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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01250)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

HIGHLIGHTS

- Profit for the Year of the Group was approximately RMB401.6 million (2024: approximately RMB462.8 million), representing a decrease of approximately 13.2% as compared to the corresponding period of the last year. The decrease in profit was mainly attributable to the combined effects of (i) the incremental electricity contribution from newly grid-connected projects during the year, the increase of which was offset by the widespread and intensified curtailment impacts nationwide and the decline in market-based transaction electricity prices; (ii) significant achievements in cost control and efficiency enhancement, partially mitigating the negative impacts, with administrative expenses remaining largely flat compared to the previous year and finance costs recording savings; and (iii) other income and gains, net and other operating expenses, net.
- The finance costs for the Year of the Group was approximately RMB965.4 million (2024: approximately RMB1,147.3 million). The decrease in finance costs was mainly attributable to the replacement of high-cost financing with low-cost financing and advance repayment of high-cost overseas borrowings, which decreased finance costs.
- EBITDA of the Group for the Year amounted to approximately RMB3,418.9 million (2024: approximately RMB3,672.1 million), representing a decrease of approximately 6.9% as compared to the corresponding period of the last year.
- The debt ratio of the Group as at the end of the Year has been further reduced to approximately 59.3% (2024: approximately 60%). Meanwhile, cash and cash equivalents of the Group as at the end of the Year amounted to approximately RMB4,616.3 million, with a current ratio of 1.62. The Group has sufficient financial reserves to provide for business development.
- The weighted average utilisation hours of wind power plant projects for the Year of the Group was 2,635 hours, surpassing the national average utilisation hours for wind power in China.
- Basic and diluted earnings per share for the Year of the Group were RMB10.18 cents (2024: RMB12.65 cents) and RMB10.18 cents (2024: RMB12.65 cents) respectively.
- The Board does not recommend the payment of a final dividend for the Year (2024: Nil).

RESULTS

The Board announces the audited consolidated results of the Group for the year ended 31 December 2025 (the “Year”) and the consolidated statement of financial position of the Group as at 31 December 2025, together with comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	2	4,408,662	4,423,147
Cost of sales	3	<u>(2,408,517)</u>	<u>(2,401,770)</u>
Gross profit		2,000,145	2,021,377
Other income and gains, net	2	132,068	242,918
Selling and distribution expenses		(4,268)	(3,982)
Administrative expenses		(349,635)	(350,103)
Other operating expenses, net		(184,348)	(75,356)
Finance costs	4	(965,441)	(1,147,255)
Share of profits and losses of:			
Joint ventures		(35,343)	(1,443)
Associates		<u>9,756</u>	<u>(27,402)</u>
PROFIT BEFORE TAX	3	602,934	658,754
Income tax expense	5	<u>(201,320)</u>	<u>(195,984)</u>
PROFIT FOR THE YEAR		<u>401,614</u>	<u>462,770</u>
Attributable to:			
Equity holders of the Company		228,773	284,242
Non-controlling interests		<u>172,841</u>	<u>178,528</u>
		<u>401,614</u>	<u>462,770</u>
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	7		
Basic		<u>RMB10.18 cents</u>	<u>RMB12.65 cents</u>
Diluted		<u>RMB10.18 cents</u>	<u>RMB12.65 cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	401,614	462,770
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods, net of tax:</i>		
Exchange fluctuation reserve:		
Translation of foreign operations	(430)	(110,109)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax:</i>		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	<u>418</u>	<u>(6)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>(12)</u>	<u>(110,115)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>401,602</u>	<u>352,655</u>
Attributable to:		
Equity holders of the Company	228,761	174,127
Non-controlling interests	<u>172,841</u>	<u>178,528</u>
	<u>401,602</u>	<u>352,655</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	31 December 2025 <i>Notes</i>	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS		
Property, plant and equipment	23,618,407	23,876,479
Investment properties	150,790	150,790
Goodwill	458,880	458,880
Operating concessions	1,240,412	1,319,823
Operating rights	2,397,877	2,547,633
Other intangible assets	25,074	26,728
Investments in joint ventures	483,203	393,150
Investments in associates	1,168,932	1,076,255
Equity investments designated at fair value through other comprehensive income	300,412	299,994
Prepayments, deposits and other receivables	1,086,931	856,148
Other tax recoverables	468,229	384,087
Deferred tax assets	448,444	437,270
	31,847,591	31,827,237
CURRENT ASSETS		
Inventories	33,701	44,686
Contract assets	8 708,807	690,081
Trade and bills receivables	9 8,140,876	8,674,336
Financial assets at fair value through profit or loss	427,789	553,173
Prepayments, deposits and other receivables	2,097,058	2,263,057
Other tax recoverables	213,487	248,368
Restricted cash and pledged deposits	116,736	115,538
Cash and cash equivalents	4,616,294	3,645,621
	342,435	342,435
Assets classified as held for sale		
	16,697,183	16,577,295

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 December 2025

		31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
CURRENT LIABILITIES			
Trade and bills payables	10	1,007,918	890,344
Other payables and accruals		558,620	1,009,508
Interest-bearing bank loans and other borrowings		7,537,764	6,110,307
Corporate bonds	11	1,017,507	694,506
Income tax payables		188,535	141,544
		<hr/>	<hr/>
Total current liabilities		10,310,344	8,846,209
		<hr/>	<hr/>
NET CURRENT ASSETS		6,386,839	7,731,086
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		38,234,430	39,558,323
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Interest-bearing bank loans and other borrowings		16,588,853	19,758,252
Corporate bonds	11	1,500,000	–
Other non-current liabilities		–	9,298
Deferred tax liabilities		397,924	432,806
		<hr/>	<hr/>
Total non-current liabilities		18,486,777	20,200,356
		<hr/>	<hr/>
Net assets		19,747,653	19,357,967
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	12	94,880	94,880
Reserves		13,361,370	13,132,448
		<hr/>	<hr/>
		13,456,250	13,227,328
Non-controlling interests		6,291,403	6,130,639
		<hr/>	<hr/>
Total equity		19,747,653	19,357,967
		<hr/> <hr/>	<hr/> <hr/>

NOTES:

1.1 CORPORATE AND GROUP INFORMATION

Shandong Hi-Speed New Energy Group Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and the principal place of business of the Company in Hong Kong is located at 38th Floor, The Center, 99 Queen’s Road Central, Central, Hong Kong.

During the Year, the Company and its subsidiaries (collectively referred to as the “**Group**”) were principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses (the “**Photovoltaic Power Business**”), wind power businesses (the “**Wind Power Business**”) and clean heat supply service businesses (the “**Clean Heat Supply Service Business**”) in the People’s Republic of China (the “**PRC**”).

In the opinion of the Directors, the holding company of the Company is Shandong Hi-Speed Holdings Group Limited, which is incorporated in Bermuda. The ultimate holding company of the Company is Shandong Hi-Speed Group Co. Ltd., which is incorporated in the PRC.

1.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss, financial asset at fair value through other comprehensive income and financial guarantee contracts which have been measured at fair value. Disposal assets held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 Lack of Exchangeability for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The Group has considered the guidance in these illustrative examples and no material impact on the Group’s financial statements.

2. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers		
Sale of electricity and entrusted operation services		
Photovoltaic Power Business	2,442,525	2,486,893
Wind Power Business	1,289,386	1,186,855
Entrusted operation services	57,434	46,891
Construction and related services	47,140	125,409
Provision of clean heat supply services	572,177	577,099
	<u>4,408,662</u>	<u>4,423,147</u>
Total	<u><u>4,408,662</u></u>	<u><u>4,423,147</u></u>

An analysis of the Group's other income and gains, net is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	20,461	29,221
Other interest income	11,127	10,680
Government grants	12,899	15,661
Fair value gain on financial assets at fair value through profit or loss	2,138	27,156
Gains on debt restructuring	–	24,730
Management income	23,224	53,976
Reversal of impairment of trade and bills receivables	–	546
Exchange gains	27,802	47,173
Others	34,417	33,775
	<u>132,068</u>	<u>242,918</u>
Total other income and gains, net	<u><u>132,068</u></u>	<u><u>242,918</u></u>

3. PROFIT BEFORE TAX

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of sales of electricity and entrusted operation services	1,838,281	1,767,694
Cost of construction and related services	46,508	107,775
Cost of clean heat supply services	523,728	526,301
Depreciation of property, plant and equipment	1,459,738	1,447,543
Depreciation of right-of-use assets recognised under property, plant and equipment	168,616	194,478
Amortisation of operating concessions	68,879	71,202
Amortisation of operating rights	149,756	149,757
Amortisation of other intangible assets	3,509	3,079
	<u><u>3,158,115</u></u>	<u><u>3,167,829</u></u>

4. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 <i>RMB'000</i>
Interest on interest-bearing bank loans and other borrowings	842,175	974,943
Interest on lease liabilities	97,795	169,273
Interest on corporate bonds	28,760	9,805
	<hr/>	<hr/>
Total interest expenses on financial liabilities not at fair value through profit or loss	968,730	1,154,021
Less: interest capitalized	(3,289)	(6,766)
	<hr/>	<hr/>
	965,441	1,147,255
	<hr/> <hr/>	<hr/> <hr/>

5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2024: Nil).

The PRC corporate income tax provision in respect of operations in Chinese mainland is calculated at the applicable tax rates on the estimated assessable profits for the year based on the prevailing legislation, interpretations and practices in respect thereof. In accordance with the relevant tax rules and regulations of Chinese mainland, a number of the Company's subsidiaries enjoy income tax exemptions and reductions because (i) these companies are engaged in the operation of photovoltaic and wind power plants; and (ii) they have operations in certain regions of the PRC that are qualified for certain concessionary corporate income tax rates for a prescribed period of time.

	2025 RMB'000	2024 <i>RMB'000</i>
Current – Chinese mainland	247,376	216,941
Charge for the year	243,949	223,663
Overprovision in prior years	3,427	(6,722)
Deferred	(46,056)	(20,957)
	<hr/>	<hr/>
Total tax expense for the year	201,320	195,984
	<hr/> <hr/>	<hr/> <hr/>

6. DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 December 2025 (2024: Nil).

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit attributable to the equity holders of the Company for the years ended 31 December 2025 and 2024, and the number of ordinary shares outstanding during these years.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

The calculations of the basic and diluted earnings per share amounts are based on the following data:

	2025 RMB'000	2024 <i>RMB'000</i>
Earnings		
Profit for the year attributable to equity holders of the Company	<u>228,773</u>	<u>284,242</u>
Profit used in the basic and diluted earnings per share calculations	<u><u>228,773</u></u>	<u><u>284,242</u></u>
	2025	2024
Number of ordinary shares		
Weighted average number of ordinary shares outstanding during the year used in the basic and diluted earnings per share calculation	<u>2,246,588,726</u>	<u>2,246,588,726</u>
Basic earnings per share	<u><u>RMB10.18 cents</u></u>	<u><u>RMB12.65 cents</u></u>
Diluted earnings per share	<u><u>RMB10.18 cents</u></u>	<u><u>RMB12.65 cents</u></u>

8. CONTRACT ASSETS

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Tariff adjustment receivables	<i>(a)</i>	<u>677,642</u>	659,927
Construction contracts	<i>(b)</i>	<u>33,520</u>	<u>34,254</u>
		711,162	694,181
Less: Impairment		<u>(2,355)</u>	<u>(4,100)</u>
		<u><u>708,807</u></u>	<u><u>690,081</u></u>

8. CONTRACT ASSETS (Continued)

Notes:

- (a) Tariff adjustment receivables included in contract assets represented the PRC central government renewable energy subsidy for the Group's photovoltaic and wind power plant projects that are to be billed and settled upon entering into the list of national renewable energy power generation subsidies for the renewable energy power generation projects (the "Project List"). In the opinion of the Directors, the registration procedures of the Project List for the Group's photovoltaic and wind power plant projects are of administrative in nature and the Group will comply with the related procedures stipulated by the current government policy in Chinese mainland and all other attaching conditions, if any.
- (b) Contract assets are initially recognised for revenue earned from construction and related services as the receipt of consideration is conditional on construction progress. Upon completion of certain milestones as agreed with customers and such being accepted by them, the amounts recognised as contract assets are reclassified to trade receivables.

9. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	1,545,981	1,599,290
Tariff adjustment receivables (<i>Notes</i>)	6,663,153	7,174,172
Bills receivable	<u>50,260</u>	<u>8,699</u>
	8,259,394	8,782,161
<i>Less: Impairment</i>	<u>(118,518)</u>	<u>(107,825)</u>
	<u><u>8,140,876</u></u>	<u><u>8,674,336</u></u>

Notes: Tariff adjustment receivables included in trade receivables represent the PRC central government renewable energy subsidy for the Group's photovoltaic and wind power plant projects that have been registered into the Project List.

The Group's trading terms with its customers are mainly on credit, except for certain new customers where payment in advance is normally required. The Group generally allows credit periods of 30 days to 90 days to its customers, and generally accepts settlement of certain trade receivables by bank and commercial bills with maturity periods ranging from 90 days to 180 days.

Management seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade receivables are non-interest-bearing.

At 31 December 2025, certain subsidiaries engaging in the operation of clean energy businesses have pledged trade receivables to secure certain bank loans and other borrowings.

9. TRADE AND BILLS RECEIVABLES (Continued)

Notes: (Continued)

The ageing analysis of trade and bills receivables (excluding tariff adjustment receivables, net of loss allowance) as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	355,664	444,155
4 to 6 months	24,412	32,795
7 to 12 months	68,462	188,089
1 to 2 years	367,821	188,515
Over 2 years	666,420	652,407
	<u>1,482,779</u>	<u>1,505,961</u>

The ageing analysis of the tariff adjustment receivables as at the end of the reporting period, based on the revenue recognition date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	552,998	561,344
4 to 6 months	680,343	450,222
7 to 12 months	636,741	799,907
1 to 2 years	1,785,683	2,462,880
Over 2 years	3,002,332	2,894,022
	<u>6,658,097</u>	<u>7,168,375</u>

10. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	128,168	9,862
4 to 6 months	111,069	34,464
7 to 12 months	31,129	149,555
1 to 2 years	188,879	177,042
Over 2 years	548,673	519,421
	<u>1,007,918</u>	<u>890,344</u>

The trade payables are non-interest-bearing. Trade and bills payables are normally settled on terms of 30 days to 180 days.

11. CORPORATE BONDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Corporate bonds	2,517,507	694,506
Portion classified as current liabilities	<u>(1,017,507)</u>	<u>(694,506)</u>
Non-current portion	<u><u>1,500,000</u></u>	<u><u>–</u></u>

Notes:

- (i) Corporate bonds with an aggregate principal amount of RMB465 million were issued by a subsidiary of the Company to certain institutional investors on 20 December 2022, with interest rates ranging from 4.20% to 4.90% per annum. The corporate bonds are secured by trade receivables. As at 31 December 2025, all outstanding amounts have been fully settled.
- (ii) In August 2024, a subsidiary of the Company issued RMB500 million of ultra-short-term financing notes. The coupon rate was 2.24%, and the term was from August 2024 to May 2025. As at 31 December 2025, all outstanding amounts have been fully settled.
- (iii) The Group issued three tranches of Green Medium Term Notes in 2025, each with an issuance amount of RMB500 million, with coupon rates of 2.30% (term: May 2025 to May 2028), 2.15% (term: September 2025 to September 2030), and 2.25% (term: October 2025 to October 2030), respectively.
- (iv) The Group issued two tranches of ultra-short-term financing notes in 2025, each with an issuance amount of RMB500 million, with coupon rates of 1.78% (term: July 2025 to March 2026) and 1.85% (term: December 2025 to September 2026), respectively.

12. SHARE CAPITAL

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Authorised:		
Ordinary shares:		
9,332,742,302 shares of HK\$0.05	<u>466,637</u>	<u>466,637</u>
Convertible preference shares:		
667,257,698 shares of HK\$0.05	<u>33,363</u>	<u>33,363</u>
	<u><u>500,000</u></u>	<u><u>500,000</u></u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Issued and fully paid:		
Ordinary shares:		
2,246,588,726 shares of HK\$0.05	<u><u>94,880</u></u>	<u><u>94,880</u></u>

13. EVENT AFTER THE REPORTING PERIOD

As of the date of approval of this financial statements, the Group has no events occurring after the balance sheet date need to be disclosed.

MANAGEMENT DISCUSSION AND ANALYSIS

31 DECEMBER 2025

During the Reporting Period, the Group's operating performance was affected by a combination of factors, including the slowdown in macroeconomic growth, the deepening of power market reforms, and the fluctuations in natural resources. According to data released by the National Energy Administration and the China Electricity Council, total electricity consumption in China exceeded 10 trillion kWh for the first time in 2025, reaching 10.37 trillion kWh, a year-on-year increase of 5.0%, providing a stable macroeconomic market environment for the Company's business development. Under the guidance of the national "dual-carbon" target, new energy has become the main source of incremental electricity consumption, with incremental power generation from all categories of new energy throughout the year accounting for 97.1% of the incremental electricity consumption across society. However, against the backdrop of slowing macroeconomic growth, the pressure on electricity consumption increased significantly, coupled with the risk of declining electricity prices brought about by the full marketization of electricity trading, posing certain challenges to the Group's revenue and profitability. The Group's management, assessing the situation, effectively offset some of the adverse effects of the external environment through proactive project operation and development, strict comprehensive cost control, and continuous optimization of the financing structure, demonstrating the resilience of the Group's operations.

During the Reporting Period, the Group recorded an operating revenue of approximately RMB4,408.7 million, which was roughly flat as compared to approximately RMB4,423.1 million for the corresponding period of the last year; gross profit of approximately RMB2,000.1 million, which was also roughly flat as compared to approximately RMB2,021.4 million for the corresponding period of the last year. The main reason why revenue and gross profit remained stable was that the increase in power generation from newly grid-connected projects during the year was offset by the impact of intensified nationwide power rationing and the decline in market-based electricity prices. With the increase in power rationing rate, the loss of power generation revenue caused by power rationing became the core negative factor affecting profits throughout the year. Meanwhile, market-based electricity pricing was fully implemented during the year, marking the complete transition of new energy electricity pricing to a market-oriented model. New projects no longer enjoy fixed guaranteed electricity prices (with existing projects also experiencing minor impacts), with their revenue jointly determined by medium-to-long-term transactions, spot markets, green electricity transactions, and other factors. As a result, the Group's daily operations began to face downward pressure on electricity prices. Collectively, these factors have led to an increase in the share of revenue from parity price projects (with the simultaneous decrease in the share of revenue from subsidized projects).

Profit for the year was approximately RMB401.6 million as compared to approximately RMB462.8 million for the corresponding period of the last year, representing a year-on-year decrease of approximately 13.2%. The decrease in profit for the year was mainly attributable to: (i) changes in revenue and gross profit and their underlying causes (as elaborated above); (ii) significant results in cost reduction and efficiency improvement, which partially offset the negative impact. The Group continued to deepen its refined management philosophy and achieved significant results in controlling financing costs, improving operational efficiency, and reducing administrative expenses. Through a series of measures such as low-cost refinancing, centralized procurement across the supply chain, and promotion of intelligent operation and maintenance models, the Group effectively controlled the growth of costs and expenses, resulting in administrative expenses remaining basically the same as the last year and financial expenses being reduced by approximately RMB181.8 million compared to the last year; and (iii) the combined impact of net other income and gains and net other operating expenses. Affected by factors including a decrease in foreign exchange gains, interest income, and fair value gains on financial assets at fair value through profit or loss, as well as increased impairment of other receivables, prepayments, and similar items, the net amount of these two items decreased by approximately RMB219.8 million.

As at 31 December 2025, the Group recorded total assets of approximately RMB48,544.8 million (2024: RMB48,404.5 million) and total liabilities of approximately RMB28,797.1 million (2024: RMB29,046.5 million), resulting in net assets of approximately RMB19,747.7 million (2024: RMB19,358.0 million). The gearing ratio was 59.3%, representing a slight decrease of approximately 0.7 percentage point compared to the last year. The Group is committed to maintaining a sound financial structure, and maintains its competitive edge in risk resilience by continuously optimizing cash flow and effectively reducing high-cost debt, thereby securing sufficient financial resources for investment and development during the “15th Five-Year Plan” period.

1. MARKET REVIEW

The year 2025 marks a watershed moment in the development of China’s energy sector and represents the concluding year of the “14th Five-Year Plan” period. In that year, the main theme of new energy development shifted profoundly from pursuing rapid expansion of installed capacity to a new stage of high-quality development focusing on quality and efficiency, integration and utilization, and system stability. The core of policy formulation and market mechanism design revolved around building a new type of power system with new energy as the mainstay, aiming to address the deep-seated structural challenges brought about by large-scale, high-proportion new energy integration, such as integration bottlenecks, insufficient system regulation capacity, and the adaptability of market mechanisms.

Judging from industry data, statistics released by the National Energy Administration and the China Electricity Council clearly outlines the profound changes in the supply-demand pattern. By the end of 2025, China's total installed power generation capacity reached 3.89 billion kilowatts, representing a year-on-year increase of 16.1%. This was an increase of approximately 1.69 billion kilowatts compared to the end of the "13th Five-Year Plan" period, representing an average annual growth rate of 12.0%. Among this, installed capacity of power generation from non-fossil energy amounted to approximately 2.40 billion kilowatts, representing a year-on-year increase of 23.0%, accounting for over 60% of the total installed capacity. The installed capacity of solar power as the main driver of energy transition reached 1.20 billion kilowatts, representing a year-on-year increase of 35%; the installed capacity of wind power reached approximately 640 million kilowatts, representing a year-on-year increase of 23%. The rapid growth of the installed capacity of wind and solar power marks the remarkable achievements in China's green and low-carbon energy transition. The total newly added installed capacity of wind and solar power reached approximately 440 million kilowatts throughout the year, accounting for over 80% of the total newly added installed capacity. By the end of 2025, the total installed capacity of wind and solar power reached approximately 1.84 billion kilowatts, accounting for 47% of the total installed capacity, historically surpassing the installed capacity of thermal power.

However, total electricity consumption across society was approximately 10.37 trillion kWh during the same period, representing a year-on-year increase of 5.0%, indicating relatively stable growth in electricity consumption. This structural gap of "rapid increase in installed capacity but slow growth in electricity consumption" has led to a short-term imbalance in the supply and demand of new energy power. Although the average utilization rate of wind and solar power nationwide remains high, the utilization rate of new energy in several "Three Norths" regions and some load center provinces in central and eastern China has experienced a phased decline. The issues of curtailed wind and solar power generation have rebounded, becoming a common challenge that the industry urgently needs to address. It is worth noting that by 2025, the newly added power generation of new energy (wind, solar, and biomass) accounted for 97.1% of the total newly added electricity consumption across society, and new energy has become the primary source for meeting incremental power demand, with its operational performance directly impacts the national electricity supply-demand balance.

