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GCL New Energy Holdings Limited
協鑫新能源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 451)

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

The board (the “**Board**”) of directors (the “**Directors**”) of GCL New Energy Holdings Limited (the “**Company**” or “**GCL New Energy**”) presents the unaudited condensed interim consolidated financial information (“**Interim Financial Information**”) of the Company and its subsidiaries (together, the “**Group**” or “**GCL New Energy**”) for the six months ended 30 June 2025.

FINANCIAL HIGHLIGHTS

	Six months ended 30 June	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
	(Unaudited)	(Unaudited)
Revenue	654	496
Loss attributable to owners of the Company	(348)	(174)
	<i>RMB cents</i>	<i>RMB cents</i>
	(Unaudited)	(Unaudited)
Loss per share		
– Basic	(23.42)	(14.14)
– Diluted	(23.42)	(14.14)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	3	654,088	496,473
Cost of sales and services rendered		(578,837)	(426,243)
Gross profit		75,251	70,230
Other income	4	59,757	45,615
Other gains and losses, net	5	5,007	(96)
Impairment loss under expected credit loss model, net	5	(295,655)	(70,849)
Selling and distribution expenses		(4,765)	(2,095)
Research and development expenses		(10,347)	(10,802)
Administrative expenses			
– share-based payment expenses		(328)	(2,135)
– other administrative expenses		(96,602)	(120,289)
Share of profits of associates		50,751	56,897
Share of loss of joint ventures		(13)	(92)
Finance costs	6	(22,136)	(39,426)
Loss before tax		(239,080)	(73,042)
Income tax expense	7	(1,031)	(1,310)
Loss for the period	8	(240,111)	(74,352)
Other comprehensive income/(expense):			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		356	(1,515)
Total comprehensive expense for the period		(239,755)	(75,867)
Loss for the period attributable to:			
Owners of the Company		(348,394)	(174,452)
Non-controlling interests			
– Owners of perpetual notes		99,550	100,100
– Other non-controlling interests		8,733	–
		(240,111)	(74,352)
Total comprehensive expense for the period attributable to:			
Owners of the Company		(348,038)	(175,967)
Non-controlling interests			
– Owners of perpetual notes		99,550	100,100
– Other non-controlling interests		8,733	–
		(239,755)	(75,867)
		RMB cents (Unaudited)	RMB cents (Unaudited)
Loss per share			
– Basic	10	(23.42)	(14.14)
– Diluted	10	(23.42)	(14.14)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

		30 June 2025	31 December 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		546,427	548,116
Right-of-use assets		47,594	49,324
Goodwill		2,380	—
Interests in associates		1,613,103	1,585,947
Interests in joint ventures		1,078,280	3,734
Amounts due from related companies		728,627	640,487
Financial assets at fair value through profit or loss		157,021	157,874
Other non-current assets		2,500	2,338
Other receivables	11	835,678	817,789
Pledged bank and other deposits		30,000	8,860
Deferred tax assets		770	787
		<u>5,042,380</u>	<u>3,815,256</u>
CURRENT ASSETS			
Inventories		16,537	159,621
Trade and other receivables	11	643,874	1,074,550
Derivative financial instruments		3,900	4,098
Amounts due from related companies		685,809	627,658
Tax recoverable		13	13
Pledged bank and other deposits		79,832	28,170
Bank balances and cash		317,314	284,865
		<u>1,747,279</u>	<u>2,178,975</u>
Assets classified as held for sale		<u>100,465</u>	<u>99,359</u>
		<u>1,847,744</u>	<u>2,278,334</u>
CURRENT LIABILITIES			
Trade and other payables and deferred income		371,515	384,816
Contract liabilities		40,974	127,546
Derivative financial instruments		690	5,133
Amounts due to related companies		142,048	143,855
Tax payable		328	1,852
Bank and other borrowings	12	101,199	31,048
Lease liabilities		14,375	14,375
		<u>671,129</u>	<u>708,625</u>
Liabilities directly associated with assets classified as held for sale		<u>1,677</u>	<u>1,484</u>
		<u>672,806</u>	<u>710,109</u>

		30 June 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Audited)
NET CURRENT ASSETS		1,174,938	1,568,225
TOTAL ASSETS LESS CURRENT LIABILITIES		6,217,318	5,383,481
NON-CURRENT LIABILITIES			
Bank and other borrowings	12	795,133	309,187
Lease liabilities		95,611	97,034
Convertible bonds		38,428	—
Deferred income		145,982	148,496
Deferred tax liabilities		104,611	—
		1,179,765	554,717
NET ASSETS		5,037,553	4,828,764
CAPITAL AND RESERVES			
Share capital		111,249	99,371
Reserves		1,322,473	1,588,871
Equity attributable to owners of the Company		1,433,722	1,688,242
Equity attributable to non-controlling interests			
– owners of perpetual notes		3,240,072	3,140,522
– other non-controlling interests		363,759	—
TOTAL EQUITY		5,037,553	4,828,764

1. GENERAL INFORMATION

GCL New Energy Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business is at Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Company is an investment holding company. Its subsidiaries (hereinafter together with the Company collectively referred to as the “Group”) are principally engaged in the sale of electricity, development, construction, operation and management of solar power plants (“Solar Energy Business”) and sales of liquefied natural gas and related products (“LNG Business”).

This Interim Financial Information is presented in Renminbi (“RMB”), unless otherwise stated. This Interim Financial Information has been approved for issuance by the Board on 27 August 2025.

This Interim Financial Information has not been audited.

2A. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The unaudited condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

2B. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT INTERIM PERIOD

On 9 January 2025, the Company and Golden Concord Group Limited (the “Seller”) (being a company ultimately wholly-owned by the Zhu Family Trust, of which executive directors, Mr. Zhu Gongshan and Mr. Zhu Yufeng are beneficiaries) entered into the Sale and Purchase Agreement (as defined in the Circular), pursuant to which the Company conditionally agreed to acquire and the Seller conditionally agreed to sell the Sale Share (as defined in the Circular), being the entire issued share capital of Harmonic Century Global Limited, at the consideration of RMB325 million.

To fulfil the Consideration (as defined in the Circular) for the Acquisition (as defined in the Circular) according to the Sale and Purchase Agreement, on 21 March 2025, the Company (i) paid the cash consideration of RMB200 million (approximately HK\$212.40 million, inclusive of the deposit); (ii) allotted and issued 153,400,000 Consideration Shares (as defined in the Circular) at the issue price of HK\$0.45 per Consideration Share; and (iii) issued the Convertible Bonds (as defined in the Circular) in the principal amount of HK\$63.72 million which are convertible into a maximum number of 141,600,000 Conversion Shares at the initial Conversion Price (as defined in the Circular) of HK\$0.45 per Conversion Share (as defined in the Circular), to the Seller. The Acquisition was completed on 21 March 2025.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising from sales of electricity and tariff adjustments, provision of operation and management services, solar related supporting services, and sales of liquefied natural gas and related products (“LNG Business”). Revenue arising from sales of electricity is derived from sales of electricity to local grid companies in the People’s Republic of China (the “PRC”) and overseas grid companies in the United States (the “US”) for the six months ended 30 June 2025 and 2024.

