



山高新能源集團有限公司

SHANDONG HI-SPEED NEW ENERGY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 01250



Unleash the
World's Potential
Green Prosperity
Worldwide

INTERIM REPORT
2026



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Corporate Mission

Unleash the world's potential.
Green prosperity worldwide.

Corporate Vision

Becoming the first-class integrated
clean energy service provider.

Corporate Values

Pursuing the great aspiration with
high-speed, amity and persistence.

Corporate Spirits

Brave to take responsibility and take
the lead.

Management Philosophies

Long-termism. Goal orientation.
Persistence and innovation.
Coordination and sharing.

Corporate Atmosphere

Fellowship & Openmindedness.



Content

Corporate Information	2
Corporate Structure	3
Management Discussion and Analysis	4
Disclosure Information	33
Corporate Governance	36
Condensed Consolidated Statement of Profit or Loss	41
Condensed Consolidated Statement of Comprehensive Income	42
Condensed Consolidated Statement of Financial Position	43
Condensed Consolidated Statement of Changes in Equity	45
Condensed Consolidated Statement of Cash Flows	46
Notes to the Condensed Consolidated Financial Statements	47
Definitions	69

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Li Tianzhang (*Chairman*)
(*resigned with effect from 22 July 2026*)
Mr. Kang Jian (*Chairman*)
(*appointed with effect from 22 July 2026*)
Mr. Liu Zhijie (*Vice Chairman*)
Mr. Zhu Jianbiao
Mr. Wang Wenbo
(*resigned with effect from 22 July 2026*)
Ms. Liao Jianrong
Mr. Liu Yao (*appointed with effect from 22 July 2026*)
Mr. Li Li (*resigned with effect from 22 July 2026*)
Ms. Wang Zhupin (*appointed with effect from 22 July 2026*)
Mr. Wang Meng

Independent Non-executive Directors

Professor Qin Si Zhao
Mr. Victor Huang
Mr. Yang Xiangliang
Mr. Chiu Kung Chik

AUDIT COMMITTEE

Mr. Victor Huang (*Chairman*)
Mr. Yang Xiangliang
Mr. Chiu Kung Chik

NOMINATION COMMITTEE

Mr. Li Tianzhang (*Chairman*)
(*resigned with effect from 22 July 2026*)
Mr. Kang Jian (*appointed with effect from 22 July 2026*)
Ms. Liao Jianrong
Professor Qin Si Zhao
Mr. Victor Huang
Mr. Yang Xiangliang

REMUNERATION COMMITTEE

Mr. Chiu Kung Chik (*Chairman*)
Ms. Liao Jianrong
Mr. Victor Huang

SUSTAINABILITY COMMITTEE

Mr. Zhu Jianbiao (*Chairman*)
Mr. Liu Zhijie
Mr. Victor Huang
Ms. Ng Wing Yan Claudia

COMPANY SECRETARY

Mr. Cheung Chin Wa

AUTHORISED REPRESENTATIVES

Mr. Liu Zhijie
Mr. Cheung Chin Wa

STOCK CODE

1250

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HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

AUDITOR

Ernst & Young
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

In Hong Kong and Macau:
Standard Chartered Bank (Hong Kong) Limited
Credit Agricole Corporate and Investment Bank
Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
Tai Fung Bank Limited
Bank of Communications Macau Branch
The Bank of East Asia, Limited
Bank of Dongguan Co., Ltd., Hong Kong Branch
China Everbright Bank Co., Ltd., Hong Kong Branch

In Chinese mainland:
Bank of China Limited
Postal Savings Bank of China Co., Ltd.
Industrial Bank Co., Ltd.
Industrial and Commercial Bank of China Limited
China CITIC Bank Corporation Limited
China Merchants Bank Co., Ltd.
Ping An Bank Co., Ltd.
China Development Bank
China Construction Bank Corporation



Listed on the main board of The Stock Exchange of Hong Kong Limited.

* Only projects held by the Group's subsidiaries and in operation with capacity of 50MW or above are disclosed.

Note: The above group structure only lists out major projects held by the Group's subsidiaries and in operation.

Management Discussion and Analysis



Management Discussion and Analysis

Locations		Centralised Photovoltaic Power Capacity	Wind Power Capacity
1	Jilin	31 MW	
2	Ningxia	100 MW	
3	Guizhou	208 MW	
4	Tianjin	32 MW	
5	Hebei	678 MW	301 MW
6	Shanxi	139 MW	50 MW
7	Shandong	243 MW	328 MW
8	Shaanxi	161 MW	
9	Henan	259 MW	372 MW
10	Anhui	194 MW	
11	Jiangsu	184 MW	
12	Hubei	70 MW	
13	Tibet	30 MW	
14	Yunnan	22 MW	
15	Jiangxi	125 MW	
16	Guangdong	161 MW	
17	Inner Mongolia		119 MW
18	Xinjiang		100 MW

Management Discussion and Analysis

During the Reporting Period, the Group's operating performance was affected by a combination of factors, including the intensifying contradiction in new energy consumption, the comprehensive deepening of electricity marketisation trading, and fluctuations in natural resources in certain regions. According to data released by the National Energy Administration and the National New Energy Consumption Monitoring and Early Warning Center, in the first quarter of 2026, the national average utilisation rates for wind power and photovoltaic power declined to 91.4% and 90.6%, respectively, with an increase in power rationing rate. Under the pressure on electricity consumption, various regions had proactively decelerated their development, impelling the industry to generally enter into a period of rational adjustment. Against this backdrop, the Group recorded a cumulative power generation of 3.329 billion kWh for the first half of the year, representing a decrease of 9.4% as compared to that for the corresponding period of last year. Additionally, as the commercial launch of new energy in various provinces, the trading price for electricity is exposed to considerable impact, and changes occurred in the industry have posed material challenges to the Group's revenue and profitability.

During the Reporting Period, the Group recorded a revenue of approximately RMB2,131.4 million, representing a decrease of approximately 11.18% as compared to that of approximately RMB2,399.6 million for the corresponding period of last year; gross profit of approximately RMB921.8 million, also representing a year-on-year decrease of approximately 23.41% as compared to that of approximately RMB1,203.5 million for the corresponding period of last year. The main reason why revenue and gross profit both recorded a year-on-year decrease was that the increase in power generation from newly grid-connected projects during the Reporting Period 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 for the first half of the year. Meanwhile, market-based electricity pricing was fully implemented starting from this 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 Reporting Period was approximately RMB247.7 million as compared to approximately RMB392.8 million for the corresponding period of last year, representing a year-on-year decrease of approximately 36.94%. The decrease in profit during the Reporting Period was mainly attributable to (i) the decrease in gross profit of the sale of electricity business as a result of greater grid curtailment, lower consolidated average tariff as well as declined wind and solar resources; (ii) the decrease in finance costs resulting from the combined effects of the replacement of high-cost financing with low-cost financing and early repayment of high-cost borrowings by the Group, and the lower interest rate for borrowings; and (iii) the decrease in administrative expenses due to the cost control and efficiency enhancement of the Group. Profit attributable to the equity holders of the Company was approximately RMB154.2 million as compared to approximately RMB286.8 million for the corresponding period of last year. The decrease in the profit attributable to the equity holders of the Company was mainly attributable to the decrease in the profit for the Reporting Period.

As at 30 June 2026, the Group recorded total assets of approximately RMB49,758.1 million (31 December 2025: RMB48,544.8 million) and total liabilities of approximately RMB29,797.7 million (31 December 2025: RMB28,797.1 million), resulting in net assets of approximately RMB19,960.4 million (31 December 2025: RMB19,747.7 million).

For the business and financial performance for the Reporting Period, please refer to the sections headed "3. Business Review" and "4. Financial Performance" in "Management Discussion and Analysis" in this report.

1. MARKET REVIEW

In the first half of 2026, China's new energy power generation industry continued to see growth in installed capacity under the guiding principle of "stabilising foundations, strengthening fundamentals, and moving toward green development". However, affected by the high base in the prior period and grid-connection and absorption pressures, the growth rate of newly-installed capacity for wind power and photovoltaic power declined significantly, and the industry as a whole entered an in-depth adjustment phase characterised by volume-and-price pressure, rational return and structural optimisation.

According to national electricity statistics for the first half of 2026 released by the National Energy Administration, by the end of June 2026, China's total installed power generation capacity reached 4.04 billion kilowatts, representing a year-on-year increase of 10.8%. Among this, the installed photovoltaic power generation capacity reached 1.27 billion kilowatts, representing a year-on-year increase of 15.8%; the installed capacity of wind power reached 680 million kilowatts, representing a year-on-year increase of 18.5%. China's cumulative average utilisation hours of power generation equipment were 1,392 hours, representing a decrease of 113 hours compared with the same period last year. Affected by the high base in the prior period and the rational return of the industry, China's newly-installed photovoltaic power capacity reached approximately 72.07 million kilowatts in the first half of 2026, representing a year-on-year decrease of 66%; newly-installed wind power capacity was approximately 38.62 million kilowatts, representing a year-on-year decrease of 24.8%.

At the policy level, as the development of a nationwide unified power market system gathers full momentum, China has further established the "1+6" fundamental rule system underpinned by the Basic Rules for Power Market Operation (《電力市場運行基本規則》) in 2026, with multiple provincial spot markets achieving trial operation with continuous settlement. This marks that grid-connected power generated from new energy sources has fully entered the power market, completely moving away from the past "planned-protection" model. Frequent price volatility in spot markets poses unprecedented challenges to new-energy enterprises in terms of technological innovation, power trading strategies, market forecasting and cost control. The industry as a whole entered an in-depth adjustment phase characterised by core features of "volume-and-price pressure and rational return". Meanwhile, to address the challenge of new energy consumption, the NDRC and the National Energy Administration issued the "Measures for the Implementation of Minimum Renewable Energy Consumption Ratio Targets and the Weighted Responsibility System for Renewable Energy Power Consumption Obligations (《可再生能源消費最低比重目標和可再生能源電力消納責任權重制度實施辦法》)" in 2026 (effective 1 August 2026). For the first time, non-electricity consumption is incorporated into assessment requirements, and full coverage of green certificate issuance has been realised. The dual-driven mechanism of "mandatory plus voluntary" has greatly stimulated the green-power consumption potential of end-user markets, opening up new avenues for premium opportunities and viable breakthrough solutions for new-energy companies with professional power trading and marketing capabilities.

Management Discussion and Analysis

2. GROUP STRATEGY AND OPERATIONS

Facing a complex, volatile market environment in the first half of 2026 filled with both challenges and opportunities, the Group's management sized up the situation and proactively adjusted its strategic rhythm and development approach. Recognising the urgency of accelerating scale expansion amid the boom cycle of the new energy sector, the Group has established high-quality development as its core theme, adopting a strategic posture focused on accelerating growth, enhancing quality, and improving efficiency. The Group remains committed to balancing rapid scale expansion with quality and efficiency priorities, 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 continuously consolidated our large-scale and region-focused development landscape.

At the level of top-level strategic design and execution, the Group continued to advance the implementation of its strategic direction of "boosting wind power and stabilising photovoltaic power", and strived to construct a new industrial landscape featuring complementary multi-energy sources and coordinated development. In terms of "boosting wind power", the proportion of wind power business rose significantly in the first half of the year, with breakthroughs achieved in multiple key projects. The 93.75 MW wind power project in Mudan District, Heze, Shandong Province achieved full-capacity grid-connection power generation at the end of October last year. The 175 MW distributed wind power project in Yuncheng County, Heze obtained all key land and construction permits in the first half of the year and is currently under construction. The Group successfully signed the EPC contract for the 287.5 MW wind power project in Dingtao District, Heze in March. The EPC public-tendering procedures for the 212.5 MW wind power project in Mudan District, Heze (Mudan Phase II Project) were also completed recently, successfully translating the core indicators secured at the preliminary stage into tangible project delivery. In addition, the Group successfully secured multiple large-scale grid-consumption wind power projects including the 800 MW project in Naiman Banner, Tongliao, Inner Mongolia and the 175 MW project in Xianghuang Banner, Xilingol League. It also delivered the 100 MW wind power project in Yangxin, Hubei, marking a historic breakthrough into the central China wind power market. In terms of "stabilising photovoltaic power", the fundamental base of the photovoltaic business remained solid. The Group successively secured high-quality projects including the 300 MW fishery-solar complementary project in Guanyun, Lianyungang, Jiangsu Province and the 300 MW centralised photovoltaic project in Lan County, Shanxi Province, forming a large-scale and clustered development momentum. In respect of comprehensive energy and industrial synergy, the Group pioneered a collaborative development model integrating industry and new energy, and steadily advanced the "direct green power connections" project at the Songyuan Green Metallurgy Industrial Park in Jilin Province, striving to build Northeast China's largest comprehensive production base for green-power-driven metallurgy, propelling the Group to leap from mere scale-driven catch-up onto intensive high-quality growth centered on value creation.

