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CHINA NUCLEAR ENERGY TECHNOLOGY CORPORATION LIMITED
中國核能科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 611)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	Financial year ended		
	2024	2023	Change
Year ended 31 December	***RMB'000***	*RMB'000*	
		(Restated)	
Revenue	**1,295,563**	1,559,437	(16.9%)
Profit for the year	**119,901**	106,157	12.9%
Basic and diluted earnings per share *(RMB cents per share)*	**6.16**	5.33	15.6%

	2024	2023	Change
As at 31 December	***RMB'000***	*RMB'000*	
		(Restated)	
Total assets	**10,323,470**	10,364,716	(0.4%)
Net assets	**1,711,215**	1,607,540	6.4%

2024 ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Nuclear Energy Technology Corporation Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2024 together with comparative figures for the year ended 31 December 2023. The annual results have been reviewed by the Audit Committee of the Company (as defined hereinafter).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000 (Restated)
REVENUE	4	**1,295,563**	1,559,437
Cost of sales		**(829,983)**	(1,171,010)
Gross profit		**465,580**	388,427
Other income and gains	4	**13,522**	32,376
Administrative expenses		**(98,603)**	(110,597)
(Impairment losses)/reversal of impairment on trade and bills receivables and contract assets		**(2,928)**	13,858
Change in fair value of financial assets at fair value through profit or loss		**1,573**	1,573
Finance costs	6	**(215,523)**	(185,350)
Share of profits and losses of an associate		**437**	397
PROFIT BEFORE TAX	5	**164,058**	140,684
Income tax expense	7	**(44,157)**	(34,527)
PROFIT FOR THE YEAR		**119,901**	106,157
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences:			
Exchange differences on translation of foreign operations		**(16,226)**	(6,392)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		**(16,226)**	(6,392)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**103,675**	99,765

	Note	2024 RMB'000	2023 RMB'000 (Restated)
Profit attributable to:			
Owners of the parent		**114,136**	98,734
Non-controlling interests		**5,765**	7,423
		119,901	106,157
Total comprehensive income attributable to:			
Owners of the parent		**97,910**	92,342
Non-controlling interests		**5,765**	7,423
		103,675	99,765
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted			
– For profit for the year		**RMB6.16 cents**	RMB5.33 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** *RMB'000*	31 December 2023 *RMB'000* (Restated)	1 January 2023 *RMB'000* (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**6,096,004**	5,166,270	2,753,016
Right-of-use assets		**392,741**	346,666	181,964
Investment in an associate		**6,320**	7,353	7,001
Financial assets at fair value through profit or loss		**45,334**	34,258	25,863
Finance lease receivables	*10*	**242,073**	217,942	13,635
Loan receivables	*11*	**6,937**	9,648	24,991
Deferred tax assets		**72**	–	–
Prepayment for acquisition of property, plant and equipment	*12*	**113,939**	234,834	99,839
Total non-current assets		**6,903,420**	6,016,971	3,106,309
CURRENT ASSETS				
Trade and bills receivables	*13*	**1,435,704**	1,377,003	1,365,292
Contract assets	*14*	**218,457**	262,771	789,174
Finance lease receivables	*10*	**24,283**	28,529	6,828
Loan receivables	*11*	**3,621**	103,700	215,323
Prepayments, other receivables and other assets	*12*	**805,220**	653,589	1,072,863
Pledged bank deposits		**100,894**	309,722	961,112
Cash and cash equivalents		**831,871**	1,612,431	896,733
Total current assets		**3,420,050**	4,347,745	5,307,325

	Notes	**31 December 2024** *RMB'000*	31 December 2023 *RMB'000* (Restated)	1 January 2023 *RMB'000* (Restated)
CURRENT LIABILITIES				
Trade and bills payables	*15*	**891,201**	1,382,572	1,366,493
Contract liabilities	*16*	**183,918**	213,355	549,312
Other payables and accruals	*17*	**144,484**	98,153	307,874
Bank and other borrowings		**2,098,277**	1,873,002	2,364,134
Lease liabilities		**17,303**	20,797	13,339
Tax payable		**9,830**	11,519	13,853
Total current liabilities		**3,345,013**	3,599,398	4,615,005
NET CURRENT ASSETS		**75,037**	748,347	692,320
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,978,457**	6,765,318	3,798,629
NON-CURRENT LIABILITIES				
Bank and other borrowings		**4,929,416**	4,879,143	2,135,191
Lease liabilities		**337,748**	277,006	150,747
Deferred tax liabilities		**78**	1,629	–
Total non-current liabilities		**5,267,242**	5,157,778	2,285,938
Net assets		**1,711,215**	1,607,540	1,512,691
EQUITY				
Equity attributable to owners of the parent				
Share capital		**162,338**	162,338	162,338
Reserves		**1,510,859**	1,412,949	1,320,607
Non-controlling interests		**38,018**	32,253	29,746
Total equity		**1,711,215**	1,607,540	1,512,691