Revenue recognised during the periods are as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue		
Recognised at a point in time:		
– Sales of electricity	25,326	41,854
– Tariff adjustments	2,342	2,386
– Solar related supporting services income	9,268	8,285
– LNG business related income	483,227	306,544
	<hr/>	<hr/>
Subtotal	520,163	359,069
	<hr/>	<hr/>
Recognised over time:		
– Operation and management services income	133,925	137,404
	<hr/>	<hr/>
Subtotal	133,925	137,404
	<hr/>	<hr/>
	654,088	496,473
	<hr/> <hr/>	<hr/> <hr/>

For sales of electricity and tariff adjustments, the Group generally entered into power purchase agreements with local grid companies with a term of two years and overseas grid companies with a term of ten to twenty years which stipulate the price of electricity per watt hour. Revenue is recognised when control of the electricity has been transferred, being at the point when electricity has generated and transmitted to the customers and the amount included tariff adjustments of approximately RMB2,342,000 (six months ended 30 June 2024: RMB2,386,000) recognised during the period. Except for trade receivables relating to tariff adjustments, the Group generally grants credit period of approximately one month to customers from the date of invoice in accordance with the relevant power purchase agreements between the Group and the respective local grid companies or overseas grid companies. The Group will complete the remaining performance obligations in accordance with the relevant terms as stipulated in the power purchase agreements and the remaining aggregated transaction price will be equal to the quantity of electricity that can be generated and transmitted to the customers times the stipulated price per watt hour.

The financial resource for the tariff adjustment is the national renewable energy fund that accumulated through a special levy on the consumption of electricity of end users. The PRC government is responsible to collect and allocate the fund to the respective state-owned grid companies for the settlement to the solar power companies. Effective from March 2012, the application, approval and settlement of the tariff adjustment are subject to certain procedures as promulgated by Caijian [2012] No. 102 *Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy* (可再生能源電價附加補助資金管理暫行辦法). Caijian [2013] No. 390 Notice issued in July 2013 further simplified the procedures of settlement of the tariff adjustment.

In January 2020, the Several Opinions on Promoting the Healthy Development of Non-Hydro Renewable Energy Power Generation (Caijian [2020]No. 4)* (《關於促進非水可再生能源發電健康發展的若干意見》) (財建[2020]4號) and the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (Caijian [2020]No. 5)* (《財政部國家發展改革委國家能源局關於印發(可再生能源電價附加資金管理辦法)的通知》) (財建[2020]5號) (the “2020 Measures”) were jointly announced by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration. In accordance with the new government policy as stipulated in the 2020 Measures, the PRC government has simplified the application and approval process regarding the registration of tariff adjustments for non-hydro renewable energy power plant projects into the Renewable Energy Tariff Subsidy List (可再生能源發電補助項目清單) (the “List”). The state-owned grid companies will regularly announce the List based on the project type, time of grid connection and technical level of the solar power projects. For those on-grid solar power projects which have already started operation but yet to register into the List, these on-grid solar power projects are entitled to enlist into the List once they have met the conditions as stipulated on the Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加資金管理辦法) and completed the submission and application in the National Renewable Energy Information Management Platform (the “Platform”).

Tariff adjustments are recognised as revenue and due from grid companies in the PRC in accordance with the relevant power purchase agreements.

The management considers that it contained a significant financing component over the tariff adjustments until settlement of the trade receivables. For the six months ended 30 June 2025, the respective tariff adjustments were adjusted for this financing component based on an effective interest rate ranging from 1.63% to 2% per annum (six months ended 30 June 2024: 1.85% to 2.15% per annum) and adjustments were made in relation to the revision of expected timing of tariff collection. As such, the Group’s revenue was adjusted by approximately RMB1 million (six months ended 30 June 2024: RMB3 million) and interest income amounting to approximately RMB7,000 (six months ended 30 June 2024: RMB556,000) (note 4) was recognised.

Operation and management service income represents the service income from the provision of the solar power plants operation and management services. The Group generally grants credit period of approximately one month to customers from the date of invoice.

Solar related supporting services income represents the income from sales of solar modules with related supporting services. The Group generally requires customers to provide 10% to 20% of the agreed consideration of specified goods or services as upfront deposits and the remainder of the consideration is payable before seven to ten days the solar modules are delivered or grants credit period of three to six months to customers from date of invoice when the solar modules are delivered. The Group acts as an agent for its solar related supporting services and will complete the performance obligations in accordance with the relevant terms as stipulated in the contracts.

LNG business related income represents the income from (i) sales of LNG and related products; and (ii) trading agency. The Group generally requires customers to provide 100% of the agreed consideration of specified goods or services or grants credit period of approximately one month to customers from date of invoice when the LNG and related products are delivered. The Group acts as both principal and agent for its LNG related business and will complete the performance obligations in accordance with the relevant terms as stipulated in the contracts.

Included in LNG Business related income, the Group recognised revenue from contracts with external customers, acting as a principal, amounting to approximately RMB482 million (six months ended 30 June 2024: RMB306 million), relating to trading of LNG and related products. The Group recognised revenue from contracts with external customers, acting as an agent, amounting to approximately RMB995,000 (six months ended 30 June 2024: RMB475,000), relating to trading of LNG and related products.

The Group's chief operating decision maker ("CODM"), being the executive directors of the Company, regularly reviews revenue by countries, except for the operations in the PRC which are by provinces; however, no other discrete information was provided. In addition, the CODM reviews the consolidated results when making decisions about allocating resources and assessing performance. Hence, no further segment information other than entity wide information is presented.

Geographical information

The Group's operations are located in the PRC and the US.

Information about the Group's revenue from external customers is presented based on the location of the operations and customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	Six months ended 30 June		30 June	31 December
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
PRC	626,189	454,074	2,765,707	1,661,996
US	26,181	42,399	516,608	518,648
Other	1,718	—	7,969	8,815
	<u>654,088</u>	<u>496,473</u>	<u>3,290,284</u>	<u>2,189,459</u>

Note: Non-current assets exclude those relating to financial instruments (including pledged bank and other deposits, financial assets at fair value through profit or loss, other receivables and amounts due from related companies) and deferred tax assets.

4. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Government grants:		
– Incentive subsidies (<i>Note</i>)	101	289
– Investment Tax Credit	3,283	7,296
Interest arising from contracts containing significant financing component	7	556
Interest income of financial assets at amortised cost:		
– Bank interest income	2,112	2,708
– Interest income from former subsidiaries	3,720	2,675
– Interest income from related companies	6,566	7,719
– Imputed interest arising from receivables containing significant financing component	38,656	20,387
Others	5,312	3,985
	<u>59,757</u>	<u>45,615</u>

Note:

Incentive subsidies were received from the relevant PRC government for improvement of working capital and financial assistance to the operating activities. The subsidies were granted on a discretionary basis during the periods and the conditions attached thereto were fully complied with.

5. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Exchange gain, net	2,065	2,807
Gain on disposal of solar power plant projects	—	3,452
Gain/(loss) on disposal of property, plant and equipment	282	(6)
Gain on deregistration of a subsidiary	—	3,679
Net realised and unrealised gain on derivative financial instruments	4,245	—
Loss on disposals of subsidiaries	(99)	—
Loss on fair value change of financial assets at fair value through profit or loss	(1,486)	(10,028)
	<u>5,007</u>	<u>(96)</u>
Impairment loss under expected credit loss model:		
– Other receivables	(295,655)	(70,849)
	<u>(295,655)</u>	<u>(70,849)</u>

6. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Interest on financial liabilities at amortised cost:		
Bank and other borrowings	17,300	35,888
Lease liabilities	3,314	3,538
Interest expenses on convertible bonds	1,522	—
	<u>22,136</u>	<u>39,426</u>

There was no borrowing costs capitalised for both reporting periods.

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
PRC Enterprise Income Tax (“EIT”):		
Current tax	1,014	1,293
Deferred tax	17	17
	<hr/>	<hr/>
Total	<u>1,031</u>	<u>1,310</u>

The basic tax rate of the Company’s PRC subsidiaries is 25%, under the law of the PRC on Enterprise Income Tax (the “EIT Law”) and implementation regulations of the EIT law. Certain subsidiaries were recognised as High and New Technology Enterprises and were entitled to a preferential EIT rate at 15% for three years since 2024.

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated or operated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the PRC and Hong Kong.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No.7) Bill 2017 (the “Bill”) which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporations is taxed at 8.25%, and profits above HK\$2 million is taxed at 16.5%. The two-tiered profits tax rates regime is applicable to the Group for both periods. No provision for taxation in Hong Kong Profits Tax was made as there is no assessable profits for both reporting periods.