In the first half of 2026, the Group newly acquired new-energy development indicators totaling 2.89 GW, including 1.96 GW for wind power (accounting for 68%) and 0.93 GW for photovoltaic power (accounting for 32%). The newly-obtained indicators are mainly concentrated in key focus regions including Shanxi, Inner Mongolia, Shandong and Jiangsu. The total installed capacity of the Group's power generation projects under construction and approved but not yet under construction exceeded 7.8 GW (net of recognised development terminations), including 36 projects with a scale of 100 MW or above, providing important support for the Group's future sustainable development.

2. GROUP STRATEGY AND OPERATIONS *(Continued)*

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. During the first half of the year, key projects advanced in an orderly manner: Within the wind power project clusters in Heze, Shandong and Hezhou, Guangxi, core pre-construction formalities for multiple projects have been fully completed, and construction has commenced successively. Meanwhile, the “direct green power connections” project at the Songyuan Green Metallurgy Industrial Park in Jilin Province is progressing steadily, with project approval expected to be obtained before year-end. In the distributed-generation segment, the efficiency of project conversion and delivery has improved steadily. Multiple projects have been successfully connected to the grid for power generation, winning a battle to defend existing assets and break through with new increments.

In terms of production, operation, maintenance management, and full-lifecycle empowerment of projects, the Group continued to deepen refined management. Faced with challenges including a year-on-year decline in wind and solar resources in certain regions and intensifying conflicts on new-energy consumption during the first half of 2026, the Group effectively stabilised its asset base by optimising operational strategies and implementing technical upgrades. As of 30 June 2026, the Group’s total grid-connected installed capacity of wind power and photovoltaic projects reached 5.02 GW. The cumulative power generation for the first half of the year totalled 3.329 billion kWh.

To further enhance equipment reliability and asset returns, the Group has implemented a number of forward-looking initiatives on the operation and maintenance front: First, the Group deepened the transformation towards an intelligent operation-and-maintenance model, accelerated the automation and minimally-manned retrofitting of power stations, and improved the intelligent management and control capabilities of the centralised control centre. Second, the Group strengthened preventive maintenance and dedicated negotiations for out-of-warranty equipment. For wind-turbine projects whose warranties are expiring successively, the Group introduced advanced technological tools including CMS system upgrades, on-line monitoring and intelligent diagnosis for blades/core components to move fault warning mechanisms forward. Meanwhile, the Group collaborated with multiple departments and original equipment manufacturers to conduct specialised negotiations, securing reasonable rights and interests to reduce subsequent maintenance costs. Third, the Group actively pursued value-added technical upgrades and coordination of production-related transactions. The Group accelerated technical upgrade projects such as anti-loosening nuts for cables and modules. Scheduled activities including equipment defect elimination, maintenance and testing were precisely arranged during periods of low electricity tariffs or grid curtailment, so as to maximise full-load and stable power generation during high-tariff periods. Fourth, the Group expanded light-asset operation capabilities. While reducing expenditure on outsourced technical services, the Group proactively undertook external operation and maintenance projects to build regional scale advantages, and explored power-side virtual-power-plant businesses. These initiatives provide solid support for high-quality operation and diversified profitability of the Group’s assets.

Management Discussion and Analysis

2. GROUP STRATEGY AND OPERATIONS *(Continued)*

Regarding internal management optimisation and financial resource assurance, the Group continued to integrate cost reduction and efficiency enhancement throughout the entire operational management process, with notable improvement in the sophistication of financial control. During the Reporting Period, the Group strictly implemented budgetary control. Total actual administrative expenses and the expenditures across the six expense categories decreased substantially compared with the same period last year, with the results of expense execution and control exceeding expectations. Regarding capital assurance, the Group proactively broadened and optimised financing channels. Financing drawdowns amounted to approximately RMB6.4 billion in the first half of the year, representing a year-on-year increase of approximately RMB1.03 billion, and the outstanding financing balance grew by approximately RMB850 million compared with the same period last year, providing solid capital support for investments in key projects and day-to-day operations.

In terms of safety management, the Group rigorously implemented all work relating to safe production, and regularly carried out on-site control, hazard rectification and specialised improvement initiatives focusing on frontline operational sites. Regarding risk control and on-site management, the Group conducted a comprehensive assessment of risk points across all business segments and refined tiered business risk classification, on-site inspection and information-based control measures. It conducted in-depth hazard inspection and rectification, with enhanced safety control over operation and maintenance as well as engineering management. The Group consistently enforced meteorological early warning mechanisms to strengthen disaster risk prevention, and solidly delivered foundational safety work including on-site inspections, safety training, emergency drills and safety promotion activities to comprehensively fortify on-site safety defenses. In terms of specialised improvement and standardisation development, the Company focused on frontline businesses and steadily advanced four key enhancement initiatives covering dual prevention, emergency response systems, engineering safety standardisation and safety investment, continuously addressing shortcomings in safety management. Meanwhile, the Company actively participated in the formulation of industrial and association standards for the power sector, further upgrading the professionalism and standardisation of its corporate safety management. During the Reporting Period, the Group maintained stable and safe production operations and did not experience any safety production liability accidents, delivering continuous improvements in the overall quality and efficiency of safety management.

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. The Group's ESG Report discloses double-materiality topics in accordance with the four-pillar framework of the TCFD. By disclosing Scope 3 emissions data for the first time, conducting climate-scenario analysis and exploring an internal carbon-pricing mechanism, the Group further enhanced the depth and breadth of its ESG disclosures. Recently, the Group formally issued its "White Paper on Climate Action", integrating climate-change responses into the Company's comprehensive risk management to strengthen its resilience against climate-change risks. In terms of ESG ratings, we achieved remarkable results: Sustainable Fitch Hong Kong Limited awarded the Group an ESG entity score of 80 in 2026, an increase of 2 points compared to the last year; the S&P Global Inc. awarded a CSA score of 44, ranking among the top in China's power-generation industry, and we were selected for inclusion in S&P Global's Sustainability Yearbook (China Edition) for the first time; 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, becoming the first industry 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 Reporting Period, 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 rationing rate due to the slowdown in domestic economic growth, the short-term imbalance in demand, the impact of market-oriented transactions. As a result of these factors, the results for the Reporting Period were in a period of fluctuation and adjustment.

During the Reporting Period, 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 this period was approximately 3,329,187 MWh (six months ended 30 June 2025: approximately 3,674,408 MWh), representing a decrease of approximately 9.4% compared with the corresponding period of last year, primarily attributable to greater grid curtailment and reduced wind and solar resources.

[#] The operating power generation included the power generation of the projects held by the Group, its associates and joint ventures.

3.1 Sale of Electricity and Entrusted Operation Services

During the Reporting Period, the Group has 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 entrusted operation services amounted to RMB1,761.2 million (six months ended 30 June 2025: approximately RMB2,054.7 million), representing a decrease of approximately 14% as compared to the corresponding period of last year.

3.1.1 Photovoltaic Power Projects

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

During the Reporting Period, the Group's centralised photovoltaic power business performance declined slightly, mainly due to the increased power rationing 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 RMB783.7 million from the sale of electricity from the Group's centralised photovoltaic power plants, representing approximately 37% of the Group's total revenue during the Reporting Period. 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 six months ended 30 June 2025 (approximately RMB938.8 million or approximately 39%).

Management Discussion and Analysis

3. BUSINESS REVIEW *(Continued)*

3.1 Sale of Electricity and Entrusted Operation Services *(Continued)*

3.1.1 Photovoltaic Power Projects *(Continued)*

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

As of 30 June 2026, 54 (30 June 2025: 53) centralised photovoltaic power plants covering 13 provinces, 2 autonomous regions and 1 municipality in the PRC and 1 (30 June 2025: 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 2,643 MW, which reflected the Group's continued development and deployment in the new energy sector, details of the power generation of the Group's centralised photovoltaic power plant in Chinese mainland are set forth below:

Location	Photovoltaic resource area	30 June 2026			30 June 2025		
		Number of plants	Approximate total on-grid capacity	Approximate aggregate power generation <i>(Note)</i> (MWh)	Number of plants	Approximate total on-grid capacity (MW)	Approximate aggregate power generation <i>(Note)</i> (MWh)
PRC-Subsidiaries and joint ventures:							
Hebei Province	II/III	18	678	384,256	18	678	411,110
Henan Province	III	3	259	125,445	3	264	152,798
Shandong Province	III	5	243	127,476	5	243	139,817
Guizhou Province	III	4	208	75,357	4	189	73,363
Anhui Province	III	5	194	80,576	5	194	108,684
Shaanxi Province	II	2	161	90,569	2	161	95,756
Jiangxi Province	III	3	125	44,415	3	125	58,848
Jiangsu Province	III	2	184	87,339	2	184	103,866
The Ningxia Hui Autonomous Region	I	1	100	56,872	1	100	59,203
Hubei Province	III	3	70	27,008	3	70	35,200
Jilin Province	II	1	31	20,722	1	31	18,979
The Tibet Autonomous Region	III	1	30	7,361	1	30	7,889
Tianjin Municipality	II	1	32	21,365	1	32	20,899
Yunnan Province	II	1	22	12,907	1	22	12,933
Shanxi Province	III	2	139	81,123	2	139	53,866
Guangdong Province	III	2	161	47,208	1	135	71,313
Total		54	2,637	1,289,999	53	2,597	1,424,524

Note: The figures set out in the above table have been rounded and are subject to further adjustments that may arise from accounting treatments, which may result in differences in the totals.

3. BUSINESS REVIEW (Continued)

3.1 Sale of Electricity and Entrusted Operation Services (Continued)

3.1.1 Photovoltaic Power Projects (Continued)

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

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	30 June 2026			30 June 2025		
	Number of plants	Approximate total on-grid capacity	Approximate aggregate power generation (Note)	Number of plants	Approximate total on-grid capacity	Approximate aggregate power generation (Note)
		(MW)	(MWh)		(MW)	(MWh)
PRC-Subsidiaries and joint ventures:						
I	1	100	56,872	1	100	59,203
II	12	450	280,038	12	450	279,417
III	41	2,087	953,088	40	2,047	1,085,904
Total	54	2,637	1,289,999	53	2,597	1,424,524

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 reporting periods (whichever is later), to the end of the respective reporting periods. 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

Details of changes in weighted average utilisation rate and weighted average utilisation hours are as follows:

	30 June 2026	30 June 2025	Changes
Weighted average utilisation rate (%)	77.47	81.34	(3.87)
Weighted average utilisation hours (hours)	495	561	(66)

Management Discussion and Analysis

3. BUSINESS REVIEW *(Continued)*

3.1 Sale of Electricity and Entrusted Operation Services *(Continued)*

3.1.1 Photovoltaic Power Projects *(Continued)*

(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 *(Continued)*

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
First half of 2022	651	623	28
First half of 2023	627	658	(31)
First half of 2024	587	626	(39)
First half of 2025	561	560	1
First half of 2026	495	527	(32)

Note: Market data for the first half of 2022 is sourced from the National Energy Administration, market data for the first half of 2023 to the first half of 2026 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 495 hours, representing a decrease from 561 hours in the corresponding period of 2025. The weighted average utilisation rate also declined from 81.34% to 77.47%. This change primarily reflects the combined impact of macroeconomic factors such as intensified grid absorption 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 generally maintained a downward trajectory in line with the national average. Facing the significant intensification of the contradiction in new energy consumption in the first half of 2026, the Group did not wait passively, but was committed to hedging external risks by improving operation and maintenance management levels. During the Reporting Period, the Group accelerated the automation and minimally-manned transformation of power plant, and carried out precise gain-oriented technical upgrades such as anti-loosening nuts for modules, making every effort to ensure the stability of power generation efficiency and the safety of the asset base under severe industry-wide challenges.

3. BUSINESS REVIEW (Continued)

3.1 Sale of Electricity and Entrusted Operation Services (Continued)

3.1.1 Photovoltaic Power Projects (Continued)

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

During the Reporting Period, affected by market conditions, the Group's distributed photovoltaic power business recorded revenue from the sale of electricity of approximately RMB335.6 million (six months ended 30 June 2025: approximately RMB360.4 million), representing a year-on-year decrease of approximately 6.9%. The total installed capacity of the distributed photovoltaic power plants held and/or managed by the Group and in operation reached approximately 1,105 MW (30 June 2025: approximately 1,020 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 RMB0.4 million (six months ended 30 June 2025: approximately RMB2.3 million) was recognised during the Reporting Period.

3.1.2 Wind Power Plant Projects

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

During the Reporting Period, being affected by the market environment, the Group recorded revenue of approximately RMB617.2 million from the sale of electricity from the wind power plants, representing a year-over-year decrease of approximately 15.4% compared to approximately RMB729.6 million for the six months ended 30 June 2025.