At the policy level, the year 2025 witnessed a landmark and profound transformation that fundamentally reshaped the industry's long-term development logic and business model. The most crucial development was the “Notice on Deepening the Market-oriented Reform of New Energy Feed-in Tariff to Promote High-quality Development of New Energy (NDRC Price [2025] No. 136)* (《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》(發改價格[2025]136號))” issued by the National Development and Reform Commission and the National Energy Administration. This policy clearly marked the end of the era of “guaranteed volume and price” for new energy power generation, which relied on fixed subsidies or benchmark feed-in tariffs as protective support, and the beginning of a new competitive stage of “neither volume nor price guaranteed” where resource allocation is determined by market supply and demand. The new policy, with “regulated electricity volume and regulated electricity price” as its core framework, requires new wind and solar projects to determine their electricity volume and price through bidding and other methods, and to fully participate in medium-and long-term transactions and spot transactions in the electricity market. This presented unprecedented challenges to enterprises in terms of investment decision-making, risk management, and electricity trading expertise. Project returns transformed from a simple formula of “fixed electricity price X power generation” into a complex function influenced by multiple variables, including market supply and demand dynamics, energy conservation and emission reduction policies, user-side demand characteristics, and even the accuracy of weather forecasting.

In terms of guiding the diversified utilization and application scenario expansion of new energy, the state has also introduced highly forward-looking guidelines. The “Notice on Matters Relating to Promoting the Development of Direct Green Power Connections in An Orderly Manner” (NDRC Energy [2025] No. 650)* (《關於有序推動綠電直連發展有關事項的通知》(發改能源[2025]650號))” jointly issued by the National Development and Reform Commission and the National Energy Administration has opened up innovative pathways for local consumption of new energy and meeting the rigid green energy demand of end-users such as energy-intensive industries and data centers. This policy breaks away from the traditional single model of grid-based unified purchase and sale, giving rise to deeply integrated business models such as “new energy + industry” and “direct supply of green power”, closely aligning the interests of power generation enterprises with those of end-users. Meanwhile, new business models such as energy-transportation integration (new energy + transportation infrastructure), data-energy integration (new energy + computing centers), integrated wind-solar-hydro-thermal-storage systems, and virtual power plants, driven by both policy incentives and technological advancements, are accelerating from concept verification to demonstration implementation, becoming strategic high grounds for industry leaders to explore new growth areas and build a new-type energy system.

Looking back on the year, the new energy industry has forged ahead amidst intertwined challenges and opportunities. Despite facing the dual pressures of power integration and electricity pricing across the industry, the national strategic direction toward clean and low-carbon energy transition remains rock-solid and unshakable. Various policies clearly signal that future market competition will increasingly favor leading companies with core technological innovation capabilities, refined operation and maintenance management, professional power trading teams, strong cost control measures, and a high level of compliance awareness. Accelerated industry consolidation, the elimination of outdated capacity, and the reshaping of the competitive landscape have created a historic strategic opportunity for strategically positioned players with comprehensive strength to achieve leapfrog development.

2. GROUP STRATEGY AND OPERATIONS

Facing a complex, volatile market environment in 2025 filled with both challenges and opportunities, the Group's management sized up the situation and proactively adjusted its strategic rhythm and development approach, establishing an overarching guideline of high-quality development prioritizing "quality and efficiency". Throughout the Group, we adhered to the working tone of "balancing speed and quality, and pooling efforts to overcome difficulties", vigorously promoting a strategic transformation from a growth model solely centered on "market development" to a synergistic model driven by "the dual cores of development and grid connection". The Group has continued to deeply integrate into the vast industrial ecosystem of SDHS Group, fully leveraging the strong credit endorsement, capital advantages, and rich application scenarios provided by our controlling shareholder. Amidst the complex market conditions, we maintained clear strategic focus and achieved several milestone strategic breakthroughs despite adversity, laying a solid foundation for long-term development during the "15th Five-Year Plan" period.

At the level of top-level strategic design, the Group successfully completed the independent formulation of the "Shandong Hi-Speed New Energy Group '15th Five-Year' Reform and Development Plan (2026-2030)" within the year. This planning document, which embodies the wisdom and dedication of the entire management team, charts a clear, detailed, and highly forward-looking strategic blueprint for the Group's development over the next five years. The plan explicitly proposes the strategic direction of "boosting wind power, stabilizing photovoltaic power, deploying energy storage, and expanding hydro power". This entails significantly increasing the proportion of wind power business, consolidating the fundamental position of photovoltaic business, deploying pumped hydro storage and new energy storage, and actively expanding hydropower and integrated energy services. The goal is to construct a new industrial landscape featuring complementary and coordinated development of wind, photovoltaic, hydro, thermal power and energy storage, propelling the Group from mere scale chasing towards connotative high-quality growth centered on value creation. During the planning process, the Group held special strategic seminars and invited external experts to provide insights, ensuring the foresight and feasibility of the strategic direction.

In terms of business development and market expansion, the Group closely followed national policy guidelines, layout new tracks and models with a forward-looking vision, stood out in fierce market competition, and achieved several historic “breakthrough from zero”. During the Reporting Period, the Group newly acquired development targets totaling 2,204 MW, exceeding the annual target, with a significant increase in the proportion of wind power projects, fully reflecting the Group’s keen grasp of policy changes and the foresight of its strategic adjustments. In the traditional wind power sector, we successfully secured multiple large-scale centralized wind power projects in Heze and Weifang, Shandong Province, and Mingshui, Heilongjiang Province, further consolidating our scale advantage and competitive barriers in core regions. More strategically significant was the key progress made in several emerging business formats, marking a new chapter in long-duration energy storage. The first phase of the “source-grid-load-storage (源網荷儲)” integrated project in Ulanqab, Inner Mongolia Autonomous Region, obtained approval, successfully exploring a new synergistic development model of “green energy supply + computing infrastructure”, leading the industry trend of digital-energy integration. As of the end of the Reporting Period, the total installed capacity of the Group’s power generation projects under construction or approved but not yet under construction exceeded 5.8 GW (net of recognised development terminations), including 31 projects with a scale of 100 MW or above, providing important support for the Group’s future sustainable development.

Regarding project construction and the critical task of target conversion, the Group designated “seizing grid connection opportunities and rapid conversion” as the core task of the year. We concentrated superior resources to fully unblock the key bottleneck links from resource acquisition to electricity output. The 93.75 MW centralized wind power project in Mudan District, Heze, Shandong Province (constituting part of the 387.5 MW centralised onshore wind power project in Heze City, Shandong Province, first mentioned in 2023), as one of the first batch of onshore wind power benchmark projects in Shandong Province, consistently led the way during its development and construction. It created an industry benchmark of “Six Firsts”: the first to commence construction, the first to complete the pouring of the foundation for the first wind turbine, the first to complete the hoisting of the first wind turbine’s hybrid tower, the first to complete the hoisting of the first wind turbine, and the first to achieve grid connection. The project successfully achieved full-capacity grid-connected power generation within the year, accumulating valuable practical experience and an efficient management template for the Group’s subsequent large-scale, standardized wind power project construction. Facing the short-term window for rushing grid connections brought about by the new national renewable energy policies, relevant departments of the Group collaborated efficiently and adopted special measures for special cases. This ensured that all 10 projects affected by the policy (8 rushing the 30 April deadline and 2 rushing the 31 May deadline) were connected to the grid on schedule, with some projects commencing operation ahead of time. This effectively avoided the risk of stranded assets that might have resulted from policy adjustments, winning a brilliant battle to defend existing assets and break through with new increments.

In terms of production, operation, maintenance management, and empowerment through digital and intelligent transformation, the Group continued to deepen the reform of the intelligent operation and maintenance (O&M) model featuring “centralized monitoring + regional maintenance + minimal-manned duty”. This significantly improved O&M efficiency and equipment reliability. The consolidated power generation reached 6.817 billion kWh, with the planned completion rate for power generation from existing projects exceeding 100%, and the equipment failure loss rate controlled at an extremely low level. During the Reporting Period, existing projects were orderly integrated into the centralized control platform, and the intelligent O&M model entered the stage of scaled promotion. Through measures such as warranty expiration negotiations, independent maintenance, preventive testing, and technical upgrades, the Group achieved cost reduction and efficiency gains, with technical upgrades directly contributing an additional 2.78 million kWh of power generation. Our O&M standardization capabilities continued to receive high industry recognition. During the Reporting Period, twelve power stations were rated as 4A/3A star-level stations by the China Electricity Council.

Facing the surging tide of power market reforms, the Group responded actively by rapidly establishing a professional power trading team. We conducted in-depth research on trading rules and market dynamics in various provinces, achieving positive results in annual medium-to-long-term contract signing, monthly bidding, spot trading, as well as green power and green certificate trading. In 2025, 34 self-owned projects participated in electricity market trading, with a capacity of 2 GW, accounting for approximately 54% of the capacity of involved power stations. Annual green electricity trading volume reached 200 million kWh, and cumulative green certificate transactions total approximately 550,000 units. In the Tibet Autonomous Region, the Group successfully completed its first power generation right substitution transaction, generating annual revenue of over approximately RMB5 million, demonstrating the Group’s innovation capabilities in power marketing. We have preliminarily established a marketing system and risk hedging capabilities adapted to the market-oriented environment, making key capability reserves for full entry into the electricity market.

Regarding internal management optimization and financial resource assurance, the Group continued to integrate cost reduction and efficiency enhancement throughout the entire operational management process. The finance team leveraged its professional expertise to continuously lower the comprehensive financing cost to approximately 3.59% by replacing high-cost existing financing and exploring innovative financing instruments such as green bonds. This represented a decrease of approximately 50 basis points compared to 2024, effectively alleviating pressure from declining performance. During the Reporting Period, the Group cumulatively obtained credit lines of approximately RMB22.56 billion, providing solid financial assurance for business development. Notably, we successfully issued RMB2.5 billion in “Green + Rural Revitalization” bonds, further broadening financing channels and demonstrating the Group’s innovation capabilities in the field of green finance.

In terms of safety management, the Group continuously improved its safety management system, fully implemented the full-staff safety production responsibility system, and signed safety responsibility letters at all levels to ensure the implementation of responsibilities. Within the year, we smoothly passed the integrated certification for three management systems: Quality (QMS), Environment (EMS), and Occupational Health and Safety (OHSAS), ensuring the continuous and effective operation of safety management. Regarding risk control, the Group deeply promoted the construction of a dual prevention mechanism, carried out safety inspections and hidden danger investigation and governance throughout the year, and simultaneously implemented a hidden danger reporting reward mechanism to encourage frontline employees to proactively eliminate safety risks. At the same time, we increased investment in technology-driven safety, promoting the application of technologies such as visual monitoring of on-site operations and intelligent fire alarm systems to enhance safety supervision efficiency. In terms of safety education and training, we organized various special safety trainings throughout the year, covering thousands of employee instances, and improved participation rates through online learning platforms, actively fostering a good safety culture atmosphere. During the Reporting Period, several personnel from the Group were selected into the safety expert pool of superior units, recognizing their professional capabilities. Thanks to the above measures, the Group did not experience any major or extra-large safety production liability accidents throughout the year. The overall safety production situation remained stable, and safety targets were fully under control.

