江山控股
KongSun Holdings

# KONG SUN HOLDINGS LIMITED
# 江山控股有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 295)**

## ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "Board") of directors (the "Directors") of Kong Sun Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 as follows.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2026*
*(Expressed in Renminbi unless otherwise stated)*

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2026** | 2025 |
| | *Notes* | ***RMB'000*** | *RMB'000* |
| | | **(Unaudited)** | (Unaudited) |
| **Revenue** | *3* | **150,876** | 160,979 |
| Cost of sales | | **(68,644)** | (73,658) |
| **Gross profit** | | **82,232** | 87,321 |
| Other (losses)/gains, net | *4* | **(52,348)** | 10,364 |
| Administrative expenses | | **(32,850)** | (34,856) |
| Impairment losses on trade and other receivables, net | *10* | **(24,694)** | (22,690) |
| Finance costs | *5* | **(36,231)** | (47,777) |
| Share of losses of joint ventures | | **(9)** | (257) |
| Share of profits/(losses) of associates | | **19,128** | (3,287) |
| **Loss before income tax** | *6* | **(44,772)** | (11,182) |
| Income tax expense | *7* | **(1,999)** | (3,444) |
| **Loss for the period** | | **(46,771)** | (14,626) |

| | Notes | Six months ended 30 June | |
|---|---|---|---|
| | | **2026** | 2025 |
| | | ***RMB'000*** | *RMB'000* |
| | | **(Unaudited)** | (Unaudited) |
| **Loss for the period attributable to:** | | | |
| Owners of the Company | | **(48,439)** | (11,874) |
| Non-controlling interests | | **1,668** | (2,752) |
| | | **(46,771)** | (14,626) |
| **Loss per share attributable to owners of the Company for the period** | *8* | | |
| Basic and diluted *(RMB cents)* | | **(0.32)** | (0.08) |

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 June 2026*

*(Expressed in Renminbi unless otherwise stated)*

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2026** | 2025 |
| | *Notes* | ***RMB'000*** | *RMB'000* |
| | | **(Unaudited)** | (Unaudited) |
| **Loss for the period** | | **(48,439)** | (11,874) |
| **Other comprehensive income, net of tax** | | | |
| *Item that will not be reclassified to profit or loss:* | | | |
| Fair value changes in financial assets measured at fair value through other comprehensive income, net | | – | 17,398 |
| *Item that may be reclassified subsequently to profit or loss:* | | | |
| Exchange differences on translation of financial statements of foreign operations | | **1,495** | 43,024 |
| **Other comprehensive income for the period, net of tax** | | **1,495** | 60,422 |
| **Total comprehensive income for the period** | | **(46,944)** | 48,548 |
| **Total comprehensive income attributable to:** | | | |
| Owners of the Company | | **(48,612)** | 51,300 |
| Non-controlling interests | | **1,668** | (2,752) |
| | | **(46,944)** | 48,548 |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2026*

*(Expressed in Renminbi unless otherwise stated)*

| | Notes | At 30 June 2026 RMB'000 (Unaudited) | At 31 December 2025 RMB'000 (Audited) |
|---|---|---|---|
| **ASSETS AND LIABILITIES** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | **16,561** | 16,824 |
| Solar power plants | | **1,330,422** | 1,317,931 |
| Right-of-use assets | | **54,335** | 68,569 |
| Interests in associates | | **206,201** | 192,201 |
| Interest in joint ventures | | **200,000** | 200,284 |
| Financial assets measured at fair value through other comprehensive income | | **300,000** | 300,000 |
| Intangible assets | | **4,024** | 4,593 |
| Trade and other receivables | *10* | **131,289** | 131,657 |
| Deferred tax assets | | **1,200** | 1,200 |
| Loan to an associate | | **91,305** | 10,900 |
| | | **2,335,337** | 2,244,159 |
| **Current assets** | | | |
| Trade and other receivables | *10* | **1,898,602** | 1,852,118 |
| Loan to an associate | | **1,951** | 120,885 |
| Loans to a joint venture | | **–** | 433 |
| Restricted cash | | **35,964** | 19,078 |
| Cash and cash equivalents | | **80,672** | 68,539 |
| Total current assets | | **2,017,189** | 2,061,053 |