As of 30 June 2026, 20 (30 June 2025: 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 (30 June 2025: approximately 1,176 MW) were held by the Group and in operation, details of which are set forth below:

Location	Wind resource area	30 June 2026			30 June 2025		
		Number of plants	Approximate total on-grid capacity	Approximate aggregate power generation	Number of plants	Approximate total on-grid capacity	Approximate aggregate power generation
			(MW)	(Note) (MWh)		(MW)	(Note) (MWh)
PRC-Subsidiaries:							
Henan Province	IV	8	372	439,042	8	372	542,799
Shandong Province	IV	4	328	324,011	3	234	326,646
The Inner Mongolia Autonomous Region	I	4	119	197,283	4	119	222,491
Hebei Province	IV	2	301	419,738	2	301	501,921
Shanxi Province	IV	1	50	50,648	1	50	72,233
The Xinjiang Uygur Autonomous Region	I	1	100	67,529	1	100	60,812
Total		20	1,270	1,498,251	19	1,176	1,726,902

Management Discussion and Analysis

3. BUSINESS REVIEW (Continued)

3.1 Sale of Electricity and Entrusted Operation Services (Continued)

3.1.2 Wind Power Plant Projects (Continued)

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

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	30 June 2026			30 June 2025		
	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:						
I	5	219	264,812	5	219	283,303
IV	15	1,051	1,233,439	14	957	1,443,599
Total	20	1,270	1,498,251	19	1,176	1,726,902

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 reporting periods (whichever is later), to the end of the respective reporting periods. 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 at or before the beginning of the reporting periods

Details of the changes in weighted average utilisation rate and weighted average utilisation hours are set out below:

	30 June 2026	30 June 2025	Changes
Weighted average utilisation rate (%)	87.60	92.15	(4.55)
Weighted average utilisation hours (hours)	1,216	1,537	(321)

3. BUSINESS REVIEW *(Continued)*

3.1 Sale of Electricity and Entrusted Operation Services *(Continued)*

3.1.2 Wind Power Plant Projects *(Continued)*

(b) Key performance data of the wind power plant projects held by the Group and in operation at or before the beginning of the reporting periods *(Continued)*

Details of the comparison with the market-weighted average utilisation hours over the past five years are set out below:

Year	The Group Weighted average utilization hours (hours)	Market Data Weighted average utilization hours (hours)	Changes
The first half of 2022	1,362	1,156	206
The first half of 2023	1,490	1,237	253
The first half of 2024	1,368	1,134	234
The first half of 2025	1,537	1,087	450
The first half of 2026	1,216	917	299

Note: Market data for the first half of 2022 is sourced from the National Energy Administration; and market data for the first half of 2023 to the first half of 2026 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 1,216 hours, which represented a decrease from 1,537 hours in the corresponding period of 2025, the weighted average utilisation rate also declined from 92.15% to 87.60%. This change primarily reflects the combined effects of macroeconomic factors such as intensified grid integration pressures fluctuations in wind resources as well as the regional power curtailment, which were commonly encountered by the industry during the first half of the year.

Judging from the trends for recent years, the national average utilisation hours for wind power fluctuated downward from 1,156 hours in the first half of 2022 to 917 hours in the first half of 2026, 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 to a recent-year low of approximately 1,216 hours, 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.

Management Discussion and Analysis

3. BUSINESS REVIEW *(Continued)*

3.1 Sale of Electricity and Entrusted Operation Services *(Continued)*

3.1.2 Wind Power Plant Projects *(Continued)*

(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 RMB24.3 million (six months ended 30 June 2025: approximately RMB23.6 million) was recognised during the Reporting Period.

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 Reporting Period, the Group's revenue from provision of engineering, procurement and construction and related services was approximately RMB38.5 million (six months ended 30 June 2025: approximately RMB9.2 million) in aggregate, representing approximately 2% (six months ended 30 June 2025: approximately 1%) of the total revenue.

3.3 Provision of Clean Heat Supply Services

As of 30 June 2026, through development and business acquisitions, 12 clean energy projects (30 June 2025: 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, 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 35.527 million sq.m. (30 June 2025: approximately 35.477 million sq.m.), almost the same as last year; and the number of clean heat supply services users was approximately 213,317 households (30 June 2025: approximately 212,457 households), representing a year-on-year increase of approximately 0.4%. The Group recognised revenue arising from the provision of clean heat supply services of approximately RMB331.7 million during the Reporting Period (six months ended 30 June 2025: approximately RMB335.7 million), basically the same as that of the same period last year.

Management Discussion and Analysis

3. BUSINESS REVIEW (Continued)

3.3 Provision of Clean Heat Supply Services (Continued)

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		
	30 June 2026 ('000 sq.m.)	30 June 2025 ('000 sq.m.)	Changes (%)	30 June 2026 (households)	30 June 2025 (households)	Changes (%)
Northeast region, China	14,843	14,864	(0.1)	44,767	45,409	(1.4)
North region, China	10,623	10,686	(0.6)	88,685	88,134	0.6
Northwest region, China	6,635	6,596	0.6	54,423	54,177	0.5
East and central regions, China	3,426	3,331	2.9	25,442	24,737	2.8
Total	35,527	35,477	0.1	213,317	212,457	0.4

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 Reporting Period, the research centre continued to act as a think-tank and took in-depth part in compiling authoritative industry reports and formulating standards. The group standard Guidelines for the Construction of Photovoltaic Corridors on Expressways (《高速公路光伏廊道建設指南》), in whose compilation the Group participated, has successfully passed expert review. In respect of demonstration project implementation, the Linteng Expressway 15.6MW photovoltaic project in the Fei County section, Shandong Province has been successfully 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)”, which fully demonstrates the Group’s industry leading position and demonstration effect in the “transport + clean energy” integration track.

Management Discussion and Analysis

3. BUSINESS REVIEW *(Continued)*

3.4 New Business Exploration and Strategic Layout *(Continued)*

In the field of energy storage and new-business formats, the Group has delivered fruitful results in its strategic layout, which will effectively enhance the Group's core peak shaving and frequency-regulation capabilities within the future new-type power system. Meanwhile, the Group has astutely captured the integration trend of the digital economy and green energy and achieved substantive breakthroughs in the field of power-computing coordination. Together with industry partners, the Group is fully advancing the integrated "source-grid-load-storage (源網荷儲)" project in Ulanqab, Inner Mongolia Autonomous Region, striving to build a new two-way empowerment model of "green energy supply + computing infrastructure". In addition, key projects such as the Songyuan Green Metallurgical Industrial Park* (松原綠色冶金產業園) in Jilin Province are being accelerated for implementation in respect of direct green power supply. The translation of these strategic reserves into substantive operating results will continuously consolidate the Group's market competitive advantages and open up broad long-term development space for the Group.

The Group, together with the People's Government of Zhoucun District, Zibo City and Zibo Anze Special Gas Co., Ltd.* (淄博安澤特種氣體有限公司), has signed a letter of intent for strategic cooperation in respect of the Qilu Sci-Tech Hydrogen Energy Industrial Park (齊魯科創氫能產業園). Focusing on its core new-energy businesses including wind power and solar power, the Group keeps extending its industrial chain. The signing of this strategic cooperation letter of intent represents the Company's exploration and attempt to tap into downstream green-hydrogen production based on green power. Centred on the planning and layout of the Qilu Sci-Tech Hydrogen Energy Industrial Park, the Group will leverage its strengths in new-energy investment and development, industrial integration, capital operation and professional operation, build an industrial closed-loop of "green power + green hydrogen", and establish a benchmark for integrated development.

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 with high quality, 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 breakthrough "from 0 to 1" in its international business during the "15th Five-Year Plan" period, opening up new room for growth.

3. BUSINESS REVIEW *(Continued)*

3.5 Prospects and Outlook

At the level of business layout, the Group will unwaveringly implement its strategic direction of “Enhancing Wind Power and Stabilising Photovoltaic Power”. The Group will treat “indicator conversion and grid-connection (指標轉化與併網)” as its top priority. Facing the challenges of conversion cycles head-on, the Group will remove bottlenecks from resource acquisition to power output by reshaping internal workflows, breaking down departmental barriers, strengthening engineering standardisation and modular construction, so as to accelerate the conversion of high-quality reserved indicators into effective assets. Meanwhile, the Group will steadily advance new business initiatives, including “direct green-power connection” and integrated “source-grid-load-storage”, and accelerate the cultivation of the Group’s “second-growth curve”.

Faced with a complex and challenging market environment, the Group faced operating headwinds in the first half of 2026, resulting in a temporary decline in revenue and profit. Nevertheless, the Group successfully secured 2.89 GW of new-energy indicators during the downturn, while achieving a notable year-on-year decrease in total expenses, thereby accumulating strategic resources for future growth. Looking ahead, the Group will thoroughly grasp new industry trends and remain firmly anchored in high-quality development. We will place greater emphasis on management enhancement, project quality, and overall development efficiency. The Group will implement three major optimization initiatives, focusing on structure, region, and business models, and fully implement seven core initiatives: “pursuing development and adjusting structure, strengthening mechanisms and improving efficiency, driving conversion and seizing grid-connection opportunities, cutting costs and enhancing quality and efficiency, leveraging power trading for long-term stability and predictability, mitigating risks to safeguard profitability, and reinforcing safety fundamentals to ensure holistic governance”. These measures will enable the Group to expand its scale rapidly while evolving into a benchmark for high-quality development centered on value creation.

Guided by the strategic direction of “Enhancing Wind Power and Stabilising Photovoltaic Power”, and keeping pace with the integrated-development trend of the digital economy and green energy, the Group continues to push forward project layout in the energy-storage sector, and cooperates with industry partners to explore the power-computing coordination field. It promotes the construction of the integrated “sources-grid-load-storage” project in Ulanqab, Inner Mongolia Autonomous Region, and seeks to establish an integrated-development model of “green energy supply + computing infrastructure”. For direct green-power-application scenarios, projects including the Songyuan Green Metallurgical Industrial Park in Jilin Province are being expedited. The conversion of these strategic reserves into substantive operating results will continuously consolidate the Group’s market-competitive advantages and open up broad long-term development space for the Group.

Management Discussion and Analysis

3. BUSINESS REVIEW *(Continued)*

3.5 Prospects and Outlook *(Continued)*

Faced with the sweeping wave of full market-access for new-energy sources, the Group will systematically build two core capabilities. First, the power trading and marketing capability. The Group will further deepen the “coordination between generation and trading”, arrange equipment maintenance to precisely avoid high-electricity-price periods, and accelerate the construction of an intelligent trading decision-support platform, striving to seize the initiative in the spot market as well as green power and green certificate trading. Second, the capability for optimal cost reduction and digital-intelligent operation and maintenance. The Group will continue to advance automation and minimally-manned retrofitting of power stations, conduct dedicated negotiations for out-of-warranty wind turbines and value-adding technical retrofits, and explore power-side virtual power plant businesses. Through technology empowerment and lean management, the Group aims to aggressively reduce the levelized cost of electricity, enhance operational efficiency, and rebuild its cost competitiveness.

At the financial and capital market level, adhering to the “cash-is-king” principle, the Group will accelerate capital collection and guard against impairment risks. Meanwhile, leveraging its standalone credit strengths, the Group will continuously broaden green financing channels to provide low-cost capital for project construction. In respect of ESG management, the Group will further deepen its response to climate change, optimise its ESG report and strive to maintain industry-leading positions in mainstream ESG ratings. In addition, we will strengthen in-depth communication with investors and continuously enhance the capital market’s recognition of the Company’s long-term value.

As always, the Group will draw on the solid strength and brand endorsement of SDHS Group, a Fortune Global 500 enterprise. It will effectively translate the controlling shareholder’s ecological advantages under “energy-transportation integration” into tangible operational competitive strengths. Amid the national tide of green and low-carbon energy transition, the Group will firmly anchor its ambitious high-quality-development goals for the “15th Five-Year Plan” period. With greater resolve, confidence and poise, the Group will strive to lift its development to new heights, reward shareholders for their trust and support through outstanding operating results, create broad development platforms for employees, and contribute greater “Shandong Hi-Speed” strength to society’s sustainable development.

Management Discussion and Analysis

4. FINANCIAL PERFORMANCE

A summary of the results for the Reporting Period is set out below:

Financial highlights:

	For the six months ended 30 June		
	2026 (unaudited) RMB' 000	2025 (unaudited) RMB' 000	Change %
Revenue	2,131,413	2,399,627	(11.2)
Gross profit	921,807	1,203,491	(23.4)
Gross profit margin (%)	43.3	50.2	decrease by 6.9 percentage points
Profit for the period	247,695	392,839	(36.9)
Profit attributable to the equity holders of the Company	154,229	286,837	(46.2)
Basic earnings per share (in RMB cent(s))	6.87	12.77	(46.2)
EBITDA	1,640,074	1,927,104	(14.9)

	30 June 2026 (unaudited) RMB' 000	31 December 2025 (audited) RMB' 000	Change %
Total assets	49,758,129	48,544,774	2.5
Total equity	19,960,404	19,747,653	1.1
Cash and cash equivalents	5,210,156	4,616,294	12.9

Management Discussion and Analysis

4. FINANCIAL PERFORMANCE *(Continued)*

4.1 Revenue and gross profit margin

During the Reporting Period, the Group recorded revenue of approximately RMB2,131.4 million (six months ended 30 June 2025: approximately RMB2,399.6 million), representing a decrease of approximately 11.2% as compared to the corresponding period of last year, which was mainly due to the decrease in revenue from sale of electricity business during the Reporting Period. During the Reporting Period, revenue from sale of electricity business reached approximately RMB1,736.5 million (six months ended 30 June 2025: approximately RMB2,028.8 million), representing a decrease of approximately 14% as compared to the corresponding period of last year, which was mainly due to the combined effects of (i) greater grid curtailment, (ii) lower consolidated average tariff, and (iii) declined wind and solar resources.