In terms of investor relations and capital market communication, the Group is committed to establishing an open, transparent, and two-way communication mechanism to proactively convey corporate value. Throughout the year, we continued to carry out shareholder identification and market dynamic monitoring, actively participated in strategy meetings hosted by institutions, and organized analyst exchange meetings and roadshows, maintaining high-frequency interaction with important shareholders, potential institutional investors, and analysts throughout the year. We released company newsletters during performance periods and interpreted annual reports and ESG reports through innovative formats such as “Infographic Overview” on our WeChat official account, effectively strengthening the market’s cognition of the Company’s long-term value. Regarding environmental, social, and governance (ESG), the Group deeply integrated ESG concepts into corporate strategy and daily operations, constructing a governance structure centered on the “Sustainability Committee”. The preparation and release of the ESG report introduced a double materiality matrix and responded to the requirements of the UN Sustainable Development Goals, further enhancing the depth and breadth of information disclosure. In terms of ESG ratings, we achieved remarkable results: Sustainable Fitch Hong Kong Limited awarded the Group an ESG entity score of 78, an increase of 3 points compared to the last year; the S&P Global Inc. awarded a CSA score of 44, 4 points higher than the global utilities industry average; and mainstream domestic ESG rating agencies such as Wind Information Co., Ltd., SynTao Green Finance, and Sino-Securities Index Information Service (Shanghai) Co., Ltd all granted the Company an “A” rating. Furthermore, the Group actively participated in the construction of industry ESG standards. The “Disclosure Indicator System and Evaluation Guidelines for Energy Enterprises on Environmental Protection, Social Responsibility and Corporate Governance” (《能源企業環境保護、社會責任和公司治理披露指標體系與評價導則》) in which the Group participated as a contributor, was officially approved by the National Energy Administration within the year, becoming the first group standard in the field of sustainable development in China’s energy industry.

3. BUSINESS REVIEW

The Group was principally engaged in the investment, development, construction, operation and management of photovoltaic power businesses, wind power businesses and clean heat supply service businesses in the PRC. During the Year, the industry development, although with a promising long-term perspective, faced a complex and challenging environment in the short term. On one hand, the Group's power plant construction and the sale of electricity business developed in an orderly manner, but on the other hand, it faced with uncontrollable factors such as the increase in power limitation rate due to the slowdown in domestic economic growth, the short-term imbalance in demand, the impact of market-oriented transactions, the increase in the share of revenue from parity price projects (with the simultaneous decrease in the share of revenue from subsidized projects). As a result of these factors, the results for the Year were in a period of fluctuation and adjustment.

During the Year, the aggregate operating power generation[#] of the projects held and/or managed by the Group, its associates and joint ventures as at the end of the Year was approximately 6.817 million MWh (2024: approximately 6.515 million MWh), representing an increase of approximately 4.64% compared with the corresponding period of the last year.

[#] The operating power generation included (i) the power generation of the projects held by the Group, its associates and joint ventures; and (ii) the power generation of the projects managed by the Group through the provision of entrusted operation services.

3.1 Sale of Electricity and Entrusted Operation Services

During the Year, the Group had been steadily developing its core businesses through the investment, development, construction, operation and management of clean energy power plant projects, and the aggregate revenue in respect of the sale of electricity and the provision of entrusted operation services amounted to RMB3,789.3 million (2024: approximately RMB3,720.6 million), representing an increase of RMB68.7 million as compared to the last year.

3.1.1 Photovoltaic Power Projects

(a) Scale and performance of the centralised photovoltaic power plant projects

During the Year, the Group's centralised photovoltaic power business performance declined slightly, mainly due to the increased power limitation rate and the impact of market-oriented transactions, leading to a simultaneous decrease in power generation and average selling price of electricity. The Group recorded revenue of approximately RMB1,792.2 million from the sale of electricity from the centralised photovoltaic power plants, representing approximately 40.7% of the Group's total revenue during the Year. The centralised photovoltaic power business continued to be one of the important sources of revenue for the Group, despite a slight decrease in revenue as compared to the last year (approximately RMB1,939.9 million, a decrease of approximately 7.6%, or approximately 43.9%).

As of 31 December 2025, 53 (2024: 53) centralised photovoltaic power plants covering 13 provinces, 2 autonomous regions and 1 municipality in the PRC and 1 (2024: 1) centralised photovoltaic power plant in Whyalla, Southern Australia, Australia were held by the Group and in operation. The aggregate on-grid capacity of these photovoltaic power plants reached approximately 2,603 MW, remaining unchanged as compared to 2024, which reflected the Group's continued development and deployment in the new energy sector, details of which are set forth below:

Location	Photovoltaic resource area	31 December 2025			31 December 2024		
		Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)
PRC-Subsidiaries and joint ventures:							
Hebei Province	II/III	18	678	775,821	18	678	846,010
Henan Province	III	3	264	283,934	3	264	274,021
Shandong Province	III	5	243	270,554	5	243	295,928
Guizhou Province	III	4	189	146,746	4	189	191,547
Anhui Province	III	5	194	210,945	5	194	211,558
Shaanxi Province	II	2	161	185,273	2	161	162,020
Jiangxi Province	III	3	125	133,523	3	125	124,627
Jiangsu Province	III	2	184	205,053	2	183	238,359
The Ningxia Hui Autonomous Region	I	1	100	123,306	1	100	124,312
Hubei Province	III	3	70	65,282	3	70	69,052
Jilin Province	II	1	31	36,805	1	31	40,579
The Tibet Autonomous Region	III	1	30	12,544	1	30	26,907
Tianjin Municipality	II	1	32	40,464	1	32	43,785
Yunnan Province	II	1	22	23,509	1	22	30,116
Shanxi Province	III	2	139	129,735	2	139	88,887
Guangdong Province	III	1	135	138,457	1	135	135,423
PRC-Sub-total		53	2,597	2,781,952	53	2,596	2,903,131
Overseas-Subsidiary:							
Whyalla, Southern Australia, Australia	N/A	1	6	3,126	1	6	4,598
Total		54	2,603	2,785,078	54	2,602	2,907,729

Most of the Group's centralised photovoltaic power plant projects in the PRC are situated in east and central regions of the PRC, and in photovoltaic resource areas II and III as promulgated by the NDRC. Such geographical distribution has positive significance for the development of the Group's photovoltaic power business. Set out below are the project analysis by photovoltaic resource areas:

Photovoltaic resource area	31 December 2025			31 December 2024		
	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (Note) (MWh)	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (Note) (MWh)
PRC-Subsidiaries and joint ventures:						
I	1	100	123,307	1	100	124,312
II	12	450	541,336	12	450	553,739
III	40	2,047	2,117,309	40	2,046	2,225,080
Total	53	2,597	2,781,952	53	2,596	2,903,131

Note: It represented the approximate aggregate power generation of certain projects from (i) the completion dates of acquisition by the Group; (ii) the dates of commencement of operation; and (iii) the beginning of the respective years (whichever is later), to the end of the respective years. Therefore, the above aggregate power generation may not reflect a full-year performance of these operations.

(b) *Key performance data of the centralised photovoltaic power plant projects held by the Group and in operation on or before the beginning of the years*

Changes in weighted average utilisation rate and weighted average utilisation hours

	31 December 2025	31 December 2024	Changes
Weighted average utilisation rate (%)	84.32	89.29	(4.97)
Weighted average utilisation hours (hours)	1,072	1,140	(68)

Compared with the market-weighted average utilisation hours over the past five years

Year	The Group Weighted average utilisation hours (hours)	Market Data Weighted average utilisation hours (hours)	Changes
2021	1,259	1,163	96
2022	1,264	1,186	78
2023	1,224	1,286	(62)
2024	1,140	1,211	(71)
2025	1,072	1,088	(16)

Note: Market data for 2021 is sourced from the National Energy Administration; market data for 2022 is sourced from the China Electric Power Planning & Engineering Institute; market data for 2023 to 2025 is sourced from the China Electricity Council.

During the Reporting Period, the weighted average utilisation hours for the Group's centralised photovoltaic power plant projects stood at 1,072 hours, representing a decrease from 1,140 hours in 2024. The weighted average utilisation rate also declined from 89.29% to 84.32%. This change primarily reflects the combined impact of macroeconomic factors such as intensified grid integration pressures faced across the industry during the year and fluctuations in solar radiation resources.

In recent years, the trend in the Group's utilisation hours has largely mirrored the national average, both exhibiting a downward trajectory. From 2023 onwards, as power rationing issues within the industry gradually emerged, both the Group's and market utilisation hours declined in tandem. By 2025, the gap between the Group's utilisation hours and the national average had narrowed to 16 hours. This demonstrates that, despite facing common industry challenges, the Group has been committed to enhancing operational management standards, resulting in a sustained improvement in the relative performance of project power generation efficiency.

(c) Scale and performance of the distributed photovoltaic power plant projects

During the Year, the distributed photovoltaic power business of the Group maintained a robust and stable performance. Benefiting from scale expansion, revenue from the sale of electricity reached approximately RMB650.3 million (2024: approximately RMB547.0 million), representing an increase of approximately 19%. The total installed capacity of the distributed photovoltaic power plants held and/or managed by the Group and in operation reached approximately 1,088 MW (2024: approximately 920 MW), mainly located in photovoltaic resource area III as promulgated by the NDRC such as Henan Province, Anhui Province, Shandong Province, Jiangsu Province and Hebei Province, which included the distributed photovoltaic power plants constructed by the Group in certain water plants of Beijing Enterprises Water Group Limited of which the Group sold electricity to respective water plants, and the distributed photovoltaic power plants constructed by the Group within the service area of expressway under SDHS Group of which the Group sold electricity to respective service area.

(d) Entrusted operation services

In addition to the above-mentioned sale of electricity from the Group's photovoltaic power plants, the Group provided entrusted operation services for photovoltaic power plant projects in the PRC and revenue of approximately RMB18.7 million (2024: approximately RMB13.2 million) was recognised during the Year.

3.1.2 Wind Power Plant Projects

(a) Scale and performance of the wind power plant projects

In 2025, benefiting from the sustained growth of the Group's wind power operations and the superior performance of projects situated in category IV resource zones (areas with higher electricity tariffs) driven by more favourable wind resources at the plant locations this year compared with the previous year, this business expansion has resulted in significant growth in revenue. During the Year, the Group recorded revenue of approximately RMB1,289.4 million from the sale of electricity from the wind power plants, compared to approximately RMB1,186.8 million for the corresponding period of the last year, achieving a steady increase in revenue.

As of 31 December 2025, 20 (2024: 19) wind power plants covering 4 provinces and 2 autonomous regions in the PRC with an aggregate on-grid capacity of approximately 1,270 MW (2024: approximately 1,176 MW) were held by the Group and in operation, details of which are set forth below:

Location	Wind resource area	31 December 2025			31 December 2024		
		Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)
PRC-Subsidiaries:							
Henan Province	IV	8	372	937,613	8	372	841,037
Shandong Province	IV	4	328	559,619	3	234	481,565
The Inner Mongolia Autonomous Region	I	4	119	413,681	4	119	382,131
Hebei Province	IV	2	301	825,031	2	301	743,354
Shanxi Province	IV	1	50	123,311	1	50	115,396
The Xinjiang Uygur Autonomous Region	I	1	100	133,890	1	100	191,416
Total		20	1,270	2,993,145	19	1,176	2,754,899

The majority of the Group's wind power plant projects in the PRC are located in Hebei Province, Henan Province, Shandong Province and Shanxi Province in the PRC, which belonged to wind resource area IV as promulgated by the NDRC, and the relevant regions layout is favourable for the development of the Group's Wind Power Business.

Set out below are the projects analysis by wind resource areas:

Wind resource area	31 December 2025			31 December 2024		
	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation (MWh) (Note)
PRC-Subsidiaries:						
I	5	219	547,571	5	219	573,547
IV	15	1,051	2,445,574	14	957	2,181,352
Total	20	1,270	2,993,145	19	1,176	2,754,899

Note: It represented the approximate aggregate power generation of certain projects from (i) the completion dates of acquisition by the Group; (ii) the dates of commencement of operation; and (iii) the beginning of the respective years (whichever is later), to the end of the respective years. Therefore, the above aggregate power generation may not reflect a full-year performance of these operations.