| | Notes | At<br>**30 June**<br>**2026**<br>***RMB'000***<br>**(Unaudited)** | At<br>31 December<br>2025<br>*RMB'000*<br>(Audited) |
|---|---|---|---|
| **Current liabilities** | | | |
| Trade and other payables | *11* | **650,996** | 603,515 |
| Lease liabilities | | **10,031** | 5,301 |
| Loans and borrowings | | **785,418** | 962,114 |
| Corporate bonds | | **7,817** | 8,129 |
| Tax payable | | **2,225** | 10,646 |
| | | **1,456,487** | 1,589,705 |
| **Net current assets** | | **560,702** | 471,348 |
| **Total assets less current liabilities** | | **2,896,039** | 2,715,507 |
| **Non-current liabilities** | | | |
| Lease liabilities | | **39,113** | 47,899 |
| Loans and borrowings | | **912,732** | 678,138 |
| | | **951,845** | 726,037 |
| **NET ASSETS** | | **1,944,194** | 1,989,470 |
| **CAPITAL AND RESERVES** | | | |
| Share capital | *12* | **6,486,588** | 6,486,588 |
| Reserves | | **(4,584,989)** | (4,538,045) |
| **Equity attributable to owners of the Company** | | **1,901,599** | 1,948,543 |
| Non-controlling interests | | **42,595** | 40,927 |
| **TOTAL EQUITY** | | **1,944,194** | 1,989,470 |

## 1. BASIS OF PREPARATION

The condensed consolidated interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). It was authorised for issue on 27 August 2026.

The financial information relating to the financial year ended 31 December 2025 that is included in the condensed consolidated interim financial information as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) of the Laws of Hong Kong (the "Companies Ordinance") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6, to the Companies Ordinance.

These unaudited condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025 which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

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

The unaudited interim financial information contains the condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs.

These condensed consolidated interim financial information are unaudited and have not been reviewed by the auditors, but have been reviewed by the audit committee of the Company ("Audit Committee") and approved and authorised for issue by the Board on 27 August 2026.

## 2. SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the financial statements contained in the 2025 annual report except for the adoption of the new standards, amendments or interpretations issued by the HKICPA which are mandatory for the annual periods beginning on or after 1 January 2026.

For the six months ended 30 June 2026, the Group has applied the following new and amendments to HKFRS issued by the HKICPA which were effective for the annual periods beginning on or after 1 January 2026:

| | |
|---|---|
| HKFRS 9 and HKFRS 7 (Amendments) | Classification and Measurement of Financial Instruments |
| HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 | Annual Improvement to HKFRS Accounting Standards – Volume 11 |
| HKFRS 9 and HKFRS 7 (Amendments) | Contracts Referencing Nature-dependent Electricity |
| HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 (Amendments) | Disclosure about Uncertainties in the Financial Statements |

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

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

| **New standards and amendments** | | **Effective for accounting periods beginning on or after** |
|---|---|---|
| HKFRS 10 and HKAS 28 (Amendments) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined |
| HKAS 21 (Amendments) | Translation to Hyperinflationary Presentation Currency | 1 January 2027 |
| HKFRS 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| HKFRS 19 | Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| HKFRS 19 (Amendments) | Amendments to HKFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| HK-Int 5 (Amendments) | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause | 1 January 2027 |

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

## 3. REVENUE

Revenue mainly represents income from sales of electricity (including renewable energy subsidies) and interest income from the provision of financial services. The amount of each significant category of revenue during the period is as follows:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Sales of electricity | **90,805** | 104,255 |
| Interest income from the provision of financial services | **60,071** | 56,724 |
| | **150,876** | 160,979 |

During the six months ended 30 June 2026, sales of electricity includes renewable energy subsidies amounted to approximately RMB59,766,000 (six months ended 30 June 2025: RMB66,129,000).