The Federal and State income tax rate in the US are calculated at 21% and 8.84% respectively for both periods. No provision for taxation in US Federal and State income tax were made as there is no assessable profits for both reporting periods.

The subsidiary of the Company which operates in Singapore is subject to corporate income tax at a rate of 17% (six months ended 30 June 2024: 17%) on the estimated assessable profits for the period. For the six months ended 30 June 2025, the subsidiary can enjoy 75% tax exemption on the first S\$100,000 of chargeable income and a further 50% tax exemption on the next S\$100,000 of chargeable income. No provision for taxation in Singapore was made as there was no assessable profits for both reporting periods.

8. LOSS FOR THE PERIOD

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging/(crediting):		
Depreciation of:		
– Property, plant and equipment	13,221	29,819
– Right-of-use assets	2,192	5,442
Cost of inventories recognised as expenses	474,201	303,634
Write-back of provision of inventories, included in cost of inventories recognised as expenses	(31,879)	–
Staff costs (including directors' remuneration but excluding share-based payments)		
– Salaries, wages and other benefits	98,628	98,271
– Retirement benefit scheme contributions	15,819	16,823
	<u>114,447</u>	<u>115,094</u>
Share-based payment expenses (administrative expenses in nature)	<u>328</u>	<u>2,135</u>

9. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the six months ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2024: RMBnil).

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company		
Loss for the purpose of basic loss per share	(348,394)	(174,452)
Effect of dilution:		
– Interest on convertible bonds, net of income tax	<u>1,522</u>	<u>–</u>
Loss for the purposes of diluted loss per share	<u>(346,872)</u>	<u>(174,452)</u>

Diluted loss per share for the six months ended 30 June 2025 and 2024 does not assume the exercise of the share options granted by the Company, since the exercise would result in decrease in loss per share of the respective period.

Because the diluted loss per share amount is decreased when taking conversion of convertible bonds into account, the convertible bonds had an anti-dilutive effect on the basic loss per share for the current interim period and were ignored in the calculation of diluted loss per share. Therefore, the diluted loss per share amounts are based on the loss for the period attributable to owners of the Company of approximately RMB348,394,000 (six months ended 30 June 2024: RMB174,452,000), and the weighted average number of ordinary shares of 1,487,369,000 (six months ended 30 June 2024: 1,234,146,000) in issue during the period.

11. TRADE AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables (<i>note a</i>)	138,037	164,390
Prepayments to LNG business suppliers	233,753	241,765
Other prepayments and deposits	8,016	29,745
Other receivables		
– Amounts due from former subsidiaries (<i>note b</i>)	1,957,855	2,015,428
– Consideration receivable from disposal of subsidiaries	188,546	188,546
– Refundable value-added tax	13,692	10,856
– Dividend receivables from former subsidiaries	24,834	41,452
– Others	96,570	86,253
	<u>2,661,303</u>	<u>2,778,435</u>
Less: Allowance for credit loss		
– Non-trade	<u>(1,181,751)</u>	<u>(886,096)</u>
	<u>(1,181,751)</u>	<u>(886,096)</u>
	<u>1,479,552</u>	<u>1,892,339</u>
Analysed as:		
– Current assets	643,874	1,074,550
– Non-current assets	835,678	817,789
	<u>1,479,552</u>	<u>1,892,339</u>

Notes:

- (a) As at 1 January 2024, trade receivables from contract with customers amounted to approximately RMB83,857,000 (net of loss allowance of RMBnil).

For sales of electricity, the Group generally grants credit period of approximately one month to overseas grid companies in the US from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective overseas grid companies.

For operation and management services, the Group generally grants credit period of one month to customers in the PRC from the date of invoice in accordance with the relevant contracts between the Group and the respective customers.

For solar related supporting services, the Group generally requires customers to provide 10% to 20% of the agreed consideration of specified goods or services as upfront deposits and the remainder of the consideration is payable before seven to ten days the solar modules are delivered or grants credit period of three to six months to customers from date of invoice when the solar modules are delivered in accordance with the relevant contracts between the Group and the respective customers.

For sales of LNG and related products, the Group generally requires customers to provide 100% of the agreed consideration of specified goods or grants credit period of approximately one month to customers from the date of invoice when the goods are delivered in accordance with the relevant contracts between the Group and the respective customers.

Trade receivables include bills received amounting to RMBnil (31 December 2024: approximately RMB1,349,000) held by the Group for future settlement of trade receivables, of which certain bills issued by third parties are further endorsed by the Group with recourse for settlement of payables for purchase of plant and machinery and payment for construction costs, or discounted to banks for cash. The Group continues to recognise their full carrying amount at the end of both reporting periods. All bills received by the Group are with a maturity period of less than one year.

The following is an aged analysis of trade receivables (excluding bills held by the Group for future settlement), which is presented based on the invoice date and net of loss allowance at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
0–90 days	91,511	117,415
91–180 days	15,235	13,901
Over 180 days	31,291	31,725
	138,037	163,041

As at 30 June 2025, included in these trade receivables are debtors with aggregate carrying amount of approximately RMB65,077,000 (31 December 2024: RMB87,931,000) which are past due as at the end of the reporting period. These trade receivables relate to a number of customers represented the local grid companies and customers in the PRC, for whom there is no recent history of default. The Group does not hold any collaterals over these balances.

Trade receivables of approximately RMB37,563,000 (31 December 2024: RMB35,531,000) as at 30 June 2025 have been classified as part of a disposal group held for sale.

- (b) The amounts due from former subsidiaries include (i) carrying amount of approximately RMB835,678,000 (31 December 2024: RMB817,789,000) in relation to deferred receivables (details are set out in notes 36(b)(i) and (ii) of the Group's 2024 annual report), which are non-trade in nature, unsecured, interest-bearing ranging from 4.3% to 9.52% (31 December 2024: ranging from 4.3% to 9.52%) per annum and in the opinion of Directors, they are expected to be received within two years; and (ii) outstanding payments arising from its disposals of subsidiaries to independent third parties during the financial years ended 31 December 2018 to 31 December 2023 as part of the Group's transition to become an asset-light enterprise. When the Group and the purchasers discussed the terms of the sale and purchase agreements in respect of the disposal of the Group's subsidiaries, the considerations were determined by taking into, among other things, receivables (i.e. the "Outstanding Payments") that were due from the former subsidiaries to the Group. The purchasers are obligated to procure the former subsidiaries to settle the Outstanding Payments in stages pursuant to the terms and conditions set out in the sale and purchase agreements. The amounts are non-trade in nature, unsecured and interest-bearing ranging from 4.45% to 9.52% (31 December 2024: ranging from 4.45% to 9.52%) per annum and repayable on demand.

The Group performs impairment assessment under expected credit loss on other receivables, which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. The ECL are assessed individually for debtors by reference to past repayment history, credit rating or financial position of the debtors, forward-looking information that is available without undue cost or effort, and also taking into account of the prevailing government policies that support the solar power industry which the Group's debtors operate. As at 30 June 2025, except for the accumulated impairment loss of approximately RMB1,181,751,000 (31 December 2024: RMB886,096,000) recognised on other receivables, for the remaining balances, the management considers credit risk has not increased significantly since the date of initial recognition. Accordingly, no loss allowance for expected credit loss is further provided.

