remaining balance of the Group's cash and cash equivalents consisted primarily of cash on hand and bank balances which were primarily denominated in Hong Kong dollar and placed with banks in Hong Kong.

As at 30 June 2025, the Group's net debt ratio (or gearing ratio), which was calculated by the total loans and borrowings and corporate bonds minus total cash and cash equivalents, over total equity, was approximately 0.69 (31 December 2024: 0.74).

Capital expenditure

During the six months ended 30 June 2025, the Group's total expenditure in respect of property, plant and equipment and solar power plants amounted to approximately RMB71,000 (six months ended 30 June 2024: RMB2,974,000) and approximately RMBNil (six months ended 30 June 2024: RMB64,000), respectively.

Loans and borrowings

As at 30 June 2025, the Group's total loans and borrowings was approximately RMB1,681,217,000, representing a decrease of approximately 7.3% as compared to approximately RMB1,814,044,000 as at 31 December 2024. All loans and borrowings of the Group were denominated in RMB, the functional currency of the Company's major subsidiaries in the PRC. As at 30 June 2025, loans and borrowings of approximately RMB1,036,729,000 (31 December 2024: RMB1,044,260,000) and approximately RMB644,488,000 (31 December 2024: RMB769,784,000) bear fixed interest rate and floating interest rate, respectively.

As at 30 June 2025, out of the total borrowings, approximately RMB963,573,000 (31 December 2024: RMB967,383,000) was repayable within one year and approximately RMB717,644,000 (31 December 2024: RMB846,661,000) was repayable after one year.

Corporate bonds

As at 30 June 2025, corporate bonds denominated in Hong Kong dollar with an aggregate principal amount of HK\$9,000,000 (equivalent to approximately RMB8,208,000 (31 December 2024: HK\$9,000,000 (equivalent to approximately RMB8,334,000))) remained outstanding with certain independent third parties. The corporate bonds bear interest rates ranging from 3% to 6% (31 December 2024: 3% to 6%) per annum, and will mature on the date immediately following 96 months (31 December 2024: 96 months) after their issuance.

During the six months ended 30 June 2025 and 2024, the Group did not issue and repay any corporate bonds.

The corporate bonds are measured at amortised cost using effective interest method by applying an effective interest rate at 10.40% (six months ended 30 June 2024: 10.40% per annum). Imputed interest of approximately HK\$421,000 (equivalent to approximately RMB388,000) (six months ended 30 June 2024: HK\$403,000 (equivalent to approximately RMB367,000)) (note 5 to the “Notes to the Condensed Consolidated Interim Financial Statements” of this announcement) in respect of the corporate bonds was recognised in profit or loss during the six months ended 30 June 2025.

Foreign exchange rate risk

The Group primarily operates its business in the PRC and during the six months ended 30 June 2025, the Group’s revenue were primarily denominated in RMB, being the functional currency of the Group’s major operating subsidiaries. Accordingly, the Directors expect that any future exchange rate fluctuation will not have any material effect on the Group’s business. The Group did not use any financial instruments for hedging purposes, but will continue to monitor foreign exchange changes to best preserve the Group’s cash value.

Charge on assets

As at 30 June 2025, the Group had charged solar power plants, trade receivables and unlisted equity investments with net book value of approximately RMB946,332,000 (31 December 2024: RMB970,437,000), approximately RMB719,469,000 (31 December 2024: RMB675,335,000) and approximately RMB131,952,000 (31 December 2024: RMB256,990,000), respectively, to secure bank loans and other loans facilities granted to the Group.

Save as disclosed above, as at 30 June 2025, the Group had no other charges on assets.

Contingent liabilities

The Group acquired equity interests of certain subsidiaries principally engaged in the development of solar power plant projects and the applications for the development of these solar power plant projects were actually made by their former shareholders. According to certain notices (the “Notices”) issued by the State Energy Administration (國家能源局), the Notices prohibit the original applicants who have obtained the approval documents from the government authorities for the solar power plant projects from transferring the equity interests of solar power plant projects before such solar power plants were connected to the power grid. Therefore, these subsidiaries may be subject to fines or other adverse consequences imposed by the relevant PRC government authorities in the future. The relevant PRC government authorities are currently conducting nationwide inspections on matters such as compliance of equity transfer of solar power plants and full grid-connected power generation time. The Group will actively cooperate with the relevant PRC government authorities in inspections if necessary and assess the impact of the inspection results on the development of the Group’s solar power plants in a timely manner.

Save as disclosed above, as at 30 June 2025, the Group had no other significant contingent liabilities.