	For the six months ended 30 June					
	2026			2025		
	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	1,119.3	47.4	530.3	1,299.2	56.2	730.1
Wind power business	617.2	54.1	333.9	729.6	57.3	418.4
Entrusted operation services	24.7	18.9	4.7	25.9	19.2	5.0
Construction and related services	38.5	10.5	4.0	9.2	5.2	0.5
Provision of clean heat supply services	331.7	14.7	48.9	335.7	14.7	49.5
Total	2,131.4	43.3	921.8	2,399.6	50.2	1,203.5

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

Gross profit for the sale of electricity business amounted to approximately RMB864.2 million during the Reporting Period, representing approximately 94% (six months ended 30 June 2025: approximately 95%) of the total gross profit of the Group. The contribution of sale of electricity business to the Group’s total gross profit remained largely unchanged compared to the corresponding period of last year. On the other hand, contribution of provision of clean heat supply services to the Group’s total gross profit was approximately 5% (six months ended 30 June 2025: approximately 4%) during the Reporting Period.

The overall gross profit margin decreased from 50.2% during the six months ended 30 June 2025 to 43.3% during the Reporting Period, representing a decrease of approximately 6.9 percentage points. The decrease in overall gross profit margin was mainly attributable to the decline in electricity sales revenue, coupled with the fact that rigid fixed costs did not decrease proportionately.

4. FINANCIAL PERFORMANCE *(Continued)*

4.2 Other income and gains, net

The Group's other income and gains, net amounted to approximately RMB38.7 million (six months ended 30 June 2025: approximately RMB46.0 million) during the Reporting Period, which mainly comprised (i) foreign exchange gains, net of approximately RMB21.1 million (six months ended 30 June 2025: approximately RMB6.5 million); (ii) interest income of approximately RMB4.6 million (six months ended 30 June 2025: approximately RMB8.5 million); and (iii) government grants of approximately RMB2.4 million (six months ended 30 June 2025: approximately RMB7.6 million).

4.3 Administrative expenses

The Group's administrative expenses decreased to approximately RMB152.2 million (six months ended 30 June 2025: approximately RMB200.6 million) during the Reporting Period, which was mainly attributable to the decrease in manpower costs and administrative expenses as a result of the cost control and efficiency enhancement of the Group.

4.4 Other operating expenses, net

The Group's other operating expenses, net amounted to approximately RMB68.3 million (six months ended 30 June 2025: approximately RMB1.3 million) during the Reporting Period, which mainly comprised (i) impairment losses on prepayments, deposits and other receivables of approximately RMB39.8 million (six months ended 30 June 2025: nil); (ii) impairment loss on long-term assets of approximately RMB24.1 million (six months ended 30 June 2025: nil).

4.5 Finance costs

The Group's finance costs decreased by approximately RMB119.0 million to approximately RMB439.9 million (six months ended 30 June 2025: approximately RMB558.9 million) during the Reporting Period, which was mainly attributable to the combined effects of the replacement of high-cost financing with low-cost financing, early repayment of high-cost borrowings and the lower interest rate for borrowings in the current 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 decrease in income tax expense for the Reporting Period was mainly due to the combined effects of the decrease in current income tax expenses and the decrease in deferred income tax expenses due to the different changes in earnings of the Group's subsidiaries.

4.7 Property, plant and equipment

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

Management Discussion and Analysis

4. FINANCIAL PERFORMANCE *(Continued)*

4.8 Investment properties

The Group's investment properties mainly represented the fair value of an office and four parking spaces in Hong Kong which 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 decreases in operating concessions and operating rights were mainly attributable to the amortization provided.

4.11 Investments in joint ventures

Investments in joint ventures 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 investments in joint ventures was mainly due to the share of profit and loss of joint ventures during the Reporting Period.

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) (formerly known as BECE Legend Group Co., Ltd* (北清環能集團股份有限公司)) (a company established in the PRC with limited liability whose shares are listed on the Shenzhen Stock Exchange (Stock Code: SZ.000803)), an associate owned as to 24.17% interest by the Group, which was principally engaged in the organic waste hazard-free treatment and high-value resource utilisation business, the clean heat supply 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, which 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.

4.13 Equity investments designated at fair value through other comprehensive income

Equity investments designated at fair value through other comprehensive income represented the Group's investment in Guangzhou Greater Bay Technology Co., Ltd. (廣州巨灣技研有限公司), being 3.78% 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. FINANCIAL PERFORMANCE *(Continued)*

4.14 Contract assets

Contract assets as at 30 June 2026 of approximately RMB505.8 million (31 December 2025: approximately RMB708.8 million) represented (i) gross receivables of approximately RMB29.8 million (31 December 2025: approximately RMB33.5 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 RMB478.2 million (31 December 2025: approximately RMB677.6 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 of approximately RMB2.2 million (31 December 2025: approximately RMB2.3 million). The decrease in contract assets was mainly attributable to the inclusion of certain photovoltaic and wind power plant projects into the Project List during the Reporting Period.

4.15 Trade and bills receivables

Trade and bills receivables of approximately RMB8,922.7 million (31 December 2025: approximately RMB8,140.9 million) as at 30 June 2026 mainly comprised (i) gross receivables from the sale of electricity of the photovoltaic and wind power plant projects of approximately RMB7,893.7 million (31 December 2025: approximately RMB7,097.2 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 RMB647.4 million (31 December 2025: approximately RMB680.2 million); and (iii) loss allowances of trade and bills receivables of approximately RMB118.5 million (31 December 2025: approximately RMB118.5 million).

As at 30 June 2026, gross trade receivables for the sale of electricity of the photovoltaic and wind power plant projects mainly comprised (i) receivables of approximately RMB336.2 million (31 December 2025: approximately RMB321.7 million) from the sale of electricity to State Grid Corporation of China, a state-owned enterprise principally engaged in the development and operation of nationwide power network, and other enterprises; and (ii) receivables of approximately RMB7,411.8 million (31 December 2025: approximately RMB6,663.2 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

As at 30 June 2026, the prepayments, deposits and other receivables, other tax recoverables and financial assets at fair value through profit or loss decreased by approximately RMB298.2 million in aggregate (non-current portion decreased by approximately RMB33.0 million and current portion decreased by approximately RMB265.2 million) to approximately RMB3,995.3 million (31 December 2025: approximately RMB4,293.5 million) in aggregate, which was mainly attributable to the combined effects of (i) the decrease of prepayments, deposits and other receivables; and (ii) the increase in other recoverable taxes during the Reporting Period.

Management Discussion and Analysis

4. FINANCIAL PERFORMANCE *(Continued)*

4.17 Cash and cash equivalents and restricted cash and pledged deposits

As at 30 June 2026, cash and cash equivalents and restricted cash and pledged deposits increased by approximately RMB632.0 million to approximately RMB5,365.0 million (31 December 2025: approximately RMB4,733.0 million), which was mainly attributable to the net effect of (i) the net increase of interest-bearing bank loans and other borrowings; (ii) cash outflow on constructing, developing and operating clean energy projects; and (iii) net cash inflow from daily operating activities during the Reporting Period.

4.18 Trade and bills payables

Trade and bills payables of approximately RMB1,111.0 million (31 December 2025: approximately RMB1,007.9 million) as at 30 June 2026 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

As at 30 June 2026, other payables and accruals of approximately RMB264.7 million (31 December 2025: approximately RMB558.6 million) decreased by approximately RMB293.9 million, which was mainly due to the combined effects of the carryforward of advance receipts for clean heat supply service fees as revenue during the Reporting Period.

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

Interest-bearing bank loans and other borrowings and corporate bonds (excluding operating leases) amounted to approximately RMB27,085.3 million (31 December 2025: approximately RMB25,786.5 million) in aggregate as at 30 June 2026, representing an increase by approximately RMB1,298.8 million in aggregate (non-current portion increased by approximately RMB816.7 million and current portion increased by approximately RMB482.1 million), which was mainly attributable to the net effect of (i) the drawdown of bank loans and other borrowings for the development of the clean energy businesses; (ii) the repayment of bank loans and other borrowings; and (iii) the issuance and repayment of partial portions of corporate bonds during the Reporting Period.

4.21 Capital expenditures

During the Reporting Period, the Group's total capital expenditures amounted to approximately RMB1,080.5 million (six months ended 30 June 2025: approximately RMB638.1 million), comprising (i) development of photovoltaic and wind power plant projects, clean heat supply projects, and other property, plant and equipment of approximately RMB1,077.9 million (six months ended 30 June 2025: approximately RMB475.2 million) in aggregate; (ii) no acquisition of other intangible assets during the Reporting Period (six months ended 30 June 2025: approximately RMB0.9 million); and (iii) investments in joint ventures and associates of approximately RMB2.6 million (six months ended 30 June 2025: approximately RMB162.0 million).

4. FINANCIAL PERFORMANCE *(Continued)*

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 RMB. Surplus cash is generally placed in short-term deposits denominated in RMB.

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB5,210.2 million (31 December 2025: approximately RMB4,616.3 million).

Developments of the clean energy businesses require intensive initial capital investments and the Group funded such developments during the Reporting Period mainly by long-term bank loans and other borrowings (excluding operating leases) and corporate bonds.

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

As at 30 June 2026, the Group's total borrowings including interest-bearing bank loans and other borrowings and corporate bonds (excluding operating leases) amounted to approximately RMB27,085.3 million (31 December 2025: approximately RMB25,786.5 million), comprising (i) bank loans of approximately RMB19,777.4 million (31 December 2025: approximately RMB19,409.1 million); (ii) corporate bonds of approximately RMB3,025.5 million (31 December 2025: approximately RMB2,517.5 million); and (iii) lease liabilities under finance lease arrangements and other loans of approximately RMB4,282.4 million (31 December 2025: approximately RMB3,859.9 million). Approximately 67% (31 December 2025: approximately 67%) of the Group's borrowings are long-term borrowings.

The debt ratio (total liabilities divided by total assets) of the Group as at the end of the Reporting Period has remained at a healthy level of approximately 59.89% (31 December 2025: approximately 59.32%). Meanwhile, cash and cash equivalents of the Group amounted to approximately RMB5,210.2 million, with a current ratio of 1.68. The Group has sufficient financial reserves to provide for business development.

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 caused by exchange rate fluctuations. If other currencies appreciate/depreciate against RMB, the Group would record a(n) increase/decrease in profits. During the Reporting Period, the Group has not used derivative financial instruments to hedge against its foreign currency risk.

CHARGE ON THE GROUP'S ASSETS

The secured bank loans and other borrowings and bills payables of the Group as at 30 June 2026 are secured by:

- (i) 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; and/or
- (iv) guarantees given by the Company and/or its subsidiaries.

Save as disclosed above, as at 30 June 2026, the Group did not have any charges on the Group's assets.

Management Discussion and Analysis

CONTINGENT LIABILITIES

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

GEARING RATIO

As at 30 June 2026, the gearing ratio (total outstanding borrowings divided by total assets) of the Group was approximately 53.49% (31 December 2025: 52.04%).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

1. Major Transactions in relation to the Dingtao EPC Contract

On 31 March 2026, Heze Shandong Hi-Speed Wind Power Co., Ltd.* (荷澤山高風電有限公司) (“Heze SH”) (an indirect wholly-owned subsidiary of the Company and an indirect non-wholly owned subsidiary of the Company and an indirect non-wholly owned subsidiary of SDHG, as the principal), entered into the engineering, procurement and construction contract (the “Dingtao EPC Contract”) with China Construction Second Engineering Bureau Ltd.* (中國建築第二工程局有限公司) and China Power Construction Group Guiyang Survey and Design Institute Co., Ltd.* (中國電建集團貴陽勘測設計研究院有限公司) (collectively, the “Joint Contractors”). Pursuant to the Dingtao EPC Contract, Heze SH agreed to engage the Joint Contractors to provide EPC services in relation to the 287.5 MW wind power project located in Dingtao District, Heze City, Shangdong Province, the PRC at an aggregate contracting fee of RMB1,197,418,298.23 (inclusive of all taxes) (subject to adjustment in case of change in national tax policies).