(b) *Key performance data of the wind power plant projects held by the Group and in operation on or before the beginning of the years*

Changes in weighted average utilisation rate and weighted average utilisation hours

	31 December 2025	31 December 2024	Changes
Weighted average utilisation rate (%)	94.03	95.44	(1.41)
Weighted average utilisation hours (<i>hours</i>)	2,635	2,611	24

Compared with the market-weighted average utilisation hours over the past five years

Year	The Group Weighted average utilisation hours (<i>hours</i>)	Market Data Weighted average utilisation hours (<i>hours</i>)	Changes
2021	2,902	2,246	656
2022	2,464	2,259	205
2023	2,629	2,225	404
2024	2,611	2,127	484
2025	2,635	1,979	656

Note: Market data for 2021 is sourced from the National Energy Administration; market data for 2022 is sourced from the China Electric Power Planning & Engineering Institute; market data for 2023 to 2025 is sourced from the China Electricity Council.

During the Reporting Period, the weighted average utilisation hours for the Group's wind power plant projects stood at 2,635 hours, which though represented a slight increase from 2,611 hours in 2024, the weighted average utilisation rate also declined from 95.44% to 94.03%. This change primarily reflects the combined effects of macroeconomic factors such as intensified grid integration pressures faced across the industry during the year, fluctuations in wind resources as well as the impact of power rationing in certain areas.

Judging from the trends for recent years, the national average utilisation hours for wind power fluctuated downward from 2,246 hours in 2021 to 1,979 hours in 2025, with the industry increasingly affected by the pressure to absorb power generated by the rapid expansion of installed capacity. Although the utilisation hours for the Group's projects also declined from a high level of 2,902 hours to approximately 2,600 hours in recent years, they remained significantly higher than the national average, reflecting the Group's comprehensive strengths in site selection for wind power projects, turbine selection and maintenance management.

(c) Entrusted operation services

In addition to the above-mentioned sale of electricity from the Group's wind power plants, the Group provided entrusted operation services for wind power plant projects in the PRC and revenue of approximately RMB38.7 million (2024: RMB33.7 million) was recognised during the Year.

3.2 Engineering, Procurement and Construction and Technical Consultancy Services

The Group is principally engaged in the clean energy businesses, including the engineering, procurement and construction and related services for photovoltaic, wind power and clean heat supply projects, and has extensive experience and qualifications in the design, engineering and construction of power-related projects. In recent years, the Group has prioritised the construction of self-owned projects related to photovoltaic and wind power, and continually adjusted and optimised its internal resource allocation. During the Year, the Group's revenue from provision of engineering, procurement and construction and related services was approximately RMB47.2 million (2024: approximately RMB125.4 million) in aggregate, representing approximately 1.1% (2024: approximately 2.8%) of total revenue.

3.3 Provision of Clean Heat Supply Services

As of 31 December 2025, through development and business acquisitions, 12 clean energy projects (2024: 12 projects) in operation were held and/or managed by the Group and its joint ventures, which are located in Henan Province, Shanxi Province, Shaanxi Province, the Ningxia Hui Autonomous Region, Liaoning Province and other provinces and autonomous regions, and make use of natural gas, electricity, geothermal energy, biomass, photovoltaic power generation, industrial waste heat energy, clean coal-fired (ultra-low emission) energy, river water and other clean energy sources. The aggregate actual clean heat supply area reached approximately 35.298 million sq.m. (2024: approximately 35.321 million sq.m.), remaining unchanged as compared to the last year; and the number of clean heat supply services users was approximately 212,163 households (2024: approximately 211,144 households), representing a year-on-year increase of approximately 0.5%. The Group recognised revenue arising from the provision of clean heat supply services of approximately RMB572.2 million (2024: 577.1 million) during the Year, remained largely unchanged as compared to the corresponding period of the last year.

Among them, details of actual clean heat supply area and the number of clean heat supply services users of the projects in operation which were held and/or managed by the Group and its joint ventures are as follows:

Location	Approximate actual clean heat supply area			Approximate number of clean heat supply services users		
	31 December 2025	31 December 2024	Changes	31 December 2025	31 December 2024	Changes
	(<i>'000 sq.m.</i>)	(<i>'000 sq.m.</i>)	(%)	(<i>households</i>)	(<i>households</i>)	(%)
Northeast region, China	14,839	14,862	(0.2)	44,727	45,389	(1.5)
North region, China	10,602	10,689	(0.8)	89,090	88,258	0.9
Northwest region, China	6,622	6,562	(0.9)	54,307	53,791	1.0
East and central regions, China	3,235	3,208	0.8	24,039	23,706	1.4
Total	35,298	35,321	(0.1)	212,163	211,144	0.5

3.4 New Business Exploration and Strategic Layout

Driven by the wave of new energy technology revolution and industrial transformation, the Group proactively expands into high-value-added sectors of the industrial chain with forward-looking vision and deepens the exploration and implementation of diversified application scenarios under the “New Energy +” strategy, with a commitment to become a leading integrated clean energy service provider in China.

In the field of transportation and energy integration, the Group has systematically established an integrated innovation chain encompassing “research-planning-demonstration-intelligent tools” through the “Beihang Shandong Hi-Speed Research Centre for Integrated Transport and Energy* (北航山高交能融合研究中心)” jointly established with Beihang University. During the year, the Beihang Shandong Hi-Speed Research Centre for Integrated Transport and Energy was deeply involved in the development of the authoritative industry report 2024 Development Report on Transportation and Energy Integration Disciplines (《2024 交通與能源融合學科發展報告》) and has completed high-quality planning proposals and feasibility studies for a series of demonstration projects across multiple locations including Zibo, Foshan and Jiaxing, covering hydrogen energy equipment industrial parks, autonomous driving bus shuttle services and zero-carbon port construction. The Linteng Expressway 15.6 MW photovoltaic project in the Fei County section, Shandong Province has been connected to the grid and selected as a “2025 National Transport and Energy Integration Innovative Case (2025年全國交通與能源融合創新案例)”. The Group also participated in drafting the group standard Guidelines for the Construction of Expressway Photovoltaic Corridor (《高速公路光伏廊道建設指南》), which has completed expert review.

In the field of electricity-computing synergy, the Group has keenly captured the trend of integration between the digital economy and green energy. Partnering with industry collaborator Beijing VNET Broadband Data Center Co., Ltd., the Group is vigorously advancing “source-network-load-storage” integrated project in Ulanqab, Inner Mongolia Autonomous Region. This project aims to explore a novel development model of “Green Energy Supply + Computing Infrastructure” to realize the two-way empowerment between the localized and efficient consumption of clean power and the low-carbon operation of computing centers, contributing a unique “Shandong Hi-Speed Solution” to the construction of a clean, low-carbon, secure, and efficient energy system and a new computing network system. Phase I of the project has secured approvals, grid connection and other compliance procedures, and strives to achieve significant progress by the end of 2026.

In the field of energy storage, the Group’s strategic layout are yielding tangible results, with the regulatory pumped storage projects advancing steadily. In the future, the implementation and layout of related core projects will significantly enhance the Group’s core capabilities in peak shaving and frequency regulation within the future power system, continuously strengthening its market competitive advantages and laying a solid foundation for the Group’s long-term development in the energy storage sector.

In the field of international business, the Group has formally set up an international business working group and completed the formulation of the International Business Strategic Plan of Shandong Hi-Speed New Energy Group, clarifying a development path of “Focusing on Key Priorities and Forging a Steady Overseas Expansion (聚焦重點、穩健出海)”. During the Reporting Period, the Group has established strategic partnerships with a number of centrally-administered state-owned enterprises and industry leaders that have successfully expanded overseas, initially identifying multiple potential high-quality project opportunities in countries and regions along the Belt and Road, including Southeast Asia (Indonesia, Laos) and Central Asia (Uzbekistan). The Group strives to achieve a historic “from 0 to 1” breakthrough in its international business during the “15th Five-Year Plan” period, opening up new room for growth.

3.5 Prospects and Outlook

Looking forward to 2026, China's power industry will advance steadily under the guidance of the "15th Five-Year" Plan. According to forecasts by the China Electricity Council, total electricity consumption nationwide will reach 10.9 to 11.0 trillion kWh in 2026, representing a year-on-year increase of 5% to 6%. New power generation capacity additions for the year are anticipated to exceed 0.4 billion KW, with renewable energy sources (wind and solar) contributing over 0.3 billion KW of new installations. By then, solar power generation capacity will historically surpass coal-fired power generation. Combined wind and solar power capacity will account for half of total installed power generation capacity, while coal-fired power capacity will drop to approximately 31%. This marks a historic milestone where China's power system formally enters a new phase dominated by new energy sources, imposing higher requirements on system regulation capabilities, market mechanism refinement, and new energy utilization rates (targeted at no less than 90%).

Looking forward, the Group will profoundly grasp new trends and characteristics in industry development, embedding the sixteen-character guideline of "Quality First, Efficiency as Core, Safety as Foundation, Innovation as Key (質量優先、效益為王、安全為基、創新為要)" throughout all aspects of operations and management. Focusing closely on the four strategic pillars: consumption conditions, industrial synergy, in-depth regional cultivation, and multi-energy complementarity, we will comprehensively enhance our integrated "investment-construction-operation" management capabilities, steadfastly pursue a leading advantage in leveled cost of electricity, and ultimately achieve sustainable, high-quality development.

At the level of business layout, the Group will unwaveringly implement its strategic direction of "Enhancing Wind Power, Stabilizing Photovoltaic Power, Deploying Storage, and Expanding Hydropower". On one hand, we will continue to consolidate and expand our established strengths in traditional wind power and solar photovoltaic power sectors. The Group will concentrate its superior resources to ensure that over 1 GW of pre-reserved onshore wind power projects commence construction and become operational assets in the opening year of the "15th Five-Year Plan" period, rapidly scaling up installed capacity and increasing market share. On the other hand, the Group will advance the substantive implementation of new business initiatives, including pumped storage, new-type energy storage, the integration of "sources, network, load and storage", and direct green power supply. The Group will transform strategic reserves into tangible performance contributions, accelerate the cultivation of the Group's "second growth curve", and build a diversified and highly resilient business portfolio.

At the level of core competency development, the Group will confront challenges head-on and systematically address weaknesses. Power trading capability will be the key core competency determining the Group's future success or failure. We will accelerate the cultivation of a professional power trading team that understands the market, excels in strategy and is capable of practical operations. Leveraging advanced technologies such as big data and artificial intelligence, we will build an intelligent trading decision support platform to achieve accurate prediction of market prices and dynamic optimization of trading strategies, striving to take the initiative in the wave of power marketization. The ability to convert indicators is the bottleneck for unlocking existing value and achieving scale growth. With unwavering resolve and systematic planning, the Group will significantly shorten the conversion cycle of projects from indicator acquisition to grid-connected power generation through comprehensive measures such as reshaping internal processes, breaking down departmental barriers, strengthening engineering management capabilities, and implementing standardized design and modular construction. This ensures valuable resources can be rapidly converted into revenue and profits, achieving an efficient cycle of "development-construction-operation". Furthermore, the Group will continue to vigorously advance its digital and intelligent transformation, deeply integrating technologies such as artificial intelligence, the Internet of Things, and big data into all business links including power plant operations and maintenance, electricity trading, project management, and risk control, so as to comprehensively improve operational efficiency and core competitiveness, empowering the Group's development with technology.

At the level of sustainable development and capital market communication, the Group will continue to deepen its ESG management, continuously improve its management capabilities on key issues such as climate change response and biodiversity conservation, and strive to maintain industry-leading positions in various mainstream ESG ratings. The Group will further strengthen in-depth communication with investors, continuously and effectively convey the Company's core values and long-term development strategy, enhance the shaping of its capital market image, and ensure the Company's long-term competitiveness and visibility in the capital market. Meanwhile, we will actively explore green financial instruments to broaden financing channels and reduce funding costs, so as to provide solid financial support for the Group's sustainable development.