## 4. OTHER (LOSSES)/GAINS, NET

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Interest income | **4,114** | 6,392 |
| Net foreign exchange gain/(loss) | **26** | (3,458) |
| Properties rental income | **2,364** | 6,171 |
| Compensation arising from litigation | **(57,942)** | – |
| Others | **(910)** | 1,259 |
| | **(52,348)** | 10,364 |

## 5. FINANCE COSTS

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Interest on loans and borrowings | **34,601** | 44,070 |
| Imputed interest on corporate bonds | **374** | 388 |
| Interest on lease liabilities | **1,256** | 3,319 |
| | **36,231** | 47,777 |

## 6. LOSS BEFORE INCOME TAX

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

### A. Employee benefit expenses (including directors' emoluments)

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Salaries, wages and other benefits | **15,337** | 12,971 |
| Contributions to defined contribution retirement plan | **2,492** | 1,850 |
| | **17,829** | 14,821 |

### B. Other items

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Amortization of right-of-use assets | **5,139** | 10,183 |
| Auditor's remuneration | **57** | 108 |
| Depreciation | | |
| — Property, plant and equipment | **344** | 589 |
| — Solar power plants | **42,359** | 40,375 |
| Operating lease expenses in respect of short-term leases | **528** | 675 |

## 7. INCOME TAX EXPENSE

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

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| **Current tax** | | |
| — PRC corporate income tax | **1,999** | 3,444 |

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits arising in Hong Kong during the six months ended 30 June 2026 and 2025.

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

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

The calculation of basic and diluted loss per share for the six months ended 30 June 2026 is based on loss attributable to owners of the Company for the period of approximately RMB48,439,000 (six months ended 30 June 2025: RMB11,874,000) and on the weighted average number of approximately 14,964,442,000 (six months ended 30 June 2025: 14,964,442,000) ordinary shares in issue during the period.

Diluted loss per share for the six months ended 30 June 2026 and 2025 was the same as basic loss per share because there was no potentially dilutive ordinary shares in issue.

## 9. DIVIDEND

No dividend was paid or proposed during the six months ended 30 June 2026 nor has any dividend been proposed since the end of the reporting period up to the date of this announcement (six months ended 30 June 2025: Nil).

## 10. TRADE AND OTHER RECEIVABLES

| | At 30 June 2026 *RMB'000* (Unaudited) | At 31 December 2025 *RMB'000* (Audited) |
|---|---|---|
| Trade receivables | **1,516,427** | 1,460,192 |
| Impairment provision for trade receivables | **(51,373)** | (46,292) |
| Trade receivables, net *(note (i))* | **1,465,054** | 1,413,900 |
| Other receivables, prepayments and deposits | **1,063,796** | 1,069,535 |
| Impairment provision for other receivables | **(498,959)** | (499,660) |
| Other receivables, prepayments and deposits, net | **564,837** | 569,875 |
| | **2,029,891** | 1,983,775 |
| Less: Amount shown under non-current assets | | |
| Loan receivables, net | **(131,289)** | (131,657) |
| Amount shown under current assets | **1,898,602** | 1,852,118 |

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

| | **At 30 June 2026** *RMB'000* **(Unaudited)** | At 31 December 2025 *RMB'000* (Audited) |
|---|---|---|
| Less than 3 months | **113,305** | 237,875 |
| Over 3 months but less than 6 months | **83,656** | 55,936 |
| Over 6 months but less than 12 months | **123,242** | 66,555 |
| Over 12 months but less than 24 months | **190,501** | 154,560 |
| Over 24 months | **954,350** | 898,974 |
| | **1,465,054** | 1,413,900 |

Movements in provision for impairment of trade and other receivables for the six months ended 30 June 2026 are as follows:

| | **Trade receivables** *RMB'000* **(Unaudited)** | **Other receivables** *RMB'000* **(Unaudited)** | **Total** *RMB'000* **(Unaudited)** |
|---|---|---|---|
| At 1 January 2026 | 46,292 | 499,660 | 545,952 |
| Impairment provision during the period | 25,395 | – | 25,395 |
| Reversal of impairment loss | – | (701) | (701) |
| Write-off | (20,314) | – | (20,314) |
| At 30 June 2026 | 51,373 | 498,959 | 550,332 |

*Notes:*

(i) The Group's trade receivables are mainly receivables from sales of electricity. Generally, the receivables are due within 30 to 180 days (31 December 2025: 30 to 180 days) as at 30 June 2026 from the date of billing, except for renewable energy subsidies.

Renewable energy subsidies receivables represent PRC government subsidies on solar power plants to be received from the State Grid Company based on the respective electricity sale and purchase agreements for each of the solar power plants and the prevailing nationwide government policies. As at 30 June 2026, the outstanding renewable energy subsidies amounted to approximately RMB1,254,297,000 (31 December 2025: RMB1,188,257,000).