NOTES:

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments which have been measured at fair value. The functional currency of the Company is Hong Kong dollar ("**HK$**") and those of other group entities are mainly Renminbi ("**RMB**"). The presentation currency of the consolidated financial statements in the prior financial periods was HK$ and was changed to RMB in the current year, and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. ACCOUNTING POLICIES

2.1 Adoption of revised HKFRS Accounting Standards

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised HKFRS Accounting Standards that are applicable to the Group are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

    The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of the implementation of the amendments, the Group has provided additional disclosures about its supplier finance arrangements in notes 24, 32 and 39 to the financial statements.

2.2 Change of presentation currency

After taking into account that the Group's business activities are mainly conducted in the PRC and that most of the Group's transactions are denominated and settled in RMB, the Company decided to change the presentation currency of the consolidated financial statements of the Group from HK$ to RMB.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the EPC and consultancy and general construction segment comprises the Group's EPC and consulting services operations relating to construction of photovoltaic power plants and general construction services;

(b) the power generation segment comprises the Group's power generation operations; and

(c) the financing segment comprises the Group's financing operations.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, dividend income, change in fair value of financial asset at fair value through profit or loss, gain on disposal of an associate, share of results of an associate as well as head office and corporate expenses are excluded from such measurement.

All assets are allocated to operating segments, except for certain property, plant and equipment, right-of-use assets, prepayment, other receivables and other assets and cash and cash equivalents of head office, financial asset at fair value through profit or loss and investment in an associate.

All liabilities are allocated to operating segments, except for other payables and accruals and bank borrowings of head office.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

All of the Group's revenue from external customers is derived from the Group's operations in the PRC. All external customers of the Group are located in the PRC. As at 31 December 2024, except for the property, plant and equipment amounting to RMB15,016,000 (2023: RMB16,537,000 (restated)) which was located in Hong Kong, all other non-current assets were located in the PRC.

Included in revenue arising from EPC and consultancy and general construction segment were revenues of RMB225,139,000 (2023: RMB379,368,000 (restated)) derived from the Group's first largest customer. For the year ended 31 December 2024, except for the revenue from the abovementioned first largest customer, no revenue from other customers (2023: 2 customers of EPC and consultancy and general construction segment) of the Group represented more than 10% of the Group's revenue.

Year ended 31 December 2024	EPC and consultancy and general construction *RMB'000*	Power generation *RMB'000*	Financing *RMB'000*	Total *RMB'000*
Segment revenue				
Sales to external customers	**517,228**	**756,231**	**22,104**	**1,295,563**
Intersegment sales	**–**	**–**	**20,272**	**20,272**
Total segment revenue	**517,228**	**756,231**	**42,376**	**1,315,835**
Reconciliation:				
Elimination of intersegment sales				**(20,272)**
Revenue from external customers				**1,295,563**
Segment results/(loss)	**33,650**	**349,908**	**(2,933)**	**380,625**
Reconciliation:				
Interest income				**11,127**
Corporate and other unallocated expenses				**(14,181)**
Finance costs				**(215,523)**
Change in fair value of financial asset at fair value through profit or loss				**1,573**
Share of results of an associate				**437**
Profit before tax				**164,058**
Income tax expense				**(44,157)**
Profit for the year				**119,901**
Segment assets	**1,732,505**	**7,966,530**	**472,301**	**10,171,336**
Reconciliation:				
Corporate and other unallocated assets				**152,134**
Total assets				**10,323,470**
Segment liabilities	**2,320,052**	**5,722,386**	**200,511**	**8,242,949**
Reconciliation:				
Corporate and other unallocated liabilities				**369,306**
Total liabilities				**8,612,255**
Other segment information				
Expected credit losses	**2,240**	**687**	**1**	**2,928**
Depreciation of property, plant and equipment	**903**	**314,133**	**266**	**315,302**
Depreciation of right-of-use assets	**2,734**	**26,278**	**1,345**	**30,357**
Additions to property, plant and equipment	**595**	**1,247,267**	**78**	**1,247,940**
Additions to right-of-use assets	**5,568**	**67,848**	**–**	**73,416**