The Group will continue to leverage the formidable strength and brand endorsement of SDHS Group, a Fortune Global 500 enterprise, actively aligning with the national energy transition toward green and low-carbon development. Firmly anchored to the ambitious goals of high-quality development during the "15th Five-Year Plan" period, the Group will advance with greater determination, confidence, and composure, striving to propel the Company's development to new heights. The Group will repay shareholders' trust and support with outstanding performance, create a broad development platform for employees, and contribute greater strength to the sustainable development of society.

4. FINANCIAL PERFORMANCE

4.1 Revenue and gross profit margin

The Group recorded revenue of approximately RMB4,408.7 million (2024: approximately RMB4,423.1 million) during the Year, representing a decrease of approximately 0.3% as compared to the corresponding period of the last year. The decrease was mainly due to the combined effects of (i) a year-on-year reduction in revenue from the photovoltaic power generation business due to greater grid curtailment; (ii) the growth in revenue from the wind power business due to favorable wind resources and the grid connection of newly constructed power stations; and (iii) a reduction in revenue of construction and related services. Revenue from the sale of electricity amounted to approximately RMB3,731.9 million (2024: approximately RMB3,673.7 million) during the Year, representing an increase of approximately 1.6% compared to the last year.

The gross profit performance by business nature is set out below:

	2025			2024		
	Revenue (RMB million)	Gross profit margin (%)	Gross profit (RMB million)	Revenue (RMB million)	Gross profit margin (%)	Gross profit (RMB million)
Sale of electricity and entrusted operation services						
Photovoltaic power business	2,442.5	49.9	1,218.2	2,486.9	52.7	1,309.6
Wind power business	1,289.4	56.4	726.8	1,186.8	53.8	638.5
Entrusted operation services	57.4	10.6	6.1	46.9	10.2	4.8
Construction and related services	47.2	1.3	0.6	125.4	14.0	17.6
Provision of clean heat supply services	572.2	8.5	48.4	577.1	8.8	50.8
Total	<u>4,408.7</u>	<u>45.4</u>	<u>2,000.1</u>	<u>4,423.1</u>	<u>45.7</u>	<u>2,021.3</u>

Analysis of the above businesses are set out in the sub-section headed “3. Business Review” under the section of “Management Discussion and Analysis”.

Gross profit for the sale of electricity business of approximately RMB1,945.0 million for the Year, accounted for 97.2% (2024: 96.4%) of the total gross profit of the Group. The contribution of sale of electricity to the Group’s total gross profit increased, mainly due to the steady growth in the operation scale of the Group’s photovoltaic and wind power plant projects. On the other hand, contribution of provision of clean heat supply services to the Group’s total gross profit was 2.4% (2024: 2.5%) during the Year.

During the Year, the overall gross profit margin decreased from 45.7% for 2024 to 45.4%, representing a decrease of 0.3 percentage points.

4.2 Other income and gains, net

The Group's other income and gains, net decreased by approximately RMB110.8 million to approximately RMB132.1 million (2024: approximately RMB242.9 million) during the Year, which mainly due to (i) a decrease of approximately RMB19.4 million in exchange gain to approximately RMB27.8 million (2024: approximately RMB47.2 million), resulting from exchange rate movements of foreign currency borrowings; (ii) a decrease of approximately RMB25.1 million in fair value gain on financial assets at fair value through profit or loss to approximately RMB2.1 million (2024: approximately RMB27.2 million), resulting from changes in financial asset valuations; and (iii) the absence of gains on debt restructuring during the year (2024: approximately RMB24.7 million).

4.3 Administrative expenses

The Group's administrative expenses amounted to approximately RMB349.6 million (2024: approximately RMB350.1 million) during the Year, which was mainly due to the combined effect of (i) the decrease in professional service fees within administrative expenses as compared to the corresponding period of the last year as a result of the cost control and efficiency enhancement of the Group; and (ii) the increase in tax and surcharges of the Group compared to the corresponding period of the last year.

4.4 Other operating expenses, net

The Group's other operating expenses increased by approximately RMB108.9 million to approximately RMB184.3 million (2024: approximately RMB75.4 million) during the Year, which mainly due to (i) impairments of financial assets comprising prepayments, deposits and other receivables increased to approximately RMB113.0 million (2024: approximately RMB2.9 million), resulting from movements in expected credit losses; (ii) investment impairment of associates and joint ventures of approximately RMB55.1 million (2024: approximately RMB56.9 million); and (iii) the impairments of approximately RMB7.3 million (2024: approximately RMB3.6 million) for the property, plant and equipment.

4.5 Finance costs

The decrease in finance costs of the Group by approximately RMB181.9 million to approximately RMB965.4 million (2024: approximately RMB1,147.3 million) was mainly attributable to a decrease in finance costs resulting from the replacement of high-cost financing with low-cost financing and advance repayment of high cost overseas borrowings during the Year.

4.6 Income tax expense

The Group conducted its principal activities in the PRC and the relevant standard corporate income tax rate was 25%. The increase in income tax expense during the Year was mainly due to the combined effect of the expiry of preferential tax policies for certain subsidiaries which resulted in an increase in current income tax during the Year and the Group's active implementation of tax planning measures to control current income tax expenses while reducing deferred income tax expenses.

4.7 Property, plant and equipment

Property, plant and equipment mainly represented the carrying amounts of clean energy projects held by the Group and in operation or under construction, and the decrease was mainly attributable to the net combined effect of (i) the development of clean energy projects; (ii) depreciation provided during the Year.

4.8 Investment properties

The Group's investment properties mainly represented the fair value of an office and four parking spaces in Hong Kong and were leased to an independent third party.

4.9 Goodwill

Goodwill was attributable to the acquisition of subsidiaries since 2016.

4.10 Operating concessions and operating rights

Operating concessions represented the rights to operate certain photovoltaic power plants and clean heat supply projects under the Build-Operate-Transfer (BOT) basis, and operating rights represented the operating rights arising from the acquisition of clean energy businesses with reference to HKFRS 3 (Revised) Business Combinations. The decrease in operating concessions and operating rights was mainly attributable to the amortization provided.

4.11 Investments in joint ventures

It mainly represented the capital contributions made by the Group to the limited partnerships established in the PRC and joint ventures established for conducting the clean energy businesses. The change in the Group's investment in joint ventures from approximately RMB393.2 million as at 31 December 2024 to approximately RMB483.2 million as at 31 December 2025 was mainly due to the combined effects of (i) the investment in joint ventures during the Year; (ii) the share of profits and losses of the joint ventures; and (iii) the investment impairment of the Group in certain joint ventures.

4.12 Investments in associates

It mainly represented (i) the Group's investment in Shandong High Speed Renewable Energy Group Limited (山高環能集團股份有限公司), an associate owned as to 24.17% interest by the Group and was principally engaged in the organic waste hazard-free treatment and high-value resource utilisation business, the clean heat supply service business and the energy performance contracting business; and (ii) the Group's investment in Tianjin Yili New Energy Technology Company Limited* (天津屹立新能源科技有限公司), an associate owned as to 35% interest by the Group and was principally engaged in the sales of solar thermal power generation products, research and development of emerging energy technologies, and engineering management services in the PRC. The increase in the Group's investment in associates from approximately RMB1,076.3 million as at 31 December 2024 to approximately RMB1,168.9 million as at 31 December 2025 was mainly attributable to the combined effects of (i) the share of profit and loss of associates; (ii) the impairment of the Group's investment in certain associates; and (iii) the investment in associates during the Year.

4.13 Equity investments designated at fair value through other comprehensive income

Equity investments designated at fair value through other comprehensive income represent the Group's investment in Guangzhou Greater Bay Technology Co., Ltd. (廣州巨灣技研有限公司), being 3.90% equity interests owned by the Group. The company primarily engages in the research and development, production, sales, and services of power batteries, next-generation breakthrough energy storage devices and their related systems. The Group anticipates holding this investment for the long term.

4.14 Contract assets

Contract assets denominated in RMB as at 31 December 2025 of approximately RMB708.8 million (2024: approximately RMB690.1 million) represented (i) gross receivables of approximately RMB33.5 million (2024: approximately RMB34.3 million) mainly arising from the provision of engineering, procurement and construction services for clean energy projects and recognised on the basis of construction progress; (ii) gross receivables of approximately RMB677.6 million (2024: approximately RMB659.9 million) in relation to the central government renewable energy subsidy for photovoltaic and wind power plant projects that will be billed and settled upon registering into the list of national renewable energy power generation subsidies for the renewable energy power generation projects (the "Project List"); and (iii) loss allowances of contract assets denominated in RMB of approximately RMB2.3 million (2024: approximately RMB4.1 million). The decrease in contract assets was mainly attributable to the increase in the extent of construction services provided for and settlements from customers during the Year.

4.15 Trade and bills receivables

Trade and bills receivables of approximately RMB8,140.9 million (2024: approximately RMB8,674.3 million) as at 31 December 2025 mainly comprised (i) gross receivables from the sale of electricity of the photovoltaic and wind power plant projects of approximately RMB7,097.2 million (2024: approximately RMB7,614.2 million); (ii) gross receivables with certain milestones completed, accepted and recognised by customers from the provision of engineering, procurement and construction services for clean energy businesses of approximately RMB680.2 million (2024: approximately RMB786.3 million); and (iii) loss allowances of trade and bills receivables of approximately RMB118.5 million (2024: approximately RMB107.8 million).

As at 31 December 2025, gross trade receivables for the sale of electricity of the photovoltaic and wind power plant projects mainly comprised (i) receivables of approximately RMB321.7 million (2024: approximately RMB294.9 million) from the sale of electricity mainly to State Grid Corporation of China, a state-owned enterprise principally engaged in the development and operation of nationwide power network; and (ii) receivables of approximately RMB6,663.2 million (2024: approximately RMB7,174.2 million) in relation to the central government renewable energy subsidy for photovoltaic and wind power plant projects that have been registered into the Project List.

4.16 Prepayments, deposits and other receivables, other tax recoverables and financial assets at fair value through profit or loss

The decrease in prepayments, deposits and other receivables, other tax recoverables and financial assets at fair value through profit or loss by approximately RMB11.3 million in aggregate (deposits and other receivables decreased by approximately RMB243.7 million) to approximately RMB4,293.5 million (2024: approximately RMB4,304.8 million) in aggregate was mainly attributable to the combined effects of (i) the increase of prepayments, deposits and other receivables; and (ii) the redemption of the financial assets at fair value through profit or loss and the changes in fair value.

4.17 Cash and cash equivalents

The increase in cash and cash equivalents by approximately RMB970.7 million to approximately RMB4,616.3 million (2024: approximately RMB3,645.6 million) was mainly attributable to net effect of (i) cash inflow from the funds raised from financial institutions; (ii) net cash inflow from daily operating activities; (iii) cash outflow on constructing, developing and operating clean energy projects; and (iv) the net decrease of interest-bearing bank loans and other borrowings during the Year.

4.18 Trade and bills payables

Trade and bills payables of approximately RMB1,007.9 million (2024: approximately RMB890.3 million) mainly represented trade and bills payables in relation to the provision of engineering, procurement and construction services for the development of clean energy projects.

4.19 Other payables and accruals

Other payables and accruals of approximately RMB558.6 million (2024: approximately RMB1,009.5 million) decreased by approximately RMB450.9 million, which was mainly due to the effect of (i) construction and equipment payables to contractors and suppliers in relation to the projects held by the Group; and (ii) settlement of the construction and equipment payables of projects acquired or under development by the Group during the Year.