As at 31 March 2026, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Dingtao EPC Contract exceed 25% but are less than 100% for the Company, the transactions contemplated under the Dingtao EPC Contract constitute major transactions under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders’ approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of its Shareholders has any material interest in the transactions contemplated under the Dingtao EPC Contract. Therefore, if the Company convenes a shareholders’ meeting to seek approval for the transactions contemplated under the Dingtao EPC Contract, none of its Shareholders shall be required to abstain from voting.

As at 31 March 2026, SDHG which directly holds 1,279,878,252 shares of the Company, representing approximately 56.97% of the total issued share capital of the Company, has approved the transactions contemplated under the Dingtao EPC Contract by a written shareholders’ approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of the Company. As such, pursuant to Rule 14.44 of the Listing Rules, the Company will not hold a shareholders’ meeting to approve the transactions contemplated under the Dingtao EPC Contract.

For further details, please refer to the joint announcement of the Company and SDHG dated 31 March 2026 and the circular of the Company dated 16 April 2026.

Save as disclosed above, the Group had no significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2026, the Group had no substantial future plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed 1,754 full-time employees (30 June 2025: 1,791 full-time employees) with total staff cost of approximately RMB140.3 million incurred for the Reporting Period (six months ended 30 June 2025: approximately RMB180.6 million). 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.

INTERIM DIVIDEND

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

EVENTS AFTER THE REPORTING PERIOD

1. Major Transactions in relation to the Mudan EPC Contract

On 10 August 2026, Heze Shandong Hi-Speed Clean Energy Co., Ltd.* (荷澤山高清潔能源有限公司) ("HZHS Clean 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 "Mudan EPC Contract") with 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) ("China Energy Engineering Anhui Electric Power Construction"), as the contractor. Pursuant to the Mudan EPC contract, HZHS Clean Energy agreed to engage China Energy Engineering Anhui Electric Power Construction to provide EPC services in relation to the 212.5MW centralized wind power project located in the southwest of Mudan District, Heze City, Shandong Province, the PRC (the "Project") at an aggregate contracting fee of RMB1,233,777,047.26 (inclusive of all taxes) (subject to adjustment in case of change in national tax policies).

As at 10 August 2026, since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Mudan EPC Contract exceed 25% but are less than 100% for the Company, the transactions contemplated under the Mudan EPC Contract constitute major transactions under Chapter 14 of the Listing Rules and are subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

Management Discussion and Analysis

EVENTS AFTER THE REPORTING PERIOD *(Continued)*

1. Major Transactions in relation to the Mudan EPC Contract *(Continued)*

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of its shareholders has any material interest in the transactions contemplated under the Mudan EPC Contract. Therefore, if the Company convenes a shareholders' meeting to seek approval for the transactions contemplated under the Mudan EPC Contract, none of its shareholders shall be required to abstain from voting.

As at 10 August 2026, SDHG, which directly holds 1,279,878,252 shares of the Company, representing approximately 56.97% of the total issued share capital of the Company, has approved the transactions contemplated under the Mudan EPC Contract by a written shareholders' approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of the Company. As such, pursuant to Rule 14.44 of the Listing Rules, the Company will not hold a shareholders' meeting to approve the transactions contemplated under the Mudan EPC Contract.

For further details, please refer to the joint announcement of the Company and SDHG dated 10 August 2026 and the circular of the Company dated 24 August 2026.

2. Change in Directors

- i) Mr. Li Tianzhang resigned as an executive Director, the chairman of the Board and a member and the chairman of the nomination committee of the Company with effect from 22 July 2026;
- ii) Mr. Kang Jian was appointed as an executive Director, the chairman of the Board and a member and the chairman of the nomination committee of the Company with effect from 22 July 2026;
- iii) Each of Mr. Wang Wenbo and Mr. Li Li resigned as an executive Director with effect from 22 July 2026;
- iv) Each of Mr. Liu Yao and Ms. Wang Zhupin was appointed as an executive Director with effect from 22 July 2026; and
- v) Mr. Liu Zhijie was appointed as vice chairman of the Board with effect from 22 July 2026.

Disclosure Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code were as below:

Interests in underlying shares of the Company

Name of Director	Interests in underlying shares under equity derivatives (Note 1)	% of total issued shares
Mr. Chiu Kung Chik	200,000	0.02%

Notes:

1. The interests in underlying shares under equity derivatives represent the share options of the Company granted by the Company on 15 September 2020. For details, please refer to the section headed "SHARE OPTION SCHEME" of this report.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interests or short positions in the shares, the underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code or the SFO.

Directors' Rights to Acquire Shares or Debentures

Save as disclosed under the sections headed "DISCLOSURE INFORMATION – Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations" and "SHARE OPTION SCHEME" of this report, at no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children under the age of 18, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Directors' Interests in Transactions, Arrangements or Contracts

Save as disclosed under the section headed "RELATED PARTY DISCLOSURES" in note 20 to the condensed consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its holding companies, subsidiaries and fellow subsidiaries was a party and in which a Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted during or at the end of the Reporting Period.

Disclosure Information

DISCLOSURE OF INTERESTS

Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

As at 30 June 2026, so far as was known to the Directors and chief executive of the Company, the following persons (other than the Directors and chief executive of the Company as disclosed above) had, or were deemed to have, interests or short positions in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, were directly or indirectly interested in 5% or more of the issued voting shares of any other member of the Group or held any option in respect of such shares and recorded in the register kept by the Company pursuant to section 336 of the SFO:

Long position in the shares and/or underlying shares of the Company

Name of shareholders	Long/Short position	Capacity in which shares are held	Number of shares held (Note 1)	Approximate percentage of the Company's total issued shares (Note 2)
SDHS Group (Note 3)	Long position	Interest of controlled corporation	1,279,878,252	56.97%
SDHG (Note 3)	Long position	Beneficial owner	1,279,878,252	56.97%
Beijing Enterprises Group Company Limited ("BE Group") (Note 4)	Long position	Interest of controlled corporation	405,063,291	18.03%
Beijing Enterprises Holdings Limited ("BEHL") (Note 4)	Long position	Interest of controlled corporation	405,063,291	18.03%
Beijing Enterprises Water Group Limited ("BEWG") (Note 4)	Long position	Interest of controlled corporation	405,063,291	18.03%

Notes:

- Number of shares held by relevant Shareholders were adjusted upon share consolidation of the Company effective from 26 June 2023, where every fifty (50) issued ordinary shares of the Company of par value of HK\$0.001 each in the share capital of the Company were consolidated into one (1) consolidated ordinary share of the Company of par value of HK\$0.05 each.
- The approximate percentage was calculated on the basis of 2,246,588,726 shares of the Company in issue as at 30 June 2026.
- SDHS Group is deemed to be interested in an aggregate of 1,279,878,252 shares of the Company as a result of its indirect holding of such shares through the following entities:

Name	Long/Short position	Number of Shares held
SDHG	Long position	1,279,878,252
Shandong International (Hong Kong) Limited	Long position	1,279,878,252
山東省農村經濟開發投資公司 (Shandong Rural Economic Development and Investment Company Limited*)	Long position	1,279,878,252

Disclosure Information

DISCLOSURE OF INTERESTS *(Continued)*

Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares *(Continued)*

Long position in the shares and/or underlying shares of the Company *(Continued)*

Notes: *(Continued)*

SDHG, a company listed on the Main Board of the Stock Exchange (Stock Code: 412), beneficially holds 1,279,878,252 shares of the Company. SDHG is directly held as to approximately 22.68% by SDHS Group and approximately 20.77% by Shandong International (Hong Kong) Limited. Shandong International (Hong Kong) Limited is wholly-owned by 山東省農村經濟開發投資公司 (Shandong Rural Economic Development and Investment Company Limited*). 山東省農村經濟開發投資公司 (Shandong Rural Economic Development and Investment Company Limited*) is wholly-owned by SDHS Group.

4. BE Group is deemed to be interested in an aggregate of 405,063,291 shares of the Company as a result of its indirect holding of such shares through the following entities:

Name	Long/Short position	Number of Shares held
Fast Top Investment Limited ("Fast Top")	Long position	405,063,291
BEWG	Long position	405,063,291
Beijing Enterprises Environmental Construction Limited ("BE Environmental")	Long position	405,063,291
BEHL	Long position	405,063,291
Beijing Enterprises Group (BVI) Company Limited ("BE BVI")	Long position	405,063,291

Fast Top, a wholly-owned subsidiary of BEWG, beneficially holds 405,063,291 shares of the Company. BEWG, a company listed on the Main Board of the Stock Exchange (Stock Code: 371), is directly held as to approximately 41.03% by BE Environmental, approximately 0.37% by Beijing Holdings Limited ("BHL") and approximately 0.10% by BEHL. The remaining shares of BEWG are held by public shareholders. BE Environmental is a wholly-owned subsidiary of BEHL, a company listed on the Main Board of the Stock Exchange (Stock Code: 392), which BE BVI (by itself and through its subsidiaries) is deemed to be interested in as to approximately 62.16%. The remaining shares of BEHL are held by public shareholders. Both BE BVI and BHL are wholly-owned by BE Group.

Save as disclosed above, as at 30 June 2026, no other interests or short positions in the shares or underlying shares of the Company were notified to the Company and the Stock Exchange required to be recorded in the register kept by the Company under Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Reporting Period.

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 of all the Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the Reporting Period.

Corporate Governance

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, the Company has complied with 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 except for the following deviations throughout the Reporting Period.

- Pursuant to the Code Provision F.1.3 of CG Code, the chairman of the Board should attend the annual general meeting of the Company (the "AGM"). An AGM was held by the Company on 15 June 2026, and Mr. Li Tianzhang, the chairman of the Board and executive Director, was absent from the AGM due to a prior unavoidable business commitment. Mr. Zhu Jianbiao, an executive Director, was assigned to chair the AGM on behalf of Mr. Li Tianzhang instead. The Board recognizes the importance of the chairman's presence at the AGM to facilitate direct engagement with shareholders and address their inquiries. To mitigate the impact of this absence, the Company ensured that other Board members, including the chairman of the Audit Committee, the chairman of the Remuneration Committee, the chairman of the Nomination Committee and auditor of the Company, were present to respond to shareholder questions and provide comprehensive updates on the Company's performance and governance practices.

The Company would like to provide the following supplemental information regarding Code Provision C.2.1:

- 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 to 22 July 2026. Mr. Kang Jian has been the Chairman since 22 July 2026. 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, 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.

SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to the Shareholders' resolution passed on 11 June 2013 and update to the terms of the Share Option Scheme was adopted by the Shareholders' resolution passed on 8 June 2021. The Share Option Scheme expired on 9 June 2023 (close of business on the business day immediately preceding the tenth anniversary thereof). Subsequent to the expiry of the Share Option Scheme on 9 June 2023, every fifty (50) issued Shares were consolidated into one (1) Share on 26 June 2023. As a result of the Share Consolidation, adjustments were made to the number of Shares subject to, and exercise price of, the share options under the Share Option Scheme (the "Share Options") which were then outstanding, with effect from 26 June 2023. The exercise price per Share was adjusted from HK\$0.08 to HK\$4.00 for the outstanding Share Options and the number of Shares to be issued upon exercise of the outstanding Share Options were adjusted from 993,000,000 to 19,860,000, on 26 June 2023.

During the Reporting Period, nil outstanding Share Options lapsed. As at the date of this report, the total number of Shares in respect of the outstanding Share Options available for issue under the Share Option Scheme is 19,010,000, representing approximately 0.85% of the Company's total number of issued Shares. The maximum number of Shares in respect of which Share Options which may be granted under the Share Option Scheme when aggregated with the maximum number of Shares in respect of Options which may be granted under any other scheme shall not exceed 10% of the Company's issued share capital on the date of adoption of the Share Option Scheme, being 135,050,794 after the Share Consolidation (representing approximately 6.01% of the issued Shares as at the date of this report). Following the expiry of the Share Option Scheme on 9 June 2023, no further Share Option can be granted. As such, no Share Options was available for grant since then. However, the provisions of the Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any Share Options granted prior thereto or otherwise as may be required in accordance with the Share Option Scheme.