Year ended 31 December 2023 (Restated)	EPC and consultancy and general construction *RMB'000* (Restated)	Power generation *RMB'000* (Restated)	Financing *RMB'000* (Restated)	Total *RMB'000* (Restated)
Segment revenue				
Sales to external customers	1,025,041	508,084	26,312	1,559,437
Intersegment sales	–	–	34,069	34,069
Total segment revenue	1,025,041	508,084	60,381	1,593,506
Reconciliation:				
Elimination of intersegment sales				(34,069)
Revenue from external customers				1,559,437
Segment results	32,306	273,366	2,430	308,102
Reconciliation:				
Interest income				30,919
Corporate and other unallocated expenses				(14,957)
Finance costs				(185,350)
Change in fair value of financial asset at fair value through profit or loss				1,573
Share of results of an associate				397
Profit before tax				140,684
Income tax expense				(34,527)
Profit for the year				106,157
Segment assets	3,036,590	6,755,264	490,633	10,282,487
Reconciliation:				
Corporate and other unallocated assets				82,229
Total assets				10,364,716
Segment liabilities	2,625,435	4,784,180	887,929	8,297,544
Reconciliation:				
Corporate and other unallocated liabilities				459,632
Total liabilities				8,757,176
Other segment information				
Expected credit losses	(14,931)	1,072	1	(13,858)
Depreciation of property, plant and equipment	838	187,927	278	189,043
Depreciation of right-of-use assets	2,835	15,816	1,097	19,748
Additions to property, plant and equipment	725	1,971,609	51	1,972,385
Additions to right-of-use assets	136	180,023	2,229	182,388

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Revenue from contracts with customers	**1,273,459**	1,533,125
Revenue from other sources		
Finance lease interest income	**14,060**	9,868
Loan interest income	**5,815**	9,195
Handling fee income	**2,229**	7,249
Subtotal	**22,104**	26,312
Total	**1,295,563**	1,559,437

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Revenue:		
EPC and consultancy and general construction segment		
Construction of photovoltaic power plants		
– Construction contract revenue	**434,395**	486,391
General construction		
– Construction contract revenue	**80,082**	306,586
Sale of goods	**–**	197,638
Service income	**2,751**	34,426
Power generation segment		
Sale of electricity	**756,231**	508,084
	1,273,459	1,533,125
Timing of revenue recognition		
At a point in time	**–**	197,638
Over time	**1,273,459**	1,335,487
Total	**1,273,459**	1,533,125

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Construction services	**46,307**	411,823
Total	**46,307**	411,823

(b) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Construction services

The performance obligation is satisfied over time as the construction services are rendered. The payment term is generally 90 days to one year.

Sale of goods

The performance obligation is satisfied when the goods are delivered and have been accepted. The payment term is generally 90 days.

Management services

The performance obligation is satisfied over time as management services are rendered. The payment term is generally 90 days.

Sale of electricity

The performance obligation is satisfied when electricity is supplied to and consumed by the customers. The payment term is generally 90 days.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Amounts expected to be recognised as revenue:		
Within one year	**163,221**	1,028,111
After one year	**141,417**	944,761
Total	**304,638**	1,972,872

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to provision of EPC services and general construction services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Other income		
Bank interest income	**11,127**	30,919
Gains		
Others	**2,395**	1,457
Total other income and gains	**13,522**	32,376