4.20 Interest-bearing bank loans and other borrowings, corporate bonds (excluding operating leases)

As at 31 December 2025, the total interest-bearing bank loans and other borrowings, corporate bonds (excluding operating leases) amounted to approximately RMB25,786.5 million (2024: approximately RMB25,687.5 million), representing an increase by approximately RMB99.0 million in aggregate (non-current portion decreased by approximately RMB1,643.3 million and current portion increased by approximately RMB1,742.3 million), which was mainly attributable to the net effect of (i) the increased bank loans to meet business expansion needs and working capital requirements; and (ii) the repayment of bank loans and other borrowings during the Year.

4.21 Capital expenditures

During the Year, the Group's total capital expenditures amounted to approximately RMB1,561.9 million (2024: approximately RMB962.4 million), comprising (i) development of photovoltaic and wind power plant projects, clean heat supply projects, and other property, plant and equipment of approximately RMB1,292.3 million (2024: approximately RMB902.7 million) in aggregate; (ii) acquisition of other intangible assets of approximately RMB1.9 million (2024: approximately RMB11.0 million); and (iii) investments in and acquisition of equity interests in subsidiaries, joint ventures and associates and other equity investments of approximately RMB267.7 million (2024: approximately RMB48.7 million).

4.22 Liquidity and financial resources

The Group adopts conservative treasury policies and controls tightly over its cash and risk management. The Group's cash and cash equivalents are mainly denominated in Renminbi (“**RMB**”) and Hong Kong dollars (“**HK\$**”). Surplus cash is generally placed in short-term deposits denominated in RMB and HK\$.

As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately RMB4,616.3 million (2024: approximately RMB3,645.6 million).

Developments of the clean energy businesses require intensive initial capital investments and the Group funds such developments during the Year mainly by long-term bank loans and other borrowings (excluding operating leases), corporate bonds, the introduction of strategic investor and the establishment of a trust scheme to raise funds.

(a) Long-term bank loans and other borrowings, corporate bonds (excluding operating leases)

As at 31 December 2025, the Group's total borrowings including interest-bearing bank loans and other borrowings and corporate bonds (excluding operating leases) amounted to approximately RMB25,786.5 million (2024: approximately RMB25,687.5 million) comprised (i) bank loans of approximately RMB19,409.1 million (2024: approximately RMB19,901.6 million); (ii) corporate bonds of approximately RMB2,517.5 million (2024: approximately RMB694.5 million); and (iii) lease liabilities under finance lease arrangements and other loans of approximately RMB3,859.9 million (2024: approximately RMB5,091.4 million). Approximately 67% (2024: approximately 74%) of the Group's borrowings are long-term borrowings.

5. CHARGE ON THE GROUP'S ASSETS

The secured bank loans and other borrowings and bills payables of the Group as at 31 December 2025 are secured by:

- i. pledges over certain of the Group's property, plant and equipment;
- ii. pledges over certain of the Group's trade receivables and contract assets;
- iii. pledges over the Group's equity interests in certain subsidiaries and an associate;
- iv. guarantees given by the Company and/or its subsidiaries; and/or
- v. pledges over certain of the Group's bank balances.

Save as disclosed above, at 31 December 2025, the Group did not have any charges on the Group's assets.

6. CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any significant contingent liabilities (2024: Nil).

7. DEBENTURE ISSUED

Corporate bonds of the Group as at 31 December 2025:

- (a) Super short-term commercial paper with an aggregate principal amount of RMB500 million were issued by a subsidiary of the Company on 3 July 2025, with interest rates of 1.78% per annum, and are repayable on 26 March 2026.
- (b) Super short-term commercial paper with an aggregate principal amount of RMB500 million were issued by a subsidiary of the Company on 18 December 2025, with interest rates of 1.85% per annum, and are repayable on 15 September 2026.
- (c) Medium-term notes with an aggregate principal amount of RMB500 million were issued by a subsidiary of the Company from 7 May 2025 to 8 May 2025, with interest rates of 2.30% per annum, and are repayable on 9 May 2028.
- (d) Medium-term notes with an aggregate principal amount of RMB500 million were issued by a subsidiary of the Company from 4 September 2025 to 5 September 2025, with interest rates of 2.15% per annum, and are repayable on 8 September 2030.
- (e) Medium-term notes with an aggregate principal amount of RMB500 million were issued by a subsidiary of the Company on 27 October 2025, with interest rates of 2.25% per annum, and are repayable on 28 October 2030.

8. FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Company operate in the PRC with most of the transactions denominated and settled in RMB. The Group's consolidated statement of profit or loss is affected by the exchange gains and losses of the non-RMB-based monetary assets and liabilities held by the Group generating from exchange rate fluctuations. If other currencies appreciates/depreciates against RMB, the Group would record a(n) increase/decrease in profits. During the Year, the Group has not used derivative financial instruments to hedge against its foreign currency risk.

9. EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed 1,810 employees (2024: 1,886 employees). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group actively recruits talents and builds a strong team to sustain the overall business growth of the Group. In order to retain and motivate employees, the Group has formulated internal remuneration policies. When selecting and promoting employees, the Group will make reference to their qualifications, experience and suitability for the position. The performance of employees is also taken as the basis for reviewing their remuneration packages during the annual appraisals. At the same time, the Group will offer competitive remuneration packages to its employees with reference to the prevailing market level and individual expertise.

In addition, the Group also provides a series of welfare policies to its employees to enhance their sense of belonging and work enthusiasm, so as to jointly promote the sustainable development of the enterprise. In order to motivate employees to work hard, the Group will grant bonuses and incentives to employees with outstanding performance. The Group sets the working hours of its employees in accordance with relevant laws and regulations and provides transportation reimbursement and leave to its employees who work overtime. Moreover, the Group provides its employees with benefits such as social insurance, housing provident fund and mandatory provident fund.

In addition to statutory holidays and regular paid annual leave, employees are also entitled to additional leave benefits such as sick leave, marriage leave, maternity leave, paternity leave and compassionate leave.

10. SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES AND JOINT VENTURES

1. Discloseable Transaction in relation to Yizheng EPC Contract

On 13 May 2025, Yizheng Shandong Hi-Speed New Energy Co., Ltd.* (儀征市山高新能源有限公司) (“**YSHS New Energy**”) (a direct non-wholly owned subsidiary of the Company, as the principal), entered into the engineering, procurement and construction contract (“**Yizheng EPC Contract**”) with PowerChina Chengdu Engineering Corporation Limited* (中國電建集團成都勘測設計研究院有限公司) and Guizhou Smart Power Technology Co., Ltd.* (貴州智慧電力科技有限公司) (collectively “**Joint Contractors A**”), pursuant to which, YSHS New Energy agreed to engage the Joint Contractors A to provide relevant engineering, procurement and construction services in relation to the 100 MW fishery, photovoltaic and storage integration demonstration project in Liuji Town, Yizheng City, Jiangsu Province, the PRC at a total consideration of RMB416,879,989.36 (tax inclusive). If the actual installed capacity is greater than the approved installed capacity and that the actual installed capacity shall be no more than 115 MW, the total tentative consideration shall be up to RMB479,276,300.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction under the Yizheng EPC Contract exceeds 5% but is less than 25%, the transaction under the Yizheng EPC Contract constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

For further details, please refer to the announcement of the Company dated 13 May 2025.

2. Discloseable Transaction relation to Wenshui Finance Lease Agreement

On 25 July 2025, Wenshui Shangao Heat Supply Company Limited* (文水山高供熱有限公司) (“**Wenshui Shangao Heat Supply**”), as lessee, entered into the finance lease agreement with China Resources Financial Leasing Co., Ltd (華潤融資租賃有限公司) (“**CR Leasing**”), as lessor, pursuant to which CR Leasing shall purchase the heating equipment and ancillary facilities at Wenshui County, Shanxi Province, the PRC (the “**Wenshui Leased Assets**”) from Wenshui Shangao Heat Supply for a total consideration of RMB250,000,000 (“**Wenshui Finance Lease Agreement**”); and the Wenshui Leased Assets would then be leased to Wenshui Shangao Heat Supply for a term of 96 months. The ownership of the Wenshui Leased Assets under the Wenshui Finance Lease Agreement will be vested in CR Leasing throughout the lease period. At the end of the lease period and subject to payments by Wenshui Shangao Heat Supply of (i) all amounts due under the Wenshui Finance Lease Agreement; and (ii) a nominal consideration of RMB100 for the Wenshui Leased Assets, the ownership of the Wenshui Leased Assets will be returned to Wenshui Shangao Heat Supply.

As the highest applicable percentage ratio sets out in Rule 14.07 of the Listing Rules in respect of the Wenshui Finance Lease Agreement and the transactions contemplated therein is more than 5% and all of the applicable percentage ratios are below 25%, the execution of the Wenshui Finance Lease Agreement and the transactions contemplated therein constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

For further details, please refer to the announcement of the Company dated 25 July 2025.

3. Discloseable Transaction in relation to Haixing Finance Lease Agreement

On 9 September 2025, Beijing Enterprises Clean Energy (Haixing) Company Limited* (北控清潔能源(海興)有限責任公司) (“**BECE (Haixing)**”), as lessee, entered into the finance lease agreement (the “**Haixing Finance Lease Agreement**”) with BOC Financial Leasing Co., Ltd. (“**BOCL**”), as lessor, pursuant to which BOCL shall purchase the photovoltaic system and ancillary facilities of 145 MW centralized photovoltaic power plant located at Haixing County, Cangzhou City, Hebei Province, the PRC (the “**Haixing Leased Assets**”) from BECE (Haixing) for a total consideration of RMB385,000,000; and the Haixing Leased Assets would then be leased to BECE (Haixing) for a term of 13 years. The ownership of the Haixing Leased Assets under the Haixing Finance Lease Agreement will be vested in BOCL throughout the lease period. At the end of the lease period and subject to payments by BECE (Haixing) of (i) all amounts due under the Haixing Finance Lease Agreement; and (ii) a nominal consideration of RMB100 for the Haixing Leased Assets, the ownership of the Haixing Leased Assets will be returned to BECE (Haixing).

As the highest applicable percentage ratio sets out in Rule 14.07 of the Listing Rules in respect of the Haixing Finance Lease Agreement and the transactions contemplated therein is more than 5% and all of the applicable percentage ratios are below 25%, the execution of the Haixing Finance Lease Agreement and the transactions contemplated therein constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

For further details, please refer to the announcement of the Company dated 9 September 2025.

4. Discloseable Transactions and Connected Transaction in relation to Yuncheng EPC Contract

On 13 September 2025, Heze Shandong Hi-Speed Comprehensive Energy Co., Ltd.* (菏澤山高綜合能源有限公司) (“**Heze SH Energy**”), a direct wholly-owned subsidiary of the Company and an indirect non-wholly owned subsidiary of SDHG, as the principal), entered into the EPC contract (the “**Yuncheng EPC Contract**”) with the joint contractors (namely China Energy Engineering Group Anhui No. 2 Electric Power Construction Engineering Co., Ltd.* (中國能源建設集團安徽電力建設第二工程有限公司) and Shandong Zhengchen Technology Co., Ltd. (山東正晨科技股份有限公司)) (collectively “**Joint Contactors B**”). Pursuant to the Yuncheng EPC Contract, Heze SH Energy agreed to engage the Joint Contractors B to provide EPC services in relation to the 175 MW distributed wind power project in Yuncheng County, Heze City, Shandong Province, the PRC, at an aggregate contracting fee of RMB1,011,365,724.00 (inclusive of all taxes) (subject to adjustment in case of change in national tax policies).