Corporate Governance

SHARE OPTION SCHEME (Continued)

Particulars of the outstanding Share Options granted under the Share Option Scheme and their movements during the Reporting Period were as follows:

Category of participants/Name	Date of grant (Note 1) (DD/MM/YYYY)	Exercisable period (DD/MM/YYYY)	Adjusted exercise price HK\$ (Note 2)	Number of share options					As at 30 June 2026
				As at 1 January 2026 (Note 3)	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed/ forfeited during the period	
Independent non-executive Directors									
Mr. Chiu Kung Chik	15/09/2020	15/09/2023-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2024-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2025-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2026-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2027-14/09/2030	4.00	40,000	–	–	–	–	40,000
Former Executive Directors									
Mr. Hu Xiaoyong (Resigned as an executive Director on 16 May 2022)	15/09/2020	15/09/2023-14/09/2030	4.00	1,600,000	–	–	–	–	1,600,000
	15/09/2020	15/09/2024-14/09/2030	4.00	1,600,000	–	–	–	–	1,600,000
	15/09/2020	15/09/2025-14/09/2030	4.00	1,600,000	–	–	–	–	1,600,000
	15/09/2020	15/09/2026-14/09/2030	4.00	1,600,000	–	–	–	–	1,600,000
	15/09/2020	15/09/2027-14/09/2030	4.00	1,600,000	–	–	–	–	1,600,000
Mr. Tan Zaixing (Resigned as an executive Director on 16 May 2022)	15/09/2020	15/09/2023-14/09/2030	4.00	1,360,000	–	–	–	–	1,360,000
	15/09/2020	15/09/2024-14/09/2030	4.00	1,360,000	–	–	–	–	1,360,000
	15/09/2020	15/09/2025-14/09/2030	4.00	1,360,000	–	–	–	–	1,360,000
	15/09/2020	15/09/2026-14/09/2030	4.00	1,360,000	–	–	–	–	1,360,000
	15/09/2020	15/09/2027-14/09/2030	4.00	1,360,000	–	–	–	–	1,360,000
Former Independent non-executive Directors									
Mr. Li Fujun (Resigned as an independent non-executive Director on 19 May 2022)	15/09/2020	15/09/2023-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2024-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2025-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2026-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2027-14/09/2030	4.00	40,000	–	–	–	–	40,000
Mr. Xu Honghua (Resigned as an independent non-executive Director on 19 May 2022)	15/09/2020	15/09/2023-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2024-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2025-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2026-14/09/2030	4.00	40,000	–	–	–	–	40,000
	15/09/2020	15/09/2027-14/09/2030	4.00	40,000	–	–	–	–	40,000
Sub-total				15,400,000	–	–	–	–	15,400,000

SHARE OPTION SCHEME (Continued)

Category of participants/Name	Date of grant <i>(Note 1)</i> (DD/MM/YYYY)	Exercisable period <i>(Note 2)</i> (DD/MM/YYYY)	Adjusted exercise price HK\$ <i>(Note 3)</i>	Number of share options					As at 30 June 2026	
				As at 1 January 2026 <i>(Note 3)</i>	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed/ forfeited during the period		
Employees of the Group and associated corporations of the Group										
In aggregate	15/09/2020	15/09/2023-14/09/2030	4.00	722,000	–	–	–	–	722,000	
	15/09/2020	15/09/2024-14/09/2030	4.00	722,000	–	–	–	–	722,000	
	15/09/2020	15/09/2025-14/09/2030	4.00	722,000	–	–	–	–	722,000	
	15/09/2020	15/09/2026-14/09/2030	4.00	722,000	–	–	–	–	722,000	
	15/09/2020	15/09/2027-14/09/2030	4.00	722,000	–	–	–	–	722,000	
Sub-total				3,610,000	–	–	–	–	3,610,000	
Total				19,010,000	–	–	–	–	19,010,000	

Notes:

- The share options granted on 15 September 2020 are subject to a vesting scale in five tranches of 20% each per annum starting from the third anniversary and will be fully vested on the seventh anniversary of the date of grant. Apart from the aforesaid vesting dates, each tranche of the share options shall be vested and exercisable on the condition that each participant has passed the cultural values and performance assessment of the Company.
- The closing price per ordinary share as at the date preceding the date on which the share options were granted and stated in the Stock Exchange's daily quotation sheet on 14 September 2020 was HK\$0.039. As a result of the Share Consolidation, the exercise price per Share were adjusted to HK\$4.00 for the grant of share options on 15 September 2020.
- Pursuant to the terms of the Share Option Scheme, adjustments are required to be made to the exercise price and the number of Shares that can be subscribed for under the outstanding share options as a result of the completion of Share Consolidation of the Company that every fifty (50) issued and unissued ordinary shares of the Company be consolidated into one consolidated ordinary share with effect from 26 June 2023. The number of Shares to be issued upon exercise of the outstanding Share Options were adjusted from 993,000,000 to 19,860,000 on 26 June 2023.

Save as disclosed above, no share option was granted, exercised, lapsed, cancelled or forfeited under the Share Option Scheme and no share option was granted to other eligible participants who are not Directors of the Company or employees of the Group and associated corporations of the Group during the six months ended 30 June 2026.

Corporate Governance

CHANGE IN INFORMATION OF DIRECTOR(S) UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of the Director(s) required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) is as follows:

1. Mr. Victor Huang resigned as an independent non-executive director of COSCO Shipping Energy Transportation Co., Ltd., a company listed on the Main Board of the Stock Exchange (Stock Code: 1138) and Shanghai Stock Exchange (Stock Code: 60026), with effect from 26 June 2026. Mr. Huang appointed as an independent non-executive director of CEC International Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 759), with effect from 12 August 2026;
2. Mr. Li Tianzhang resigned as an executive Director, the chairman of the Board and a member and the chairman of the nomination committee of the Company with effect from 22 July 2026;
3. Mr. Kang Jian appointed as an executive Director, the chairman of the Board and a member and the chairman of the nomination committee of the Company with effect from 22 July 2026;
4. Mr. Wang Wenbo and Mr. Li Li, each of them resigned as an executive Director with effect from 22 July 2026;
5. Mr. Liu Yao and Ms. Wang Zhupin, each of them was appointed as an executive Director with effect from 22 July 2026; and
6. Mr. Liu Zhijie was appointed as vice chairman of the Board with effect from 22 July 2026.

Save as disclosed above, after having made all reasonable enquiry, the Company is not aware of any other information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the annual report of the Company for the year ended 31 December 2025 and up to the date of this report.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors, namely Mr. Victor Huang (the chairman of the Audit Committee), Mr. Yang Xiangliang and Mr. Chiu Kung Chik. The Audit Committee is primarily responsible for reviewing and providing supervision over the financial reporting procedure and risk management and internal control systems of the Company. The unaudited interim results of the Group for the six months ended 30 June 2026 and this report 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.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2026

		For the six months ended 30 June	
	Notes	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
REVENUE	3	2,131,413	2,399,627
Cost of sales		(1,209,606)	(1,196,136)
Gross profit		921,807	1,203,491
Other income and gains, net	3	38,720	45,953
Selling and distribution expenses		(880)	(1,974)
Administrative expenses		(152,196)	(200,558)
Other operating expenses, net		(68,325)	(1,328)
Finance costs	5	(439,945)	(558,873)
Share of profits of:			
Joint ventures		5,869	4,760
Associates		16,413	12,123
PROFIT BEFORE TAX	4	321,463	503,594
Income tax expense	6	(73,768)	(110,755)
PROFIT FOR THE PERIOD		247,695	392,839
ATTRIBUTABLE TO:			
Equity holders of the Company		154,229	286,837
Non-controlling interests		93,466	106,002
		247,695	392,839
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8		
Basic		RMB6.87 cents	RMB12.77 cents
Diluted		RMB6.87 cents	RMB12.77 cents

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
PROFIT FOR THE PERIOD	247,695	392,839
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange fluctuation reserve:		
Translation of foreign operations	5	(507)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	5	(507)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	247,700	392,332
ATTRIBUTABLE TO:		
Equity holders of the Company	154,234	286,330
Non-controlling interests	93,466	106,002
	247,700	392,332

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	24,005,794	23,618,407
Investment properties		150,790	150,790
Goodwill		458,880	458,880
Operating concessions		1,205,972	1,240,412
Operating rights		2,322,999	2,397,877
Other intangible assets		23,293	25,074
Investments in joint ventures		489,072	483,203
Investments in associates		1,187,952	1,168,932
Equity investments designated at fair value through other comprehensive income		300,412	300,412
Prepayments, deposits and other receivables	12	928,010	1,086,931
Other tax recoverables		594,162	468,229
Deferred tax assets		451,542	448,444
Total non-current assets		32,118,878	31,847,591
CURRENT ASSETS			
Inventories		30,261	33,701
Contract assets	10	505,754	708,807
Trade and bills receivables	11	8,922,666	8,140,876
Financial assets at fair value through profit or loss		418,256	427,789
Prepayments, deposits and other receivables	12	1,845,927	2,097,058
Other tax recoverables		208,942	213,487
Restricted cash and pledged deposits		154,854	116,736
Cash and cash equivalents		5,210,156	4,616,294
Assets classified as held for sale		17,296,816 342,435	16,354,748 342,435
Total current assets		17,639,251	16,697,183

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
CURRENT LIABILITIES			
Trade and bills payables	13	1,111,019	1,007,918
Other payables and accruals	14	264,677	558,620
Interest-bearing bank loans and other borrowings	15	8,501,456	7,537,764
Corporate bonds	16	525,548	1,017,507
Income tax payables		121,185	188,535
Total current liabilities		10,523,885	10,310,344
NET CURRENT ASSETS		7,115,366	6,386,839
TOTAL ASSETS LESS CURRENT LIABILITIES		39,234,244	38,234,430
NON-CURRENT LIABILITIES			
Interest-bearing bank loans and other borrowings	15	16,393,476	16,588,853
Corporate bonds	16	2,500,000	1,500,000
Deferred tax liabilities		380,364	397,924
Total non-current liabilities		19,273,840	18,486,777
Net assets		19,960,404	19,747,653
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	17	94,880	94,880
Reserves		13,515,601	13,361,370
Non-controlling interests		13,610,481	13,456,250
		6,349,923	6,291,403
Total equity		19,960,404	19,747,653

Condensed Consolidated Statement of Changes In Equity

For the six months ended 30 June 2026

	Attributable to equity holders of the Company										
	Ordinary shares (unaudited) RMB'000	Share premium account (unaudited) RMB'000	Share option reserve (unaudited) RMB'000	Special reserves (unaudited) RMB'000	Statutory surplus reserve (unaudited) RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income (unaudited) RMB'000	Exchange fluctuation reserve (unaudited) RMB'000	Retained earnings (unaudited) RMB'000	Total (unaudited) RMB'000	Non- controlling interests (unaudited) RMB'000	Total equity (unaudited) RMB'000
At 1 January 2025	94,880	8,962,160	35,442	82,013	647,754	(6)	(566,062)	3,971,147	13,227,328	6,130,639	19,357,967
Profit for the period	-	-	-	-	-	-	-	286,837	286,837	106,002	392,839
Other comprehensive income for the period:											
Exchange differences related to foreign operations	-	-	-	-	-	-	(507)	-	(507)	-	(507)
Total comprehensive income for the period	-	-	-	-	-	-	(507)	286,837	286,330	106,002	392,332
Dividend paid to non-controlling equity holders	-	-	-	-	-	-	-	-	-	(21,335)	(21,335)
At 30 June 2025	94,880	8,962,160	35,442	82,013	647,754	(6)	(566,569)	4,257,984	13,513,658	6,215,306	19,728,964

	Attributable to equity holders of the Company										
	Ordinary shares (unaudited) RMB'000	Share premium account (unaudited) RMB'000	Share option reserve (unaudited) RMB'000	Special reserves (unaudited) RMB'000	Statutory surplus reserve (unaudited) RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income (unaudited) RMB'000	Exchange fluctuation reserve (unaudited) RMB'000	Retained earnings (unaudited) RMB'000	Total (unaudited) RMB'000	Non- controlling interests (unaudited) RMB'000	Total equity (unaudited) RMB'000
At 1 January 2026	94,880	8,962,160*	35,424*	82,192*	647,754*	412*	(566,492)*	4,199,920*	13,456,250	6,291,403	19,747,653
Profit for the period	-	-	-	-	-	-	-	154,229	154,229	93,466	247,695
Other comprehensive income for the period:											
Exchange differences related to foreign operations	-	-	-	-	-	-	5	-	5	-	5
Total comprehensive income for the period	-	-	-	-	-	-	5	154,229	154,234	93,466	247,700
Acquisition of non-controlling interests	-	-	-	(3)	-	-	-	-	(3)	(37)	(40)
Capital contributions from non-controlling equity holders	-	-	-	-	-	-	-	-	-	270,000	270,000
Dividend paid to non-controlling equity holders	-	-	-	-	-	-	-	-	-	(304,909)	(304,909)
At 30 June 2026	94,880	8,962,160*	35,424*	82,189*	647,754*	412*	(566,487)*	4,354,149 *	13,610,481	6,349,923	19,960,404

* These reserve accounts comprise the consolidated reserves of RMB13,515,601,000 (unaudited) (31 December 2025: RMB13,361,370,000 (audited)) in the condensed consolidated statement of financial position as at 30 June 2026.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash flows from operating activities	931,819	632,995
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	15,145	19,177
Purchases of items of property, plant and equipment	(990,351)	(475,633)
Increase in investments in joint ventures	–	(162,000)
Increase in investment in an associate	(2,607)	–
Addition of operating concessions	(463)	(998)
Addition of other intangible assets	–	(855)
Changes in loan and advances to suppliers, customers and former shareholders in relation to acquisitions	5,429	115,243
Changes in payables in relation to development of clean energy projects	(7,441)	(74,426)
(Increase)/decrease in restricted cash and pledged deposits	(38,118)	14,121
Net cash flows used in investing activities	(1,018,406)	(565,371)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to non-controlling equity holders	(304,909)	(301,029)
New bank loans and other borrowings	5,175,071	4,875,043
Repayment of bank loans and other borrowings	(4,530,435)	(3,520,254)
Net proceeds used in issuance of corporate bonds	508,041	(92,837)
Interest on bank loans and other borrowings and corporate bonds paid	(445,282)	(559,841)
Capital contribution by a non-controlling equity holder	270,000	–
Acquisition of non-controlling interests	(40)	–
Changes of deposits under leases	8,000	9,315
Net cash flows from financing activities	680,446	410,397
NET INCREASE IN CASH AND CASH EQUIVALENTS	593,859	478,021
Cash and cash equivalents at beginning of period	4,616,294	3,645,621
Effect of foreign exchange rate changes, net	3	(782)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	5,210,156	4,122,860

Notes to the Condensed Consolidated Financial Statements

30 June 2026

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 period, 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

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial statements have not been audited, but have been reviewed by the Company’s audit committee (“Audit Committee”).