(ii) As at 30 June 2026, certain trade receivables arising from the sales of electricity amounting to approximately RMB930,214,000 (31 December 2025: RMB677,955,000) were pledged as securities for the Group's loans and borrowings.

## 11. TRADE AND OTHER PAYABLES

| | At 30 June 2026 *RMB'000* (Unaudited) | At 31 December 2025 *RMB'000* (Audited) |
|---|---|---|
| Trade payables | **49,638** | 55,010 |
| Other payables and accruals | **601,358** | 548,505 |
| | **650,996** | 603,515 |

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

| | At 30 June 2026 *RMB'000* (Unaudited) | At 31 December 2025 *RMB'000* (Audited) |
|---|---|---|
| Current or less than 3 months | **3,587** | 3,948 |
| Over 3 months but less than 6 months | **334** | 72 |
| Over 6 months but less than 12 months | **498** | 175 |
| Over 12 months | **45,219** | 50,815 |
| | **49,638** | 55,010 |

## 12. SHARE CAPITAL

| | Number of Shares *'000* | *RMB'000* |
|---|---|---|
| Issued and fully paid: | | |
| At 1 January 2025, 30 June 2025, 31 December 2025, 1 January 2026 and 30 June 2026 | 14,964,442 | 6,486,588 |

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

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

### SOLAR POWER PLANTS BUSINESS

During the six months ended 30 June 2026, the Group continued its investment in and the operation of solar power plants in the PRC. As at 30 June 2026, the Group had a total of 300 MW completed solar power plants as follows:

**Completed solar power plants**

| PRC Province | Number of solar power plants | Capacity of solar power plants |
|---|---|---|
| Shaanxi | 3 | 90 MW |
| Inner Mongolia | 2 | 20 MW |
| Shanxi | 1 | 20 MW |
| Anhui | 5 | 140 MW |
| Hubei | 1 | 30 MW |
| **Total** | **12** | **300 MW** |

### PROVISION OF FINANCIAL SERVICES

The revenue arising from the provision of financial services increased by approximately 5.9% from approximately RMB56,724,000 for the six months ended 30 June 2025 to approximately RMB60,071,000 for the six months ended 30 June 2026 due to more loans made to customers during the period.

## RESULTS OF OPERATIONS

### Revenue

The Group's revenue decreased by approximately 6.3% from approximately RMB160,979,000 for the six months ended 30 June 2025 to approximately RMB150,876,000 for the six months ended 30 June 2026. The decrease was mainly due to the decrease in revenue from sales of electricity during the period.

### Revenue from sales of electricity

The Group's revenue from sales of electricity decreased by approximately 12.9% from approximately RMB104,255,000 for the six months ended 30 June 2025 to approximately RMB90,805,000 for the six months ended 30 June 2026. As at 30 June 2026, the Group had a total of 300 MW (31 December 2025: 290 MW) installed capacity of solar power plants. The decrease was mainly due to decrease in generated electricity by the solar power plants owned by the Group for the period. The solar power plants owned by the Group have generated electricity in an aggregate volume of approximately 135,420 MWh for the six months ended 30 June 2026, representing a decrease of approximately 12.5% as compared to approximately 154,779 MWh for the six months ended 30 June 2025.

### Revenue from provision of financial services

The Group's revenue from the provision of financial services increased by approximately 5.9% from approximately RMB56,724,000 for the six months ended 30 June 2025 to approximately RMB60,071,000 for the six months ended 30 June 2026 due to more loans made to customers during the period.

### Gross profit and gross profit margin

The gross profit of the Group decreased by approximately 5.8% from approximately RMB87,321,000 for the six months ended 30 June 2025 to approximately RMB82,232,000 for the six months ended 30 June 2026. The gross profit margin of the Group remained relatively stable, increased slightly from approximately 54.2% for the six months ended 30 June 2025 to approximately 54.5% for the six months ended 30 June 2026.

### Other (losses)/gains, net

The other losses, net of the Group for the six months ended 30 June 2026 was approximately RMB52,348,000, compared to other gains, net of approximately RMB10,364,000 for the six months ended 30 June 2025. The change was mainly due to the increase in compensation arising from litigation of approximately RMB57,942,000 during the period.