As at 13 September 2025, as (i) Heze SH Energy is a direct wholly-owned subsidiary of the Company and an indirect non-wholly owned subsidiary of SDHG; (ii) SDHS Group, by itself and through several entities, holds directly and indirectly approximately 43.44% issued share capital of SDHG and holds indirectly approximately 60.66% issued share capital of the Company in aggregate; (iii) SDHSC and SDHS Group hold 65% and 35% of the equity interests in Shandong Hi-Speed Information Group Co. Ltd.* (山東高速信息集團有限公司) (“**Shandong Hi-Speed Information Group**”) respectively, and Shandong Hi-Speed Information Group holds approximately 33.3944% of the equity interests in Shandong Zhengchen Technology Co., Ltd., which is regarded as a 30%-controlled company of SDHS Group; and (iv) the Company is a direct non-wholly owned subsidiary of SDHG, therefore pursuant to Chapter 14A of the Listing Rules, (a) SDHS Group is an indirect controlling shareholder and a connected person of the Company and a controlling shareholder and a connected person of SDHG; (b) Shandong Zhengchen Technology Co., Ltd. is an associate of SDHS Group and connected person of each of the Company and SDHG; and (c) the transactions contemplated under the Yuncheng EPC Contract constitute connected transactions of each of the Company and SDHG.

Pursuant to Rule 14A.81 to Rule 14A.82 of the Listing Rules, a series of transactions will be aggregated and treated as if they were one transaction if they were all entered into within a 12-month period or were otherwise related. As the previous EPC contracts as defined in the joint announcement of the Company and SDHG dated 13 September 2025 (the “**Yuncheng Previous EPC Contracts**”) are in similar nature of the Yuncheng EPC Contract with the same connected person, the transactions under the Yuncheng EPC Contract and the Yuncheng Previous EPC Contracts shall be aggregated in accordance with Rule 14A.81 to Rule 14A.82 of the Listing Rules.

As at 13 September 2025, as the highest applicable percentage ratio in respect of the transactions under the Yuncheng EPC Contract and the Yuncheng Previous EPC Contracts aggregated in accordance with the Listing Rules exceeds 5% for the Company, the entering into of the Yuncheng EPC Contract is subject to the reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The transactions contemplated under the Yuncheng EPC Contract will be recorded as acquisitions of power plant assets, and the maximum value of the transactions recognized by the Company will be the total amount of Yuncheng EPC Contract. In this regard, as at 13 September 2025, as the highest applicable percentage ratio in respect of the aggregate consideration under the Yuncheng EPC Contract exceeds 5% but falls below 25%, the transactions contemplated under the Yuncheng EPC Contract constitute a discloseable transaction for the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

For further details, please refer to the joint announcement of the Company and SDHG dated 13 September 2025, the circular of the Company dated 25 September 2025 and the announcement of the Company dated 16 October 2025.

5. Discloseable Transactions in relation to Zhaoping EPC Contract

On 16 December 2025, Zhaoping Shangao New Energy Co., Ltd.* (昭平縣山高新能源有限公司)(“**Zhaoping Shangao**”) (a direct non-wholly owned subsidiary of the Company and an indirect non-wholly owned subsidiary of SDHG, as the principal), entered into the EPC general contracting contract (the “**Zhaoping EPC Contract**”) in relation to the 100 MW wind farm project in Zhaoping County, Hezhou City, Guangxi Zhuang Autonomous Region, the PRC (the “**Zhaoping Project**”) with the joint contractors (namely CCCC First Harbor Engineering Co., Ltd.* (中交第一航務工程局有限公司), CCCC First Harbor Southwest Engineering Co., Ltd.* (中交一航局西南工程有限公司) and China Electric Power Construction Group Henan Electric Power Survey and Design Institute Co., Ltd.* (中國電建集團河南省電力勘測設計院有限公司)(collectively “**Joint Contractors C**”), pursuant to which, Zhaoping Shangao agreed to engage the Joint Contractors C to provide relevant EPC services in relation to the Zhaoping Project at an aggregate contracting fee of RMB674,628,269.88 (tentatively, tax inclusive) (subject to adjustment in case of change in national tax policies).

As at 16 December 2025, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Zhaoping EPC Contract exceeds 5% but is less than 25% for each of the Company and SDHG, the transaction contemplated under the Zhaoping EPC Contract constitutes a discloseable transaction for each of the Company and SDHG under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Zhaoping Shangao is an insignificant subsidiary of the Company and SDHG under Rule 14A.09 of the Listing Rules. Notwithstanding that China Urban and Rural Construction Development Co., Ltd.* (中國城鄉控股集團有限公司) is a substantial shareholder of Zhaoping Shangao, China Urban and Rural Construction Development Co., Ltd. and its ultimate beneficial owner(s) are not regarded as connected persons for each of the Company and SDHG pursuant to Rule 14A.09 of the Listing Rules. Therefore, the transaction contemplated under the Zhaoping EPC Contract does not constitute a connected transaction for each of the Company and SDHG under Chapter 14A of the Listing Rules.

For further details, please refer to the joint announcement of the Company and SDHG dated 16 December 2025.

6. Discloseable Transaction in relation to Wuxiang EPC Contract

On 22 December 2025, Wuxiang Beiqing Electric Power Smart Energy Co., Ltd.* (武鄉北清電力智慧能源有限公司) (“**Wuxiang Beiqing Smart Energy**”) (an indirect non-wholly owned subsidiary of the Company, as the principal), entered into the EPC general contracting contract (the “**Wuxiang EPC Contract**”) in relation to the 100 MW photovoltaic power generation project in Wuxiang County, Changzhi City, Shanxi Province (the “**Wuxiang Project**”) with China Railway 17th Bureau 2nd Engineering Co., Ltd.* (中鐵十七局集團第二工程有限公 司) (“**CR 17th Bureau 2nd Engineering**”) (as the contractor). Pursuant to the Wuxiang EPC Contract, Wuxiang Beiqing Smart Energy agreed to engage CR 17th Bureau 2nd Engineering to provide EPC services in relation to the Wuxiang Project at an aggregate contracting fee of RMB405,513,902.57 (tax inclusive) (subject to adjustment in case of change in national tax policies).

As at 22 December 2025, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Wuxiang EPC Contract exceeds 5% but is less than 25%, the transaction contemplated under the Wuxiang EPC Contract constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

For further details, please refer to the announcement of the Company dated 22 December 2025.

Save as disclosed above, the Group did not have significant investments, material acquisition and disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

EVENTS AFTER THE REPORTING PERIOD

Particular of the Group's major events after the reporting period and up to the date of this announcement are as follows:

1. Change in information of the Directors

Set out below the following changes in information of the Directors since the publication of the last interim report of the Company and up to the date of this announcement:

1. Mr. Victor Huang was appointed as an independent non-executive director of Royal Deluxe Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock code: 3789) with effect from 1 February 2026.
2. Mr. Zhu Jianbiao was resigned as the executive director and co-chairman of VNET Group, Inc. (世紀互聯集團*), a company listed on Nasdaq (Stock Symbol: VNET) with effect from 9 March 2026.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2024: nil).

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

Save as disclosed above in the sub-section headed "7. DEBENTURE ISSUED" under the section of "Management Discussion and Analysis" of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the Year.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company focuses on maintaining high standards of corporate governance in order to achieve sustainable development and enhance corporate performance. The Board and the management of the Company strive for adhering to the principles of corporate governance and have adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, risk management, fair disclosure and accountability to all shareholders to ensure the transparency and accountability of all operations of the Group. The Company believes that effective corporate governance is an essential factor to enhance shareholders value and safeguard shareholders' interests.

In the opinion of the Board, save as disclosed below, the Company has complied with all the applicable code provisions set out in the Corporate Governance Code (the "Code Provision") contained in Appendix C1 (the "CG Code") of the Listing Rules throughout the Year.

Pursuant to the Code Provision C.2.1 of the CG Code, the roles of the chairman of the Board (the “**Chairman**”) and chief executive officer of the Company (the “**CEO**”) should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

Mr. Wang Xiaodong has been the Chairman since 19 May 2022 to 2 August 2024 and Mr. Li Tianzhang has been the Chairman since 2 August 2024. The office of the CEO was vacant since Mr. Yang Guang resigned as an executive Director and CEO on 19 May 2022. The Company has been actively identifying a suitable candidate to fill the vacancy of CEO.

To ensure the balance of power and authority, the day-to-day management of business of the Group has been delegated to other executive Directors and management of the Group with the clear directions on the corporate actions that must be reported to and approved by the Board and the executive committees of the Company before making any decisions or entering into any commitments on behalf of the Company. The Board, with the assistance of the nomination committee of the Company, shall review the structure, size and composition of the Board from time to time and further announcement(s) will be made by the Company in relation to the appointment of CEO when required in accordance with the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct for dealings in securities of the Company by the Directors on terms no less exacting than the required standard of the Model Code. Having made specific enquiries to all the Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the Year.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The audit committee of the Company (the “**Audit Committee**”) currently comprises three independent non-executive Directors, namely Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik. The chairman of the Audit Committee is Mr. Victor Huang. The annual results of the Group for the Year have been reviewed by the Audit Committee. The Audit Committee considers that appropriate accounting policies have been adopted, and the applicable requirements of the Listing Rules have been complied with, in the preparation of relevant results, and sufficient disclosures have been made.

SCOPE OF WORK OF THE COMPANY’S AUDITOR IN RESPECT OF THE PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Company’s auditor to the amounts set out in the Group’s draft consolidated financial statements for the Year. The work performed by the Company’s auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently, no assurance has been expressed by the Company’s auditor on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Company (www.shneg.com.hk) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the Year containing all the information required by the Listing Rules will be despatched to the Shareholders requiring the printed copy and made available on the abovementioned websites in due course.

APPRECIATION

The Board would like to express its sincere gratitude to our Shareholders and business partners for their continuous support and our staff for their dedication and hard work throughout the Year.

DEFINITIONS

In this announcement, the following terms or expressions shall have the following meanings unless otherwise specified:

“Board”	the board of Directors of the Company
“Company”	Shandong Hi-Speed New Energy Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1250)
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director”	the directors of the Company
“Group”	the Company and its subsidiaries
“GW”	gigawatt
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“kWh”	kilowatt hour
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“MW”	megawatt
“MWh”	megawatt-hour
“NDRC”	the National Development and Reform Commission of the PRC
“PRC” or “China”	the People’s Republic of China
“Reporting Period” or “Year”	the year ended 31 December 2025
“RMB”	Renminbi, the lawful currency of the PRC
“SDHG”	Shandong Hi-Speed Holdings Group Limited (山高控股集團有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 412)
“SDHG Group”	SDHG and its subsidiaries
“SDHSC”	山東高速股份有限公司 (Shandong Hi-Speed Company Limited*), a company listed on the Shanghai Stock Exchange (stock code: 600350.SH) and owned as to approximately 70.67% by SDHS Group
“SDHS Group”	Shandong Hi-Speed Group Co. Ltd. (山東高速集團有限公司), a company established in the PRC with limited liability and an indirectly controlling shareholder of the Company

“Shareholders” the shareholders of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By Order of the Board
Shandong Hi-Speed New Energy Group Limited
Li Tianzhang
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Mr. Li Tianzhang, Mr. Zhu Jianbiao, Mr. Wang Wenbo, Mr. Liu Zhijie, Ms. Liao Jianrong, Mr. Li Li and Mr. Wang Meng as executive Directors; and Professor Qin Si Zhao, Mr. Victor Huang, Mr. Yang Xiangliang and Mr. Chiu Kung Chik as independent non-executive Directors.

* *for identification purpose only*