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period’s financial information.

Amendments to HKFRS 9 and HKFRS 7

Amendments to the Classification and Measurement of Financial Instruments

Amendments to HKFRS 9 and HKFRS 7

Contracts Referencing Nature-dependent Electricity

Annual Improvements to
HKFRS Accounting Standards
– Volume 11

Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

Notes to the Condensed Consolidated Financial Statements

30 June 2026

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

The nature and impact of the amended HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.
- (b) Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.
- (c) Annual Improvements to HKFRS Accounting Standards – Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of another operating segment. Particulars of the Group's reportable operating segments are summarised as follows: (a) the construction-related business segment engages in the provision of construction and related services of the clean energy business; and (b) the operation of clean energy projects segment engages in the investment and development of the Photovoltaic Power Business, the Wind Power Business and provision of clean heat supply services.

The Group has expanded significantly in the past few years mainly through acquisitions on businesses of the sale of electricity and provision of clean heat supply services. During the period, management has separately reviewed and evaluated for management-related purposes under the above-mentioned segments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment results represent the profit earned by each segment before corporate and other unallocated income and expenses, finance costs and share of profits and losses of joint ventures and associates. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

2. OPERATING SEGMENT INFORMATION *(Continued)*

Six months ended 30 June 2026

	Construction-related business (unaudited) RMB'000	Operation of clean energy projects (unaudited) RMB'000	Total (unaudited) RMB'000
Segment revenue	127,520	2,092,932	2,220,452
Intersegment sales	(89,039)	–	(89,039)
	38,481	2,092,932	2,131,413
Segment results	2,700	421,477	424,177
Elimination of intersegment results			(4,103)
Corporate and other unallocated income and expenses, net			4,661
Share of profits of:			
Joint ventures			5,869
Associates			16,413
Finance costs			(125,554)
Profit before tax			321,463
Other segment information:			
Capital expenditure*			
– Operating segments	-	1,077,548	1,077,548
– Amount unallocated			304
			1,077,852
Depreciation and amortisation			
– Operating segments	1,124	876,417	877,541
– Amount unallocated			1,125
			878,666

* Capital expenditure consists of additions to property, plant and equipment, operating concessions and other intangible assets, excluding additions of right-of-use assets under property, plant and equipment and assets from the acquisition of subsidiaries.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

2. OPERATING SEGMENT INFORMATION *(Continued)*

Six months ended 30 June 2025

	Construction- related business (unaudited) RMB'000	Operation of clean energy projects (unaudited) RMB'000	Total (unaudited) RMB'000
Segment revenue	64,407	2,390,486	2,454,893
Intersegment sales	(55,266)	–	(55,266)
	9,141	2,390,486	2,399,627
Segment results	476	594,583	595,059
Elimination of intersegment results			(1,173)
Corporate and other unallocated income and expenses, net			4,526
Share of profits of:			
Joint ventures			4,760
Associates			12,123
Finance costs			(111,701)
Profit before tax			503,594
Other segment information:			
Capital expenditure*			
– Operating segments	288	474,048	474,336
– Amount unallocated			1,745
			476,081
Depreciation and amortisation			
– Operating segments	1,857	861,169	863,026
– Amount unallocated			1,611
			864,637

* Capital expenditure consists of additions to property, plant and equipment, operating concessions and other intangible assets, excluding additions of right-of-use assets under property, plant and equipment and assets from the acquisition of subsidiaries.

No segment assets and liabilities are disclosed as they are not regularly provided to the chief operating decision makers.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

2. OPERATING SEGMENT INFORMATION *(Continued)*

Geographical information

Geographical information is not presented since over 90% of the Group's revenue from external customers is generated in Chinese mainland and over 90% of the assets of the Group are located in Chinese mainland. Accordingly, in the opinion of the Directors, the presentation of segment geographical information would provide no additional useful information to the users of these unaudited interim condensed consolidated financial statements.

3. REVENUE, OTHER INCOME AND GAINS, NET

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

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Revenue from contracts with customers		
Sale of electricity and entrusted operation services		
Photovoltaic Power Business	1,119,333	1,299,207
Wind Power Business	617,195	729,634
Entrusted operation services	24,747	25,916
Construction and related services	38,481	9,141
Provision of clean heat supply services	331,657	335,729
	2,131,413	2,399,627

Revenue from contracts with customers

Disaggregated revenue information

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
By timing of revenue recognition:		
Transferred at a point in time	1,786,223	2,061,585
Transferred over time	345,190	338,042
Total revenue from contracts with customers	2,131,413	2,399,627

Notes to the Condensed Consolidated Financial Statements

30 June 2026

3. REVENUE, OTHER INCOME AND GAINS, NET *(Continued)*

Revenue from contracts with customers *(Continued)*

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

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Foreign exchange difference, net	21,132	6,457
Bank interest income	4,551	5,267
Government grants [#]	2,377	7,623
Fair value gain on financial assets at fair value through profit or loss	1,061	11,275
Reversal of impairment of financial assets included in prepayments, deposits and other receivables	—	1,381
Other interest income [@]	—	3,235
Others	9,599	10,715
	38,720	45,953

[#] The government grants mainly represent government subsidies and value-added tax refunds. There are no unfulfilled conditions or contingencies relating to these grants.

[@] Other interest income represents interest income from advances to related parties and independent third parties for the development and operation of clean energy businesses.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Cost of sales of electricity and entrusted operation services	892,385	901,259
Cost of construction and related services	34,434	8,665
Cost of clean heat supply services	282,787	286,212
Depreciation of property, plant and equipment ^④	703,229	681,308
Depreciation of right-of-use assets recognised under property, plant and equipment ^④	63,481	70,997
Amortisation of operating concessions [*]	35,297	35,700
Amortisation of operating rights [*]	74,878	74,877
Amortisation of other intangible assets [#]	1,781	1,755
Foreign exchange differences, net	(21,132)	(6,457)

^④ Depreciation for the period amounting to approximately RMB759,247,000 and approximately RMB7,463,000 (six months ended 30 June 2025: approximately RMB750,118,000 and approximately RMB2,187,000) are included in "Cost of sales" and "Administrative expenses" on the face of the condensed consolidated statement of profit or loss, respectively.

^{*} Amortisation of operating concessions and operating rights for the period are included in "Cost of sales" in the condensed consolidated statement of profit or loss.

[#] Amortisation of other intangible assets for the period is included in "Administrative expenses" in the condensed consolidated statement of profit or loss.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

5. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Interest on interest-bearing bank loans and other borrowings	382,294	494,260
Interest on lease liabilities	36,985	57,951
Interest on corporate bonds	26,002	7,630
Total interest expenses on financial liabilities not at fair value through profit or loss	445,281	559,841
Less: Interest capitalised	(5,336)	(968)
	439,945	558,873

6. 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 period (six months ended 30 June 2025: 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 period 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.

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Current – Chinese mainland	94,426	127,211
Deferred	(20,658)	(16,456)
Total tax expense for the period	73,768	110,755

Notes to the Condensed Consolidated Financial Statements

30 June 2026

7. INTERIM DISTRIBUTION

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil). No 2025 final dividend was declared during the interim period.

8. 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 six months ended 30 June 2026 and 2025, and the number of ordinary shares in issue during the periods.

The calculation of the diluted earnings per share amounts for the periods is based on the profit attributable to the equity holders of the Company and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

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

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Earnings		
Profit for the period attributable to equity holders of the Company	154,229	286,837
Profit used in the basic and diluted earnings per share calculations	154,229	286,837

	For the six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Number of ordinary shares		
Weighted average number of ordinary shares outstanding during the period, used in the basic and diluted earnings per share calculations	2,246,588,726	2,246,588,726
Basic earnings per share	RMB6.87 cents	RMB12.77 cents
Diluted earnings per share	RMB6.87 cents	RMB12.77 cents

Notes to the Condensed Consolidated Financial Statements

30 June 2026

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group had additions to property, plant and equipment of approximately RMB1,178,215,000 (six months ended 30 June 2025: approximately RMB518,538,000), excluding property, plant and equipment acquired in business combinations with an aggregate carrying amount of approximately Nil (six months ended 30 June 2025: Nil).

10. CONTRACT ASSETS

	Notes	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Tariff adjustment receivables	(a)	478,161	677,642
Construction contracts	(b)	29,758	33,520
		507,919	711,162
Less: Impairment		(2,165)	(2,355)
Total		505,754	708,807

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.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

11. TRADE AND BILLS RECEIVABLES

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Trade receivables	1,599,654	1,545,981
Bills receivable	29,665	50,260
	1,629,319	1,596,241
Tariff adjustment receivables (Note)	7,411,831	6,663,153
	9,041,150	8,259,394
Less: Impairment	(118,484)	(118,518)
Total	8,922,666	8,140,876

Note: 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.

- (a) 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 receivables balances. Trade receivables are non-interest-bearing.

- (b) Certain subsidiaries engaging in the operation of clean energy businesses have pledged trade receivables to secure certain bank loans and other borrowings (note 15(b)(ii)).

Notes to the Condensed Consolidated Financial Statements

30 June 2026

11. TRADE AND BILLS RECEIVABLES *(Continued)*

- (c) 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:

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Within 3 months	334,024	355,664
4 to 6 months	100,392	24,412
7 to 12 months	203,568	68,462
1 to 2 years	155,891	367,821
Over 2 years	721,776	666,420
	1,515,651	1,482,779

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:

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Within 3 months	499,629	552,998
4 to 6 months	395,520	680,343
7 to 12 months	1,115,553	636,741
1 to 2 years	1,875,621	1,785,683
Over 2 years	3,520,692	3,002,332
	7,407,015	6,658,097

Notes to the Condensed Consolidated Financial Statements

30 June 2026

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Prepayments	957,113	1,193,737
Deposits and other receivables	1,647,663	1,781,521
Due from joint ventures	592,887	590,871
Due from associates	228,140	229,967
	3,425,803	3,796,096
Less: Impairment	(651,866)	(612,107)
	2,773,937	3,183,989
Portion classified as current assets	(1,845,927)	(2,097,058)
	928,010	1,086,931
Non-current portion		

13. 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:

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Within 3 months	107,937	128,168
4 to 6 months	97,259	111,069
7 to 12 months	157,539	31,129
1 to 2 years	71,243	188,879
Over 2 years	677,041	548,673
	1,111,019	1,007,918

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

Notes to the Condensed Consolidated Financial Statements

30 June 2026

14. OTHER PAYABLES AND ACCRUALS

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Deposits received	3,963	4,201
Other payables	198,830	293,389
Accruals	21,218	22,693
Contract liabilities	40,666	238,337
	264,677	558,620

15. INTEREST-BEARING BANK LOANS AND OTHER BORROWINGS

	30 June 2026 (unaudited)		31 December 2025 (audited)	
	Maturity	RMB'000	Maturity	RMB'000
Current				
Lease liabilities	2026-2027	177,295	2026	229,686
Bank loans – unsecured	2026-2027	6,385,193	2026	5,331,012
Bank loans – secured	2026-2027	1,276,151	2026	1,316,726
Other loans – secured	2026-2027	662,817	2026	660,340
		8,501,456		7,537,764
Non-current				
Lease liabilities	2027-2050	1,129,799	2027-2043	1,152,102
Bank loans – unsecured	2027-2041	1,784,596	2027-2041	1,730,061
Bank loans – secured	2027-2045	10,331,416	2027-2043	11,031,328
Other loans – secured	2027-2039	3,147,665	2027-2038	2,675,362
		16,393,476		16,588,853
Total bank loans and other borrowings		24,894,932		24,126,617

Notes to the Condensed Consolidated Financial Statements

30 June 2026

15. INTEREST-BEARING BANK LOANS AND OTHER BORROWINGS *(Continued)*

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Analysed into:		
Bank loans repayable:		
Within one year	7,661,344	6,647,738
In the second year	1,460,309	2,821,769
In the third to fifth years, inclusive	4,856,761	3,806,443
Beyond five years	5,798,942	6,133,177
	19,777,356	19,409,127
Other borrowings repayable:		
Within one year	840,112	890,026
In the second year	597,267	579,007
In the third to fifth years, inclusive	1,632,630	1,414,802
Beyond five years	2,047,567	1,833,655
	5,117,576	4,717,490
Total bank loans and other borrowings	24,894,932	24,126,617

Notes to the Condensed Consolidated Financial Statements

30 June 2026

15. INTEREST-BEARING BANK LOANS AND OTHER BORROWINGS *(Continued)*

Notes:

- (a) The carrying amounts of the Group's bank and other borrowings are denominated in the following currencies:

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
HK\$	–	611,154
RMB	24,894,932	23,515,463
	24,894,932	24,126,617

- (b) Certain of the Group's bank loans and other borrowings are secured by:

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

- (c) The Group's lease liabilities, secured and unsecured bank loans and secured other loans as at 30 June 2026 bear interest at effective interest rates ranging from 3.65% to 6.00% (31 December 2025: from 3.75% to 6.78%) per annum, ranging from 2.25% to 3.86% (31 December 2025: from 1.85% to 5.00%) per annum and ranging from 2.95% to 6.00% (31 December 2025: from 3.15% to 6.10%) per annum respectively.