**Administrative expenses**

Administrative expenses of the Group decreased by approximately 5.8% from approximately RMB34,856,000 for the six months ended 30 June 2025 to approximately RMB32,850,000 for the six months ended 30 June 2026. The decrease was mainly attributable to the decrease in rental expense during the period.

**Impairment loss on trade and other receivables, net**

During the six months ended 30 June 2026, impairment loss regarding certain trade and other receivables, net amounting to approximately RMB24,694,000 (six months ended 30 June 2025: RMB22,690,000) was recorded based on the lifetime expected credit losses. For details, please refer to note 10 to the "Notes to the Condensed Consolidated Interim Financial Statements" in this announcement.

**Finance costs**

Finance costs of the Group decreased by approximately 24.2% from approximately RMB47,777,000 for the six months ended 30 June 2025 to approximately RMB36,231,000 for the six months ended 30 June 2026. As the Group's interest rate of borrowing decreased as compared to the corresponding period last year, the finance costs related to these borrowings also decreased.

**Solar power plants**

As at 30 June 2026, the Group had a net carrying value of approximately RMB1,330,422,000 (31 December 2025: RMB1,317,931,000) in completed solar power plants. As at 30 June 2026, the Group had a total of 300 MW (31 December 2025: 290 MW) installed capacity of completed solar power plants.

**Interest in associates**

As at 30 June 2026, the net carrying amount of associates was approximately RMB206,201,000 (31 December 2025: RMB192,201,000).

**Interest in joint ventures**

As at 30 June 2026, the net carrying amount of joint ventures was approximately RMB200,000,000 (31 December 2025: RMB200,284,000).

**Right-of-use assets**

As at 30 June 2026, the right-of-use assets amounted to approximately RMB54,335,000 (31 December 2025: RMB68,569,000). The decrease was mainly contributed by the amortisation charged during the period.

**Financial assets measured at fair value through other comprehensive income**

Financial assets measured at fair value through other comprehensive income remained at RMB300,000,000 as at 31 December 2025 and 30 June 2026. The investments are held for long-term investment purpose and hence are classified as financial assets measured at fair value through other comprehensive income in the condensed consolidated statement of financial position.

**Trade and other receivables**

Trade and other receivables increased by approximately 2.3% from approximately RMB1,983,775,000 as at 31 December 2025 to approximately RMB2,029,891,000 as at 30 June 2026.

**Loans to an associate**

As at 30 June 2026, the Group had loans to an associate of approximately RMB93,256,000 (31 December 2025: RMB131,785,000). The Group entered into loan agreements with an associate, 江山寶源國際融資租賃有限公司 on 10 February 2025 and 16 March 2026, each for a loan period of 3 years. The first loan is unsecured and interest-bearing, carrying interest rate of 8.5% per annum. The second loan is secured by certain account receivables amounting to approximately RMB151,790,000 as at 30 June 2026 and interest-bearing, carrying interest rate of 6.0% per annum.

**Trade and other payables**

Trade and other payables increased by approximately 7.9% from approximately RMB603,515,000 as at 31 December 2025 to approximately RMB650,996,000 as at 30 June 2026.

**Lease liabilities**

As at 30 June 2026, the lease liabilities amounted to approximately RMB49,144,000 (31 December 2025: RMB53,200,000).

**Liquidity and capital resources**

As at 30 June 2026, excluding the restricted cash of approximately RMB35,964,000 (31 December 2025: RMB19,078,000), cash and bank balances of the Group was approximately RMB80,672,000 (31 December 2025: RMB68,539,000), which included cash and bank balances of approximately RMB80,586,000 (31 December 2025: RMB68,375,000) denominated in RMB placed with banks in the PRC. The remaining balance of the Group's cash and cash equivalents consisted primarily of cash on hand and bank balances which were primarily denominated in Hong Kong dollar and placed with banks in Hong Kong.

As at 30 June 2026, the Group's net debt ratio (or gearing ratio), which was calculated by the total loans and borrowings and corporate bonds minus restricted cash and total cash and cash equivalents, over total equity, was approximately 0.82 (31 December 2025: 0.78).