12. BANK AND OTHER BORROWINGS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Bank loans	50,042	10,000
Other loans	846,290	330,235
	896,332	340,235
Secured	896,332	340,235
Less: Amounts due within one year shown under current liabilities	(101,199)	(31,048)
Amounts due after one year	795,133	309,187

In respect of the other borrowing with carrying amount of RMB500 million (31 December 2024: RMBnil) as at 30 June 2025, the Group is required to obtain the approval from the financial institution and comply with the following covenants as long as the other borrowing is outstanding:

- (a) the borrower cannot proceed any merger, division, equity transfer, external investment, increase of financing, stock reform or change of operating and structuring except for adjustments of operation needs or government policies, laws and regulations;
- (b) the borrower cannot decrease its registered capital or amend articles of association;
- (c) the borrower cannot transfer, pledge or dispose any of its equity interest in the joint venture in any other manner or cannot place any security or encumbrance thereon; and
- (d) the borrower and the joint venture have any significant events such as equity transfer, merger, acquisition or division before fully settlement of outstanding payables, give notification to the financial institution at least 20 working days.

In the opinion of the Directors, the Group has complied with these covenants throughout the current interim period.

Except for the Group's aforesaid borrowing of RMB500 million (31 December 2024: RMBnil) from the financial institution is subject to the fulfilment of certain covenants, there were no financial and non-financial covenants in relation to the Group's other facilities from banks and financial institutions as at 30 June 2025. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants.

As at 30 June 2025, the aforesaid borrowing of RMB500 million (31 December 2024: RMBnil) was secured by:

- (i) 15% equity interest in a joint venture held by a subsidiary of the Group; and
- (ii) guaranteed by a related company, in which Mr. Zhu Gongshan and his family members have significant influence over the Group.

The bank and other borrowings carry effective interest rates ranging from 2.6% to 7.4% (31 December 2024: 5.0% to 7.4%) per annum.

BUSINESS REVIEW

NAVIGATING FORWARD WITH TECHNOLOGY INNOVATION AS ANCHOR AND SUSTAINABLE DEVELOPMENT AS SAIL

As the global new round of technological revolution and industrial transformation surges forward, the energy and power sector are undergoing structural transformation and systematic reshaping. The acceleration of global economic integration, rapid growth in domestic economies and demand, heightened international trade barriers, and saturation of domestic markets have accelerated the evolution of the industry competition landscape. Facing numerous uncertainties, GCL New Energy takes “stable operation” as its anchor and “innovation breakthrough” as its sail, achieving significant progress in multiple dimensions, including business structure optimization, technological innovation breakthroughs, and sustainable development, demonstrating strong development resilience and potential.

Setting off Again with “Light-asset” Strategy and Financial Stability Demonstrates Corporate Resilience

Over the long term, GCL New Energy has actively adapted to industry transformation and market trends, proactively implementing strategies and business structures adjustments throughout industry cycles, successfully achieving transformation from “heavy assets” to “light assets”. The success of the “light-asset” transformation path not only leverages the Company's profound accumulation in the new energy field, but also constructs a growth moat for surviving the industry cycle by business diversification.

The Company has thoroughly implemented its strategic layout with a dual-core business model of “photovoltaic + natural gas”, deeply participating in the service output of clean energy and green energy industrial chains. As of 30 June 2025, the Company's gearing ratio amounted to 27%, with relatively stable financial conditions, providing solid financial guarantee for subsequent natural gas business expansion and investment.

Technology Innovation Empowers New Paradigms for Integrated Energy Management System Solutions

Under the tide of the era led by “dual carbon” goals, the new energy industry has become the core driving force of the global energy transition. Technology, as the primary productive force, is comprehensively reshaping the development landscape of the new energy industry with unprecedented depth and breadth, injecting continuous powerful momentum into the vigorous development of the new energy industry.

Leveraging the profound operation and maintenance experience and technological accumulation, Suzhou GCL New Energy Operation Technology Co., Ltd (hereinafter referred to as “**Suzhou GCL Operation**”) has long been committed to providing comprehensive and efficient digital operation and maintenance solutions for photovoltaic, wind power, energy storage and other new energy power stations, achieving significant results in the field of digitalization and intelligence operation and maintenance. The transformation from the initial traditional photovoltaic power plant operation and maintenance business to the development of integrated energy operation technology services is full of challenges. Suzhou GCL Operation has discarded the old to implement the new, courageously standing at the forefront, and determined the development path of “starting in the first year, developing in the second year, and leaping in the third year”. Its independently developed integrated management platform “Xinyilian (鑫翼連)” realizes comprehensive monitoring, optimized scheduling and intelligent decision-making of new energy stations by providing “computing power + algorithm + application scenarios” full-stack integrated energy system solutions, providing more precise and efficient services to property owners, effectively helping property owners achieve efficient energy utilization and cost reduction, and maximizing the value chain. As of 30 June 2025, the total installed capacity of photovoltaic power plants under the Company's operation and maintenance reached 11.9GW, representing an increase of 63.0% compared to the same period of last year.

Meanwhile, Suzhou GCL Operation has been committed to closely integrating technological research and development with operation management to improve operational efficiency. It took the lead in promoting the application of module cleaning robots in the industry and was the first to develop intelligent alarm applications under all weather conditions. In 2024, it was again rated as a National High-tech Enterprise in Jiangsu Province. At the same time, the Group has established the GCL New Energy Design Institute, providing comprehensive services including construction planning, technical consulting, site survey, engineering design, cost accounting, equipment procurement, construction, energy management, and project acceptance for wind, solar, storage, and charging integrated energy stations for major domestic and international property owners, with a broader business scope. To date, the Company has 36 software copyrights, 5 invention patents, and 14 utility model patents. In 2025, GCL New Energy successively won multiple awards and honors including the “Industry Contribution Award” and “Solar Storage Application Award” from the Asian Photovoltaic Industry Association (APVIA), and “PVBL2025 Most Influential Digital Operation and Maintenance Enterprise in Solar Storage Industry” from Century New Energy Network.

Full Industrial Chain Synergy, Creating a New Development Sample for the “Integration of Terminal and Trade (站貿一體化)” Strategy in Natural Gas

In 2025, the international natural gas market continues to maintain strong growth, with market demand significantly boosted by multiple favorable factors. According to the International Energy Agency (IEA) forecast, global economy will grow by approximately 2.5% in 2025, with energy demand growing by 2.7% and natural gas demand increasing by approximately 6%, demonstrating that the natural gas market still maintains a high growth momentum.

In the continuous adjustment and transformation process of the global energy market, GCL New Energy continues to deepen its layout in the natural gas field. With precise strategic vision and efficient execution capabilities, it comprehensively deploys “Integration of Terminal and Trade (站貿一體化)” collaborative development, actively constructs international and domestic natural gas resource pools, adopts the dual-drive strategy of “international long-term contracts + in stock” and “domestic trade + foreign trade”, extensively and rapidly promotes cooperative relationships with international energy partners and global merchants, steadily enhances its reputation in domestic and international natural gas markets, and continuously expands its international trade volume through the Singapore trading company platform. As of 30 June 2025, LNG trade volume was approximately 348,000 tonnes, with sales revenue reaching RMB483 million, becoming the core growth point for the Company’s profits.

In October 2024, the Company completed the first imported LNG unloading, marking the entry of natural gas business into the substantive operation stage. In the first quarter of 2025, it successfully acquired the Rudong LNG receiving station, forming a north-south complementary layout with the Maoming receiving station, providing key infrastructure support for trading business. In the second quarter of 2025, international re-export trade achieved key progress, with the vessel named “KITA LNG” carrying approximately 65,100 tons of liquefied natural gas successfully arriving at the Sakai LNG unloading port in Japan, demonstrating the Company's flexible operational capabilities in the global energy trading network.

In the overall layout of natural gas business, the Rudong LNG receiving station, as a major energy infrastructure facility in Jiangsu Province and an important asset of GCL New Energy, plays a pivotal role. On the one hand, this receiving station provides the Company with stable gas source guarantee for natural gas trading business, and on another hand, as the project enters the trial operation stage, its economic and social benefits will gradually emerge, which is expected to provide new practical samples for China's energy transition by continuous optimization of operation modes, improvement of comprehensive utilization rates of equipment and facilities, and unleashing of profit potential.