- (d) Included in the Group's bank loans and other borrowings are amounts due to the ultimate holding company and its subsidiaries and to other related parties of RMB35,890,000 (2025: RMB35,890,000) and RMB824,917,000 (2025: RMB868,334,000), respectively.

16. CORPORATE BONDS

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Total corporate bonds	3,025,548	2,517,507
Portion classified as current liabilities	(525,548)	(1,017,507)
Non-current portion	2,500,000	1,500,000

Notes to the Condensed Consolidated Financial Statements

30 June 2026

16. CORPORATE BONDS (Continued)

Corporate bonds of the Group as at 30 June 2026 and 31 December 2025 comprised:

- (i) 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.
- (ii) The Group issued two tranches of Green Medium Term Notes in 2026, each with an issuance amount of RMB500 million, with coupon rates of 1.99% (term: March 2026 to March 2031), and 1.75% (term: June 2026 to June 2031), respectively.
- (iii) The Group issued two tranches of ultra-short-term financing notes in 2025, each with an issuance amount of RMB500 million. The first tranche had a coupon rate of 1.78% (term: July 2025 to March 2026), and was fully settled in 2026. The second tranche had a coupon rate of 1.85% (term: December 2025 to September 2026).

17. SHARE CAPITAL

	30 June 2026 (unaudited) HK\$'000	31 December 2025 (audited) HK\$'000
Authorised:		
Ordinary shares: 9,332,742,302 shares of HK\$0.05	466,637	466,637
Convertible preference shares: 667,257,698 shares of HK\$0.05	33,363	33,363
	500,000	500,000
	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Issued and fully paid:		
Ordinary shares: 2,246,588,726 shares of HK\$0.05	94,880	94,880

Notes to the Condensed Consolidated Financial Statements

30 June 2026

18. CONTINGENT LIABILITIES

At 30 June 2026, the Group did not have any significant contingent liabilities (31 December 2025: Nil).

19. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Contracted, but not provided for:		
Construction, material and equipment costs for development of clean energy projects	747,070	267,652
Capital contributions to joint ventures and associates	499,648	499,648
	1,246,718	767,300

Notes to the Condensed Consolidated Financial Statements

30 June 2026

20. RELATED PARTY DISCLOSURES

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2026 and 2025:

Name of related group/company	Nature of transactions	Notes	For the six months ended 30 June	
			2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
BEWG ^{#1} and its subsidiaries	Sales of electricity	(i)	7,685	11,067
SDHS Group ^{#2} and its subsidiaries	Sales of electricity	(i)	793	522
Joint ventures	Interest income	(iii)	–	3,235
Associates	Entrusted operations		2,760	2,429
Associates	Revenue of construction services		–	424
China Railway Long Construction ^{#3}	Cost of construction services	(iv)	–	17,920
SDHS Road&Bridge Group ^{#4}	Cost of construction services	(v)	–	12,327
Shangao Yunchuang (Shandong) Commercial Factoring Co., Ltd. ^{#5}	Transfer of account receivables and receive recourse factoring finance service under the factoring agreement	(ii)	–	2,260
Shangao Yunchuang (Shandong) Commercial Factoring Co., Ltd. ^{#5}	Non-recourse reverse factoring financing service under the factoring agreement	(ii)	902	–
Beijing Branch of Ping An Bank Co., Ltd. ("Beijing Branch of Ping An Bank") ^{#6}	Interest expense	(vi)	12,472	–
Shandong Zhengchen Technology Co., Ltd. ^{#7}	Cost of construction and related services	(vii)	459,563	–
Shandong Road and Bridge Construction Group Co., Ltd. ^{#8}	Cost of construction and related services	(viii)	2,630	–
Shandong Hi-Speed Linteng Highway Co., Ltd. ("SDHS Linteng") ^{#9}	Rental expenses	(ix)	294	–

Notes to the Condensed Consolidated Financial Statements

30 June 2026

20. RELATED PARTY DISCLOSURES (Continued)

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2026 and 2025: (Continued)

- #1 Beijing Enterprises Water Group Limited ("BEWG"), a company listed on the main board of The Stock Exchange of Hong Kong Limited, a substantial shareholder of the Company.
- #2 Shandong Hi-Speed Group Co., Ltd. ("SDHS Group"), a company established in the PRC with limited liability, an indirect controlling shareholder of the Company.
- #3 China Railway Long Construction Group Limited (中鐵隆工程集團有限公司) ("China Railway Long Construction"), a company established in the PRC with limited liability and a subsidiary of SDHS Group.
- #4 Shandong Hi-Speed Road & Bridge Group Co., Ltd. (山東高速路橋集團股份有限公司) ("SDHS Road & Bridge Group"), a company established in the PRC with limited liability and a subsidiary of SDHS Group.
- #5 Shangao Yunchuang (Shandong) Commercial Factoring Co., Ltd. (山高雲創(山東)商業保理有限公司), a company established in the PRC with limited liability and a subsidiary of SDHS Group.
- #6 Ping An Insurance (Group) Company of China, Ltd., through its subsidiaries, holds more than 10% shares of Tianjin Clean Energy Investment Company Limited (an indirect non-wholly owned subsidiary of the Company), and Beijing Branch of Ping An Bank is a subsidiary of Ping An Insurance (Group) Company of China, Ltd..
- #7 Shandong Zhengchen Technology Co., Ltd. (山東正晨科技股份有限公司), a company established in the PRC with limited liability and a 30%-controlled company of SDHS Group.
- #8 Shandong Road and Bridge Construction Group Co., Ltd. (山東省公路橋樑建設集團有限公司), a company established in the PRC with limited liability and a subsidiary of SDHS Group.
- #9 SDHS Linteng, a company established in the PRC with limited liability and a subsidiary of SDHS Group.

Notes:

- (i) The sales to a related group were made according to the published prices and conditions offered to customers of the Group. The related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.
- (ii) The fees for transferring the account receivables and receiving recourse factoring finance service under the factoring agreement were charged on a mutually agreed basis. The related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. As at 30 June 2026, the outstanding balances under the factoring agreement have been fully settled. The fees for non-recourse reverse factoring financing service under the factoring agreement were charged on a mutually agreed basis. Pursuant to Rules 14A.90 and 14A.74 of the Listing Rules, the transactions have been granted a full exemption.
- (iii) The interest income was generated from the interest-bearing loan to joint ventures, with interest rates of 10% per annum.
- (iv) On 20 October 2022, an indirect non-wholly owned subsidiary of the Group, entered into a construction contract with Zhonggong Wuda Design Group Limited ("Zhonggong Wuda") and China Railway Long Construction, subsidiaries of SDHS Group, pursuant to which Zhonggong Wuda and China Railway Long Construction agreed to act as the contractors.
- (v) On 4 January 2023, Yangzhou Baoying Beijing Photovoltaic New Energy Co., Ltd., an indirect wholly-owned subsidiary of the Group, entered into a procurement and construction contract with China Power Construction Group Shandong Electric Power Construction First Engineering Co., Ltd. ("China Power Construction Group") and SDHS Road & Bridge Group, pursuant to which China Power Construction Group and SDHS Road & Bridge Group agreed to act as the contractors for the construction work with an aggregate contracting fee of RMB94,074,000 (inclusive of all taxes).

Notes to the Condensed Consolidated Financial Statements

30 June 2026

20. RELATED PARTY DISCLOSURES (Continued)

- (a) In addition to the transactions detailed elsewhere in these condensed consolidated financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2026 and 2025: (Continued)

Notes: (Continued)

- (vi) On 5 September 2025, Shandong Hi-Speed Photovoltaic Power Development Company Limited ("SDHS Photovoltaic"), a subsidiary of the Company, entered into the loan contract with Beijing Branch of Ping An Bank (the "Loan Contract"). Pursuant to the Loan Contract, Beijing Branch of Ping An Bank agreed to provide a loan of RMB868,334,000 to SDHS Photovoltaic, with an interest rate of 3.1% per annum.
- (vii) On 13 September 2025, Heze Shandong Hi-Speed Comprehensive Energy Co., Ltd. (菏泽山高綜合能源有限公司) ("Heze SH Energy"), a subsidiary of the Company, and Shandong Zhengchen Technology Co., Ltd. ("Zhengchen Technology") entered into the EPC contract. Pursuant to the EPC contract, Heze SH Energy agreed to engage Zhengchen Technology to provide relevant EPC services in relation to the project with an aggregate contracting fee of RMB1,011,366,000 (inclusive of all taxes).
- (viii) On 18 July 2025, Feixian Zhuoneng New Energy Co., Ltd. ("Feixian Zhuoneng New Energy"), a subsidiary of the Company, entered into the EPC contract with the joint contractors, namely Shandong Road and Bridge Construction Group Co., Ltd., Shandong Provincial Communications Planning and Design Institute Group Co., Ltd. and Shandong Electric Power Engineering Consulting Institute Corp., Ltd.. Pursuant to the EPC contract, Feixian Zhuoneng New Energy agreed to engage the joint contractors to provide EPC services in relation to the project with an aggregate contracting fee of RMB58,551,000 (inclusive of all taxes).
- (ix) On 29 December 2025, Shandong Hi-Speed New Energy (Shandong) Co., Ltd. ("SHNE (Shandong)"), a subsidiary of the Company, entered into the lease contract with SDHS Linteng (the "Lease Contract"). Pricing principles are based on market rents.
- (x) As at 30 June 2026, the Group provided the total guarantees of approximately RMB4 million to an associate.

(b) Compensation of key management personnel of the Group

	For the six months ended 30 June	
	2026 (unaudited) RMB'000	2025 (unaudited) RMB'000
Short-term employee benefits	605	847
Equity-settled share option expenses	1	2
Total compensation paid to key management personnel	606	849

In the opinion of the Directors, the Directors represent the key management personnel of the Group.

Notes to the Condensed Consolidated Financial Statements

30 June 2026

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of financial assets and liabilities which are due to be received or settled within one year approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair value of the non-current portion of deposits and other receivables, interest-bearing bank loans and other borrowings and corporate bonds has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. In the opinion of the Directors, since their carrying amounts are not significantly different from their respective fair values, no disclosure of the fair values of these financial instruments is made.

Fair value hierarchy

Financial assets designated at fair value through profit or loss and equity investments designated at fair value through other comprehensive income of the Group as at 30 June 2026 were measured at fair value and their fair value was measured using significant unobservable inputs (Level 3 of fair value hierarchy) as defined in HKFRS 13.

During the period, there were no transfers of fair value measurement between Level 1 and Level 2 for both financial assets and financial liabilities. There were also no transfers into or out of Level 3 for financial assets and financial liabilities (31 December 2025: Nil).

The Group did not have any financial liabilities measured at fair value as at 30 June 2026 and 31 December 2025.

22. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These condensed consolidated financial statements were approved and authorized for issue by the Directors on 25 August 2026.

In this report, 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
“EPC”	engineering, procurement and construction
“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
“Macau”	the Macao Special Administrative Region of the PRC
“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”	the six months ended 30 June 2026
“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)

Definitions

"SDHG Group"	SDHG and its subsidiaries
"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
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share Consolidation"	the share consolidation on the basis that (a) (i) every fifty (50) issued and unissued existing ordinary shares of the Company of HK\$0.001 each in the share capital of the Company be consolidated into one (1) consolidated ordinary share of the Company of HK\$0.05 each; and (ii) every fifty (50) unissued existing preference shares of the Company of HK\$0.001 each in the share capital of the Company be consolidated into one (1) consolidated preference share of the Company of HK\$0.05 each
"Shareholders"	the shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

* For identification purposes only