Employees and remuneration policy

As at 30 June 2025, the Group had approximately 121 employees (31 December 2024: 101) in Hong Kong and in the PRC. Compensation for the employees includes basic wages, variable wages, bonuses and other staff benefits. For the six months ended 30 June 2025, the total employee benefit expenses (including directors' emoluments) were approximately RMB14,821,000 (six months ended 30 June 2024: RMB119,214,000). For details, please refer to note 6(A) to the "Notes to the Condensed Consolidated Interim Financial Statements" of this announcement. The remuneration policy of the Group is to provide remuneration packages, including basic salary, short-term bonuses and long-term rewards, so as to attract and retain top quality staff. The remuneration committee of the Company reviews such packages annually, or when occasion requires. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL

References are made to the Company's announcement dated 11 August 2023 and the Company's circular dated 31 August 2023 in relation to the disposal of certain subsidiaries engaged in solar power generation in the PRC. As at the date of this announcement, completion of the disposal of the Disposal Group had not taken place yet. The Company will continue to maintain close communications with the purchaser with the aim to pushing forward completion of the above disposals as soon as practicable.

On 17 January 2025, the Group disposed of 72,600,160 shares of Inner Mongolia Hohhot Jingu Rural Commercial Bank Limited Company* (內蒙古呼和浩特金谷農村商業銀行股份有限公司) at a price of approximately RMB1.961 per share, amounting to a total consideration of approximately RMB142,396,000. Details of the disposal are set out in the Company's announcement dated 17 January 2025 and the Company's circular dated 19 February 2025.

Save as disclosed in this announcement, the Group did not have any other significant investments in an investee company with a value of 5% or more of the Company's total assets, other material acquisition or disposal during the six months ended 30 June 2025, and there was no plan authorised by the Board for other material investments or additions of capital assets up to the date of this announcement.

PROSPECT

The price of solar power generation equipment remains low in the first half of 2025, which is conducive to popularizing solar power generation around the world. However, uncertainties such as trade conflicts, absorption pressure, and renewable energy support policies of European and American governments, may affect market's short-term growth.

In the first half of 2025, thanks to the policy support from Chinese governments at all levels and further decrease in investment costs, China's clean energy industry continued to develop steadily, with solar power generation sector maintaining rapid growth and achieving new breakthroughs in installed capacity. According to the data released by the National Energy Administration, China's newly installed social power capacity was 212 million kilowatts, with the cumulative installed capacity reaching 1.1 billion kilowatts, a year-on-year increase of 54.1%; while national solar power energy generation reached 559.1 billion kilowatts, a year-on-year increase of 42.9%.

Looking forward, the Group will advance the strategy of operating solar power generation plants, optimize the efficiency of asset allocation, work to enhance the efficiency of power generation equipment, and keep developing green finance and inclusive finance businesses. Meanwhile, the Group will further explore diverse business developments, and strive to improve its business structure and operation performance so as to increase asset revenue and enhance shareholders' value.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to enhancing investors' confidence to the Company and the Company's accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules for its corporate governance practices during the period under review. In the opinion of the Board, the Company has complied with the applicable code provisions as set out in the CG Code throughout the six months ended 30 June 2025.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

EVENTS AFTER REPORTING DATE

There are no important events affecting the Group which have occurred after 30 June 2025 and up to the date of this announcement.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code for dealing in securities of the Company by the Directors. The Company confirms that, having made specific enquiries with all the Directors, all the Directors have complied with the required standard of the Model Code during the six months ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities. During the six months ended 30 June 2025 and as at the date of this announcement, the Company did not have any treasury shares (as defined in the Listing Rules).

AUDIT COMMITTEE

The Audit Committee has reviewed, with no disagreement, the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2025 and has also reviewed and confirmed the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at <http://www.hkexnews.hk> and on the Company's website at www.kongsun.com. The interim report for the six months ended 30 June 2025 of the Group will also be published on the same websites and despatched to the shareholders of the Company in due course.

By order of the Board
Kong Sun Holdings Limited
Mr. Jiang Hengwen
Chairman and non-executive Director

Hong Kong, 25 August 2025

As of the date of this announcement, the Board comprises three executive Directors, Mr. Hua Min, Mr. Li Guo and Ms. Liu Ying, two non-executive Directors, Mr. Jiang Hengwen and Mr. Wu Zhenzhou, and three independent non-executive Directors, Ms. Sun Yiwen, Mr. Tang Jian and Ms. Tang Yinghong.

* *For identification purposes only*