From Competition to Coopetition, Establishing “Long-termism” for Ecological Symbiosis

Currently, China's energy industry is facing severe challenges. The market landscape of supply-demand imbalance has not been fundamentally improved, and the intense “involution” competition has trapped the entire industrial chain in continuous losses, making globalization as “imperative”. In the process of international venturing abroad, political risks, trade barriers, cultural differences, and other factors have brought many challenges to the integration of supply chain and industrial chain. The transition from “involution competition” to “ecological coopetition” is not only an inevitable choice for industrial upgrading, but also the only way for Chinese energy enterprises to go globally.

GCL New Energy will integrate international and domestic upstream and downstream resources in the future to achieve seamless connection of all links in the industrial chain and improve overall operational efficiency. Based on extensive sourcing and market research through multiple industry channels, the Company will adopt different management approaches for domestic and overseas suppliers respectively, strengthen evaluation and guidance on all links, and comprehensively enhance the overall competitiveness of the entire industrial chain through ESG management systems, creating a unique value-sharing chain.

Meanwhile, as internationalized operation faces numerous uncertainties and risks, GCL New Energy is also striving to explore and create a set of flat, professional, and integrated efficient management model which adapted to the characteristics of international business, establish sound risk management mechanisms, strengthen risk alert and response capabilities, ensure the satisfaction of “internal and external dual compliance” for business project management, and establish ecological symbiosis and integration to empower international business development.

We are deeply aware of the fact that true “long-termism” is not the pursuit of short-term profits, but navigating forward with technology innovation as anchor and sustainable development as sail, forging ahead in the global energy transformation.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

For the six months ended 30 June 2025, loss for the period attributable to owners of the Company was RMB348.4 million, as compared to loss for the period attributable to owners of the Company of RMB174.5 million for the six months ended 30 June 2024. The loss for the reporting period was mainly attributable to the combined effect of the following:

1. During the period ended 30 June 2025, the Group continued to expand the business of operation and management services for solar power plants. The customer base includes solar power plants which the Group newly engaged during the period and certain solar power plants previously owned by the Group. As at 30 June 2025, the Group had entered into contracts to provide operation and management services for solar power plants with total install capacity of approximately 11.9GW, representing a 63% increase in volume compared to a capacity of approximately 7.3GW as at 30 June 2024.

For electricity generation business, the grid connected capacity of solar power plants operated by the Group decreased by 62.7% from 134MW as at 30 June 2024 to 50MW as at 30 June 2025 following the Group's disposal of subsidiaries in North Carolina, US which owned solar photovoltaic facilities of 84MW. The sales volume of electricity and the revenue from electricity generation of the Group decreased by 56.7% and 37.5% respectively.

Further, the Group continued to explore opportunities in LNG trading market during the six months ended 30 June 2025. The Group generated sales income of RMB483.2 million by trading of LNG and related products compared to RMB306.5 million during the period ended 30 June 2024. The combined reasons aforesaid mentioned led to an increase of gross profit, from RMB70.2 million to RMB75.3 million in the current reporting period;

2. the decrease of administrative expenses (including share-based payment expenses in the nature of administrative expenses) by 20.8%, from RMB122.4 million to RMB96.9 million, mainly due to decrease in staff cost, depreciation and other general administrative expenses associated with the Group's disposal of solar power plants during 2023 and 2024;
3. the impairment loss under expected credit loss model, net of RMB295.7 million for the period ended 30 June 2025, as compared to the RMB70.9 million for the period ended 30 June 2024, the amount mainly comprised of (i) provision of tax indemnification clause in previously disposed power plants of approximately RMB295.5 million (30 June 2024: RMB Nil), (ii) provision of loss allowance of other debtors of approximately RMB0.2 million (30 June 2024: RMB25.7 million), (iii) on-grid electricity guarantees of RMB Nil (30 June 2024: RMB21.2 million), and (iv) consideration receivable of disposal of solar power plant projects of RMB Nil (30 June 2024: RMB24 million);

4. the decrease of finance costs from RMB39.4 million to RMB22.1 million as compared with the last reporting period, mainly due to the decrease in business scale of solar power plant electricity generation business.

BUSINESS REVIEW

1. Solar Power Plants Operation and Management Services

During the six months ended 30 June 2025, the Group provided operation and management services for solar power plant projects and generated management service income. The Group also provided other supporting services such as procurement and technical consultation service. As at 30 June 2025, the Group had entered into contracts to provide operation and management services for solar power plants with total installed capacity of approximately 11.9GW (30 June 2024: 7.3GW). Details of operation and management service income for the period ended 30 June 2025 are set out below:

	Revenue (RMB'000)
Solar power plants operation and management services income	133,925
Solar related supporting services income	9,268
Total	143,193

2. Electricity Generation and Capacity

As at 30 June 2025, the grid-connected capacity of the Group's subsidiary power plants was approximately 50MW (30 June 2024: 134MW). Details of capacity, electricity sales volume and revenue for the six months ended 30 June 2025 are set out below.

Subsidiaries by location	Electricity Sales Volume (thousand kWh)	Average Tariff (Net of Tax) (RMB/kWh)	Revenue (RMB'000)
China	7,248	0.41	2,978
US	33,703	0.73	24,690
Total of Subsidiaries	40,951	0.68	27,668

Note: As at 30 June 2025, the assets and liabilities attributable to the solar power plant project of Dengkou GCL located at Inner Mongolia, China have been classified as a disposal group held for sale.

3. LNG and Related Business

During the period ended 30 June 2025, the Group continued to explore opportunities in LNG trading market. The Group generated sales income of RMB483.2 million by trading of LNG and related products (30 June 2024: RMB306.5 million). The Group's total sales volume of the LNG trading business during the six months ended 30 June 2025 was approximately 348,000 tonne. The Group's continual penetration into the LNG trading market is witnessed by the increase in sales volume during the period. The Group entered into trading contracts with a total gross income of approximately RMB1,400 million (30 June 2024: RMB371.6 million), whereas the Group recognised revenue from contracts with external customers, acting as a principal, amounting to approximately RMB482 million (30 June 2024: RMB306 million), relating to trading of LNG and related products. The Group recognised revenue from contracts with external customers, acting as an agent, amounting to approximately RMB995,000 (30 June 2024: RMB475,000), relating to trading of LNG and related products.

FINANCIAL REVIEW

Revenue and Gross Profit

For the six months ended 30 June 2025, the Group's revenue was mainly derived from (i) service income from the provision of the solar power plants operation, management and related supporting services; (ii) solar power electricity generation; and (iii) income from trading of LNG and related products business. The table below sets forth an analysis of the Group's revenue:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue		
– Solar power plants operation, management and related supporting service	143,193	145,689
– Sales of electricity, tariff adjustments	27,668	44,240
– LNG business related income	483,227	306,544
	<u>654,088</u>	<u>496,473</u>

The increase in revenue was mainly attributable to the combined effect of the increase in LNG business related income during the six months ended 30 June 2025 and the drop of sales of electricity and tariff adjustments compared to prior reporting period.

The grid-connected capacity decreased from 134MW as at 30 June 2024 to 50MW as at 30 June 2025 following the Group's disposal of subsidiaries in North Carolina, US which owned solar photovoltaic facilities of 84MW.

The Group's gross margin for the six months ended 30 June 2025 was 11.5%, as compared to 14.1% for the six months ended 30 June 2024. The drop in gross margin is due to generally thin gross profit margin and increased proportion of LNG and related products trading business in the current reporting period. The cost of sales mainly consisted of purchase cost of LNG and related products which accounted for approximately 82% of the cost of sales, with the remaining costs being depreciation, operation and maintenance costs of solar power plants, etc.