**Capital expenditure**

During the six months ended 30 June 2026, the Group's total expenditure in respect of property, plant and equipment and solar power plants amounted to approximately RMB40,000 (six months ended 30 June 2025: RMB71,000) and approximately RMB53,959,000 (six months ended 30 June 2025: RMBNil), respectively.

**Loans and borrowings**

As at 30 June 2026, the Group's total loans and borrowings was approximately RMB1,698,150,000, representing an increase of approximately 3.5% as compared to approximately RMB1,640,252,000 as at 31 December 2025. All loans and borrowings of the Group were denominated in RMB, the functional currency of the Company's major subsidiaries in the PRC. As at 30 June 2026, loans and borrowings of approximately RMB965,578,000 (31 December 2025: RMB978,117,000) and approximately RMB732,572,000 (31 December 2025: RMB662,135,000) bear fixed interest rate and floating interest rate, respectively.

As at 30 June 2026, out of the total borrowings, approximately RMB785,418,000 (31 December 2025: RMB962,114,000) was repayable within one year and approximately RMB912,732,000 (31 December 2025: RMB678,138,000) was repayable after one year.

**Corporate bonds**

As at 30 June 2026, corporate bonds denominated in Hong Kong dollar with an aggregate principal amount of HK$9,000,000 (equivalent to approximately RMB7,817,000 (31 December 2025: HK$9,000,000 (equivalent to approximately RMB8,129,000)) remained outstanding with certain independent third parties. The corporate bonds bear interest rates ranging from 3% to 6% (31 December 2025: 3% to 6%) per annum, and will mature on the date immediately following 96 months (31 December 2025: 96 months) after their issuance.

During the six months ended 30 June 2026 and 2025, the Group did not issue and repay any corporate bonds.

The corporate bonds are measured at amortised cost using effective interest method by applying an effective interest rate at 10.40% (six months ended 30 June 2025: 10.40% per annum). Imputed interest of approximately HK$424,000 (equivalent to approximately RMB374,000) (six months ended 30 June 2025: HK$421,000 (equivalent to approximately RMB388,000)) (note 5 to the "Notes to the Condensed Consolidated Interim Financial Statements" of this announcement) in respect of the corporate bonds was recognised in profit or loss during the six months ended 30 June 2026.

**Foreign exchange rate risk**

The Group primarily operates its business in the PRC and during the six months ended 30 June 2026, the Group's revenue were primarily denominated in RMB, being the functional currency of the Group's major operating subsidiaries. Accordingly, the Directors expect that any future exchange rate fluctuation will not have any material effect on the Group's business. The Group did not use any financial instruments for hedging purposes, but will continue to monitor foreign exchange changes to best preserve the Group's cash value.

**Charge on assets**

As at 30 June 2026, the Group had charged solar power plants and trade receivables with net book value of approximately RMB1,090,383,000 (31 December 2025: RMB918,142,000) and RMB930,214,000 (31 December 2025: RMB677,955,000), respectively, to secure bank loans and other loans facilities granted to the Group.

Save as disclosed above, as at 30 June 2026, the Group had no other charges on assets.

**Contingent liabilities**

A principal subsidiary of the Company, 廣州寶乾互聯網小額貸款有限公司 (Guangzhou Baoqian Internet Microfinance Limited*) ("Guangzhou Baoqian"), conducts online joint-lending and micro-lending facilitation businesses in the Chinese Mainland through cooperation with third-party funding institutions. Under the joint lending arrangements, Guangzhou Baoqian and its funding partners jointly provide loans to borrowers, with each party contributing an agreed proportion of the loan principal; and under micro-lending facilitation arrangements, Guangzhou Baoqian provides borrower sourcing, credit assessment and loan servicing services. The above arrangements contain contractual provisions requiring Guangzhou Baoqian to purchase delinquent loans assets under the contractual provisions upon the occurrence of specified trigger events. As at 30 June 2026, the above obligations are conditional upon the occurrence of borrower default or other contractual trigger events. Accordingly, the Directors consider that these arrangements represent possible obligations under HKAS 37 Provisions, Contingent Liabilities and Contingent Assets. No provision has been recognised in the condensed consolidated financial statements as the relevant trigger events had not occurred as at 30 June 2026.

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

Save as disclosed above, as at 30 June 2026, the Group had no other significant contingent liabilities.