Other Income

During the period ended 30 June 2025, other income mainly included imputed interest arising from receivables containing significant financing component of RMB38.7 million which is adjusted by applicable financial reporting standard and non-cash (six months ended 30 June 2024: RMB20.4 million) and bank interest income of RMB2.1 million (six months ended 30 June 2024: RMB2.7 million).

Other gains and losses, net

During the six months ended 30 June 2025, the net gain is approximately RMB5.0 million in comparison with the last reporting period as net loss approximately RMB96,000. The net gain for 2025 was mainly due to net realised and unrealised gain on derivative financial instruments of RMB4.2 million (six months ended 30 June 2024: RMB Nil).

Administrative Expenses

The administrative expenses mainly included staff costs, rental expenses and legal and professional fees. Administrative expenses decreased by 20.8% to RMB96.9 million (six months ended 30 June 2024: RMB122.4 million) for the six months ended 30 June 2025. The decrease in administrative expenses was mainly due to decrease in staff cost, depreciation and other general administrative expenses associated with the Group's disposal of solar power plants during 2023 and 2024 and cost control measurement carried out by the Group.

Impairment loss under expected credit loss model, net

During the six months ended 30 June 2025, the impairment loss on expected credit loss model, net amounted to RMB295.7 million (six months ended 30 June 2024: RMB70.9 million), consists of (i) RMB295.5 million (six months ended 30 June 2024: RMB Nil) for tax on land use indemnification, (ii) RMB0.2 million (six months ended 30 June 2024: RMB25.7 million) for provision of loss allowance of other debtors, (iii) RMB Nil (six months ended 30 June 2024: RMB21.2 million) for provision of on-grid electricity guarantees, and (iv) RMB Nil (six months ended 30 June 2024: RMB24 million) of consideration receivable of disposal of solar power plant projects, details of which are set out as follows:—

(i) Tax on land use indemnification of approximately RMB295.5 million (30 June 2024: RMB Nil)

As the policy of cultivated land occupation tax and land use tax for solar power plants have been unclear and that tax collection methods vary, it takes time for the Group to negotiate with the relevant local tax authorities to agree on the scope and basis for settling the taxes. In accordance with the sale and purchase agreements, the Group has to provide tax indemnity to purchasers for disposals. The obligation arises where the purchaser receives tax payment demands from the local tax authorities after the date of completion of the disposals.

(ii) *Provision of loss allowance of other debtors of approximately RMB0.2 million (30 June 2024: RMB25.7 million)*

The amount represents provision of loss allowance of other debtors with which contact is lost, plus these receivables were exceedingly long outstanding for over at least three to four years. The management of the Company had carried out extensive actions to remedy such receivables but unsuccessful, as a result the management of the Company made the provision of loss allowance after individual assessment on the recoverability of such receivables.

(iii) *On-grid electricity guarantees of RMB Nil (30 June 2024: RMB21.2 million)*

As part of the terms of the deal to attract the purchasers to acquire the Group's power plants and continue to appoint the Group as an operation and management services provider, if the relevant electricity sale volumes and revenues for the subject solar power plants for each agreed period (ranging from two to five years depending on the agreed terms) are less than the agreed minimum sale volumes and revenues, the purchaser will be entitled to the on-grid electricity guarantee compensation and the balance to be paid to the Group would be adjusted against the balances of the amounts due to the Group accordingly. The drop in balance is due to adjustment of balance in relation to disposed solar power plant projects in prior year.

(iv) *Consideration receivable of disposal of solar power plant projects of RMB Nil (30 June 2024: RMB24 million)*

The amount represents consideration receivable from disposal of solar power plant projects since 2018, which are exceedingly long and were outstanding for over at least three to four years. The management of the Company made periodical individual assessment on the recoverability of the receivables by taking into account their past repayment history, financial position and overdue status. The management of the Company conducted actions to recover such receivables but unsuccessful and then considered to provide the expected credit loss on such amount.

Finance Costs

Total borrowing costs decreased by 43.9% from RMB39.4 million to RMB22.1 million as compared with the last reporting period. The decrease was mainly due to the decrease in business scale of solar power plant electricity generation business.

Income Tax Expense

Income tax expense for the period ended 30 June 2025 was RMB1.0 million (30 June 2024: RMB1.3 million). The decrease in income tax expense is due to the disposal of solar power plants in previous years, leading to decrease in taxable income.

Interim Dividend

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

Property, Plant and Equipment

Property, plant and equipment was RMB546.4 million and RMB548.1 million as at 30 June 2025 and 31 December 2024, respectively. No material addition and dispose of property, plant and equipment occurred during the six months ended 30 June 2025.

Interests in joint ventures

Interests in joint ventures increased from RMB3.7 million as at 31 December 2024 to RMB1,078.3 million as at 30 June 2025. The increase of amount in the current period is due to the Group's successful acquisition of joint venture of GCL Huidong LNG Rudong Co., Ltd.* (協鑫匯東液化天然氣如東有限公司) ("**Rudong LNG**") which owned the project of LNG receiving station in Jiangsu Province. Please refer to the circular of the Company dated 24 January 2025 for further details.

Amounts Due from Related Companies

As at 30 June 2025, amounts due from related companies of RMB1,414.4 million (31 December 2024: RMB1,268.1 million), mainly arose from the disposals of 36 subsidiaries ("**2023 Disposal**") that are principally engaged in the operation of solar power plants in the PRC. The amount were mainly consideration receivables which arose from 2023 Disposal and liabilities owed by the former subsidiaries to the Group prior to disposal. The management of the Company have considered and factored in these outstanding liabilities when determining the consideration for the 2023 Disposal, and have agreed that the outstanding receivables will be paid by the counterparties based on the agreed payment arrangements as set out in the relevant share purchase agreements. The 2023 Disposal constituted notifiable and connected transactions of the Company. Please refer to the circular of the Company dated 15 November 2023.

Trade and Other Receivables

As at 30 June 2025, trade and other receivables of RMB1,479.6 million (31 December 2024: RMB1,892.3 million) mainly included trade and bills receivables of RMB138.0 million (31 December 2024: RMB164.4 million), and consideration receivables from disposal of subsidiaries of RMB188.5 million (31 December 2024: RMB188.5 million), in which a deferred receivables of RMB835.7 million (31 December 2023: RMB817.8 million) were reclassified to non-current nature, as they are expected to be received over one year since 30 June 2025.

The amounts due from former subsidiaries of RMB1,957.9 million (31 December 2024: RMB2,015.4 million) ("**Outstanding Receivables**") are related to the current accounts that have been incurred between the former subsidiaries and the Group prior to their disposals to independent third parties ("**2018-2023 Disposal**") between 2018 and 2023. The Outstanding Receivables were liabilities owed by the former subsidiaries to the Company prior to the disposal. The Group has considered and factored in these outstanding liabilities when determining the consideration of the 2018-2023 Disposal, and have agreed that the outstanding receivables will be paid by the counterparties based on the agreed payment arrangements as set out in the relevant share purchase agreements. The disposal of the other former subsidiaries did not trigger notifiable transactions and/or connected transactions disclosure requirements under Chapter 14 and 14A of the Listing Rules.

As at 30 June 2025, tariff adjustments receivables of RMB37 million including tariff adjustment of RMB37 million for projects classified as held for sale (31 December 2024: RMB36 million including tariff adjustment of RMB36 million for projects classified as held for sale), represent subsidy receivables from the government authorities in respect of the Group's solar power generation business.

Trade and other Payables and Deferred Income

Trade and other payables and deferred income decreased from RMB533.3 million as at 31 December 2024 to RMB517.5 million as at 30 June 2025. Trade and other payables and deferred income mainly consisted of payables for purchase of plant and machinery and construction cost of RMB7.8 million (31 December 2024: RMB17.6 million) and deferred income of RMB152.5 million (31 December 2024: RMB155.0 million).

Liquidity and Financial Resources

The Group adopts a prudent treasury management policy to maintain sufficient working capital to cope with daily operations. The funding for all its operations has been centrally reviewed and monitored at the Group level. The indebtedness of the Group mainly comprises bank and other borrowings and lease liabilities.

As at 30 June 2025, bank balances and cash of the Group including projects classified as held for sale were approximately RMB317.3 million (31 December 2024: RMB284.9 million). For the six months ended 30 June 2025, the Group's primary source of funding included cash generated from its operating activities and receipts of consideration receivables from disposal of subsidiaries with solar power plant projects.

Indebtedness and Gearing Ratio

Starting from 2019 onwards, the Group has adopted assets-light business strategy. The average gearing ratio of the Group became more stable and in an acceptable level since then.

The Group had a net current assets position of approximately RMB1,174.9 million as at 30 June 2025 (31 December 2024: RMB1,568.2 million).

The Group monitors capital based on dividing the gearing ratio of total liabilities by total assets. The gearing ratio as at 30 June 2025 and 31 December 2024 were calculated as follows:

	30 June 2025 <i>RMB million</i>	31 December 2024 <i>RMB million</i>
Total liabilities	1,853	1,265
Total assets	6,890	6,094
Total liabilities to total assets	26.9%	20.8%

The increase of gearing ratio was mainly due to the completion of acquisition of Rudong LNG receiving station during the period ended 30 June 2025.

The Group's indebtedness was denominated in the following currencies:

	30 June 2025	31 December 2024
	<i>RMB million</i>	<i>RMB million</i>
Renminbi (“ RMB ”)	655	64
Hong Kong dollars (“ HK\$ ”)	38	—
United States dollars (“ US\$ ”)	352	388
	<hr/> 1,045 <hr/>	<hr/> 452 <hr/>

Pledge of Assets

As at 30 June 2025, the following assets were pledged for bank and other facilities granted to the Group:

- property, plant and equipment of RMB517.2 million (31 December 2024: RMB518.6 million);
- bank and other deposits of RMB109.8 million (31 December 2024: RMB37 million); and
- interest in a joint venture of RMB161.2 million (31 December 2024: RMB Nil).

Besides, lease liabilities of RMB110 million (31 December 2024: RMB111.4 million) were recognised in respect of right-of-use assets amounting to RMB47.6 million (31 December 2024: RMB49.3 million) as at 30 June 2025.

Guarantees provided by a related party

Except for the borrowing disclosed in note 12, there is no other guarantee provided by a related party.

Capital Commitments

As at 30 June 2025 and 31 December 2024, the Group's capital commitments in respect of capital contribution to joint ventures and an associate were RMB144.0 million and RMB494.5 million respectively (31 December 2024: RMB24.5 million and RMBNil respectively).

Significant Investment Held, Material Acquisition or Disposal of Subsidiaries and Affiliated Companies and Plans for Material Investment or Capital Assets

Reference is made to the announcements of the Company dated 9 January 2025 and 21 March 2025 (the “**Announcements**”) and the circular of the Company dated 24 January 2025 (the “**Circular**”). Unless otherwise stated, defined terms shall denote the same meanings in the Announcements and the Circular.

The Acquisition of the Target Company by the Company at the Consideration of RMB325 million (approximately HK\$345.15 million) was approved by the Independent Shareholders at the special general meeting held on 18 February 2025 (the “**SGM**”) of the Company and the transaction was completed on 21 March 2025. The Consideration was satisfied by the Company (i) as to RMB200 million (approximately HK\$212.40 million) by way of cash; (ii) as to RMB65 million (approximately HK\$69.03 million) by way of allotment and issue of Consideration Shares (representing 153,400,000 ordinary shares of the Company) at the issue price of HK\$0.45 per Consideration Share; and (iii) as to HK\$63.72 million (approximately RMB60 million) by way of issue of Convertible Bonds in the principal amount of HK\$63.72 million, which entitles the holder to convert the bonds into a total of 141,600,000 Conversion Shares at the initial Conversion Price of HK\$0.45 per Conversion Share. The Maturity Date of the Convertible Bonds is 36 months from the date of issue of the Convertible Bonds or any such other date as mutually agreed by the Company and the holder of the Convertible Bonds and bears interest at 1.0% per annum and payable in every six calendar months. The Consideration Shares and the Convertible Bonds were issued on 21 March 2025 under the Specific Mandate granted to the Board by the Independent Shareholders at the SGM. Please refer to the Announcements and the Circular of the Company for further details.

Save as disclosed hereinabove, there were no material acquisition or disposal of subsidiaries and affiliated companies by the Group during the six months ended 30 June 2025.

Breach of loan agreement

As at 30 June 2025, the Company had not breached any terms of its loan agreements for loans that are significant to its operations.

Financial Assistance and guarantees to affiliated companies by the Company

As at 30 June 2025, the Group provided guarantees to a joint venture, namely GCL Huidong LNG Rudong Co., Ltd., for certain of its bank and other borrowings with maximum amount of RMB1,224 million (31 December 2024: RMBnil). Since these bank and other borrowings were secured by the borrowers’ (i) right-of-use assets; and (ii) equity interest in certain related parties, in the opinion of the Directors, the fair value of the guarantee was considered insignificant at initial recognition and the ECL as at 30 June 2025 were considered insignificant. No fee was charged to those related parties during the current interim period.

Save as disclosed above, as at 30 June 2025, the Company had not provided any financial assistance and guarantees to affiliated companies which is subject to disclosure requirement under Rule 13.22 of the Listing Rules.

Advance to an entity provided by the Company

As at 30 June 2025, the Company had not provided any advance to an entity which is subject to disclosure requirement under Rule 13.20 of the Listing Rules.

Events After the Reporting Period

The Group has no significant events after the Reporting Period.

RISK FACTORS AND RISK MANAGEMENT

The Group's business and financial results of operations are subject to various business risks and uncertainties. The factors set out below are those that the management believes could affect the Group's financial results of operations differing materially from expected or historical results. However, there can be other risks which are immaterial now but could turn out to be material in the future.

1. Risk of market-based electricity price determination

With the accelerating reform of national renewable power pricing system, this allow market forces to determine renewable power pricing and would establish a pricing and settlement mechanism that supports the long-term sustainability. The Company's solar power plants operation and management service business will face the risk of market-based bidding transaction leading to a decrease in prices. The Company will conduct in-depth study on the business rules of market-based electricity trading, understand and master the relevant operating procedures, and increase the Company's volume of solar power plants operation and management service by actively participating in market-based trading, striving to maximise the interests of the Company.

2. Policy risk associated with tariff

Power tariff is one of the key earning drivers for the Group. The Group's results of operation could be affected by tariff and government subsidies for renewable energy. To minimise this risk, the Group's operation team pays close attention to changes of local and national energy policies, and will continue to implement related cost control measures in order to reduce the related risk exposure.

3. Risk of unpredictability of LNG and related product prices

Prices for natural gas, crude oil, and related products may fluctuate widely in response to relative changes in the supply and demand for such commodities. There are certain factors including macroeconomic conditions, oil policies of OPEC and other major oil-producing countries, geopolitics, etc which cast uncertainty over natural gas market. The predictability of oil and gas prices may impact the Group's business, cash flows and profits. The prolonged slump in oil and gas prices may also impact our long-term business strategies. The Group will perform overall management of related risks and respond to them at different levels, and strive to identify, prevent, handle and report them in a timely manner in order to mitigate the related risk, and will also implement cost control measures to reduce such risk exposure.

4. Risk of increasing difficulty for LNG trading market expansion

The Group face direct competition from major upstream competitors as the major upstream gas source suppliers continue to expand into downstream business, which increased the difficulty for the Group to penetrate into the market in the future. The Group will firmly adhere to the market-oriented philosophy, further optimise its resource mix, formulate sales strategies, continue to broaden market reach, and make full use of its resource and any potential synergy advantages to ensure the continual growth of gas trading volume.