**Employees and remuneration policy**

As at 30 June 2026, the Group had approximately 140 employees (31 December 2025: 133) in Hong Kong and in the PRC. Compensation for the employees includes basic wages, variable wages, bonuses and other staff benefits. For the six months ended 30 June 2026, the total employee benefit expenses (including directors' emoluments) were approximately RMB17,829,000 (six months ended 30 June 2025: RMB14,821,000). For details, please refer to note 6(A) to the "Notes to the Condensed Consolidated Interim Financial Statements" of this announcement. The remuneration policy of the Group is to provide remuneration packages, including basic salary, short-term bonuses and long-term rewards such as share options, so as to attract and retain top quality staff. The remuneration committee of the Company reviews such packages annually, or when occasion requires. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions.

## SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL

On 13 March 2026, 濟南天冠能源科技有限公司 (Jinan Tianguan Energy Technology Co., Ltd.*), an indirect wholly-owned subsidiary of the Company, entered into equity transfer agreements with 江山寶源國際融資租賃有限公司 (Kong Sun Baoyuan International Financial Leasing Limited*) ("Kong Sun Baoyuan"), an associate of the Group, in relation to the acquisition of the 100% interest in 烏拉特中旗天楷新能源科技有限公司 (Urad Zhongqi Tiankai New Energy Technology Co., Ltd.*) and 海興縣啟鴻新能源有限公司 (Haixing County Qihong New Energy Technology Co., Ltd.*), with a total consideration of approximately RMB2,055,000. The acquisitions were completed on 13 March 2026 and 19 March 2026, respectively.

Save as disclosed in this announcement, the Group did not have any other significant investments in an investee company with a value of 5% or more of the Company's total assets, other material acquisition or disposal during the six months ended 30 June 2026, and there was no plan authorised by the Board for other material investments or additions of capital assets up to the date of this announcement.

## PROSPECT

In the first half of 2026, against the backdrop of shipping disruptions in the Strait of Hormuz, governments around the world have become more urgent in developing renewable energy. The economic attractiveness and strategic importance of solar power generation have significantly increased in the short term, accelerating its adoption on a global scale.

In China, although the growth rate in the first half of 2026 slowed down compared to 2025, the solar power generation sector continued to maintain stable development. According to the data released by the National Energy Administration, China's newly installed social power capacity was approximately 72.07 million kilowatts, with the cumulative installed capacity reaching 1.272 billion kilowatts, a year-on-year increase of 15.8%; while national solar power energy generation reached 655.5 billion kilowatts, a year-on-year increase of 11.7%.

Looking forward, the Group will advance the strategy of operating solar power generation plants, work to enhance the efficiency of power generation equipment, and keep developing green finance and inclusive finance businesses. Meanwhile, the Group will strengthen its expansion into new business areas, and strive to improve its business structure and operation performance so as to increase asset revenue and enhance shareholders' value.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to enhancing investors' confidence to the Company and the Company's accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules for its corporate governance practices during the period under review. In the opinion of the Board, the Company has complied with the applicable code provisions as set out in the CG Code throughout the six months ended 30 June 2026.

## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

## EVENTS AFTER REPORTING DATE

There are no important events affecting the Group which have occurred after 30 June 2026 and up to the date of this announcement.

## COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code for dealing in securities of the Company by the Directors. The Company confirms that, having made specific enquiries with all the Directors, all the Directors have complied with the required standard of the Model Code during the six months ended 30 June 2026.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities. During the six months ended 30 June 2026 and as at the date of this announcement, the Company did not have any treasury shares (as defined in the Listing Rules).

## AUDIT COMMITTEE

The Audit Committee has reviewed, with no disagreement, the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2026 and has also reviewed and confirmed the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters.

## PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at http://www.hkexnews.hk and on the Company's website at www.kongsun.com. The interim report for the six months ended 30 June 2026 of the Group will also be published on the same websites and despatched to the shareholders of the Company in due course.

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

Hong Kong, 27 August 2026

*As of the date of this announcement, the Board comprises two executive Directors, Mr. Li Guo and Ms. Liu Ying, one non-executive Director, Mr. Jiang Hengwen, and three independent non-executive Directors, Mr. Qin Junyi, Ms. Sun Yiwen and Mr. Tang Jian.*

* *For identification purposes only*