5. Risk related to interest rate

Interest rate risk may result from fluctuations in bank loan rates. Any interest rate changes will have an impact on the Company's future capital expenditure and finance expenses, which in turn affect our operating results. Transformation into asset-light model is an effective way to reduce debts and interest rate exposure.

6. Foreign currency risk

As most of our business are located in the PRC, substantial of our revenues, capital expenditures, assets and liabilities are denominated in RMB. The Company uses US dollars to inject into US projects in the form of equity. As the Company has not purchased any foreign currency derivatives or related hedging instruments for hedging purpose, any changes in the exchange rate of foreign currency to RMB will have an impact on the Company's operating results.

7. Risk related to disputes with joint venture partners

Our joint ventures may involve us into risks associated with the possibility that our joint venture partners having financial difficulties or having disputes with us as to the scope of their responsibilities and obligations. We may encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

EMPLOYEE AND REMUNERATION POLICIES

We consider our employees to be our most important resource. As at 30 June 2025, the Group had approximately 1,153 employees (31 December 2024: 1,075 employees) in the PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits include discretionary bonuses, with share options granted to eligible employees. Total staff costs (including Directors' emoluments, retirement benefits schemes contributions and share option expenses) for the six months ended 30 June 2025 was approximately RMB114.8 million (30 June 2024: RMB117.2 million).

INCREASE IN AUTHORISED SHARE CAPITAL

On 22 May 2025, an ordinary resolution was passed at the Company's annual general meeting to approve the increase in authorised share capital of the Company from HK\$150,000,000 divided into 1,800,000,000 shares of par value one-twelfth (1/12) of a Hong Kong dollar (or HK\$0.083) each to HK\$250,000,000 divided into 3,000,000,000 shares of par value one-twelfth (1/12) of a Hong Kong dollar (or HK\$0.083) each, by creating an additional 1,200,000,000 shares of par value one-twelfth (1/12) of a Hong Kong dollar (or HK\$0.083) each. Please refer to the announcement dated 26 March 2025 and the circular dated 29 April 2025 of the Company for details.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Reference is made to the announcements of the Company dated 9 January 2025 and 21 March 2025 (the “**Announcements**”) and the circular of the Company dated 24 January 2025 (the “**Circular**”). Unless otherwise stated, defined terms shall denote the same meanings in the Announcements and the Circular.

The Acquisition of the Target Company at the Consideration of RMB325 million (approximately HK\$345.15 million) was satisfied by the Company (i) as to RMB200 million (approximately HK\$212.40 million) by way of cash; (ii) as to RMB65 million (approximately HK\$69.03 million) by way of allotment and issue of Consideration Shares (representing 153,400,000 ordinary shares of the Company) at the issue price of HK\$0.45 per Consideration Share; and (iii) as to HK\$63.72 million (approximately RMB60 million) by way of issue of Convertible Bonds in the principal amount of HK\$63.72 million, which entitles the holder to convert the bonds into a total of 141,600,000 Conversion Shares at the initial Conversion Price of HK\$0.45 per Conversion Share. The Maturity Date of the Convertible Bonds is 36 months from the date of issue of the Convertible Bonds or any such other date as mutually agreed by the Company and the holder of the Convertible Bonds and bears interest at 1.0% per annum and payable in every six calendar months. The Consideration Shares and the Convertible Bonds were issued on 21 March 2025 under the Specific Mandate granted to the Board by the Independent Shareholders at the SGM. No proceeds were raised from the Consideration Shares and the Convertible Bonds, as they were issued as part of the Consideration for the Acquisition. Please refer to the Announcements and the Circular of the Company for further details. As at the date of this announcement, none of the Convertible Bonds have been redeemed.

Save as disclosed hereinabove, the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares listed on the Stock Exchange (including treasury shares) during the six months ended 30 June 2025.

During the six months ended 30 June 2025 and as at the date of this announcement, there were no treasury shares held by the Company (including any treasury shares held or deposited with the Central Clearing and Settlement System).

CORPORATE GOVERNANCE PRACTICES

The Company is committed to promoting high standards of corporate governance through its continuous effort in enhancing its corporate governance practices and processes. The Board believes that sound and reasonable corporate governance practices are essential for sustainable development and growth, and safeguarding the interests and assets of the Group and enhancement of shareholders' value.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, the Company complied with the code provisions set out in the Corporate Governance Code in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own model code of conduct regarding securities transactions by the Directors. Having made specific enquiry by the Company, apart from the below, all Directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Reporting Period.

Pursuant to the announcement published by the Company on 28 July 2025, Mr. Zhu Gongshan (“**Mr. Zhu**”), an executive Director and the chairman of the Board, informed the Company that the aggregate number of voting shares in the Company in which he is interested through Asia Pacific Energy Fund Limited is 552,773,629 shares (inclusive of 141,600,000 shares that may be issued to Golden Concord Group Limited, an indirect wholly-owned subsidiary of Asia Pacific Energy Fund Limited, upon full conversion of the convertible bonds subject to the terms and conditions of such convertible bonds, which provide, among other things, a conversion must not trigger a change of control of the Company or a mandatory offer obligation under Rule 26 of the Code on Takeovers and Mergers, as detailed in the Company's announcements dated 9 January 2025 and 21 March 2025).

The Company understands that Mr. Zhu has retained legal adviser and Mr. Zhu and the relevant Director(s) are taking appropriate actions to ensure compliance with the disclosure of interest filing requirements under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) as soon as practicable.

Once all the necessary filings have been made, the Company will update the market as soon as it reasonably can to reflect all necessary changes to the Company's previous disclosures in its relevant interim reports, annual reports, announcements and/or circulars.

The Board takes corporate governance seriously and has put in place a number of steps and measures to ensure that each Director is well informed and aware of their duties and obligations under the Model Code and the SFO. The Board considers that this is a single incident.

To prevent recurrence and to further strengthen the Company's corporate governance framework regarding Directors' dealings in the Company's securities and compliance with disclosure of interest filing requirements under the SFO, the Company has taken or will take the following actions:

- (a) the Company will establish enhanced notification and internal monitoring procedures (the **"Procedures"**) to support Directors in fulfilling their disclosure obligations under the SFO. The internal code governing dealings in securities by Directors and senior management will be circulated to ensure clear understanding and adherence to the new Procedures;
- (b) the Company's management has discussed the incident with the Directors to reinforce their awareness and understanding of the requirements under the Model Code and the SFO; and
- (c) the Company will arrange its legal advisors to highlight the provisions in the Model Code and disclosure of interest filing requirements under the SFO in the next director training to be conducted by the Company's legal advisors to the Directors.

AUDIT COMMITTEE

The audit committee of the Company has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including a review of the Company's interim report and interim results for the six months ended 30 June 2025.

AUDITOR

The Company's external auditor, Crowe (HK) CPA Limited, has conducted a review of the Interim Financial Information 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" issued by the Hong Kong Institute of Certified Public Accountants.

There is no disagreement raised by the Company's external auditors or the audit committee of the Company with the accounting treatment adopted by the Company.

PUBLICATION OF 2025 INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Company (www.gclnewenergy.com) and HKExnews (www.hkexnews.hk). The 2025 Interim Report containing all the information as required by the Listing Rules will be despatched to the shareholders and made available for review on the same websites in due course.

By order of the Board
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Zhu Gongshan
Chairman

Hong Kong, 27 August 2025

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Yufeng, Mr. Wang Dong and Mr. Gu Zengcai as executive Directors of the Company; Ms. Sun Wei, Mr. Yeung Man Chung, Charles and Mr. Fang Jiancai as non-executive Directors of the Company; and Mr. Lee Conway Kong Wai, Mr. Wang Yanguo, Dr. Chen Ying and Mr. Cai Xianhe as independent non-executive Directors of the Company.