5. PROFIT BEFORE TAX

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

	Notes	2024 RMB'000	2023 RMB'000 (Restated)
Cost of sales:			
Construction of photovoltaic power plants			
– Material and equipment		**171,102**	375,021
– Sub-contract costs for construction		**173,377**	59,225
– Sub-contract costs for design and consultancy services		**961**	10,499
General construction			
– Sub-contract costs for construction		**73,895**	291,763
Cost of inventories sold		**–**	191,318
Other costs*		**410,648**	243,184
Total cost of sales		**829,983**	1,171,010
Depreciation of property, plant and equipment		**315,302**	189,043
Depreciation of right-of-use assets		**30,357**	19,748
		345,659	208,791
Administrative expenses:			
Staff costs (including directors' and chief executive's remuneration):			
Wages, salaries and bonuses		**50,526**	62,772
Pension scheme contributions		**12,680**	11,389
Total staff costs		**63,206**	74,161
Impairment losses/(Reversal of impairment) on trade and bills receivables and contract assets	*13, 14*	**2,928**	(13,858)
Auditor's remuneration		**1,933**	1,898
Bank charges		**3,425**	3,610
Legal and professional fee		**8,063**	7,651
Short-term and low-value lease expenses		**1,413**	798
Research and development expenses		**743**	500

* Other costs included staff costs, depreciation and maintenance costs for the power plants and costs under financing segment.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Interest on bank and other borrowings	**217,657**	203,696
Interest on lease liabilities	**10,480**	4,466
Total finance costs	**228,137**	208,162
Less: Amount capitalised in cost of qualifying assets*	**(12,614)**	(22,812)
Total	**215,523**	185,350

* The borrowing costs have been capitalised at a rate of 2.48% (2023: 2.94%) per annum.

7. INCOME TAX

The amount of income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Current – Mainland China		
Charge for the year	**44,101**	31,335
Underprovision in prior years	**1,679**	1,563
Deferred tax	**(1,623)**	1,629
Income tax expense	**44,157**	34,527

No provision for Hong Kong profits has been made for both years as the Group did not generate any assessable profits arising in Hong Kong.

Under the Law of People's Republic of China on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25% (2023: 25%), except for those subsidiaries described below.

A subsidiary operating in the PRC was accredited as "Advanced Technology Enterprise" by the Science and Technology Bureau of relevant provinces and other authorities for a term of three years, and was registered with the local tax authorities to be eligible to the reduced 15% enterprise income tax rate for the period 2020 to 2022. In 2023, the subsidiary renewed relevant certifications and continued to be eligible to the reduced 15% enterprise income tax rate for the period 2023 to 2025.

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rates for the jurisdictions in which the operations of the Group are substantially based to the tax expense at the effective tax rate is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Profit before tax	**164,058**	140,684
Tax calculated at the statutory tax rates applicable to profits in the respective countries	**43,719**	38,226
Lower tax rates for specific provinces or enacted by local authority	**(25,773)**	(20,186)
Profits and losses attributable to an associate	**(109)**	(102)
Income not subject to tax	**(725)**	(2,109)
Expenses not deductible for tax	**4,177**	4,104
Tax losses not recognised	**17,221**	13,031
Adjustments in respect of current tax of previous periods	**1,679**	1,563
Effect of income tax at 10% on the gains of disposal of an associate in Mainland China	**3,968**	–
Tax charge at the Group's effective rate	**44,157**	34,527

8. DIVIDENDS

No dividend has been declared or proposed by the directors of the Company in respect of the year ended 31 December 2024 (2023: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,852,036,942 (2023: 1,852,036,942) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

The calculation of basic earnings per share is based on:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Earnings for the purposes of basic and diluted earnings per share calculation	**114,136**	98,734

	Number of shares	
	2024	2023
Issued shares at 1 January 2023, 31 December 2023 and 31 December 2024	**1,852,036,942**	1,852,036,942
Weighted average number of ordinary shares for the purposes of basic earnings per share calculation	**1,852,036,942**	1,852,036,942

10. FINANCE LEASE RECEIVABLES

	Minimum lease payments		Present value of minimum lease payments	
	2024	2023	**2024**	2023
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
		(Restated)		(Restated)
Finance lease receivables with terms:				
Within one year	**39,654**	38,118	**24,283**	28,529
In the second to fifth years, inclusive	**304,974**	311,558	**242,073**	217,942
	344,628	349,676	**266,356**	246,471
Less: Unearned finance income	**(78,272)**	(103,205)		
Total net finance lease receivables	**266,356**	246,471		

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Analysed for reporting purpose as:		
Current assets	**24,283**	28,529
Non-current assets	**242,073**	217,942
	266,356	246,471

The Group provides financial leasing services on certain photovoltaic power plants in the PRC. These leases are classified as finance leases and secured by (i) the photovoltaic power plants; (ii) the paid up registered capital of the lessees; and (iii) the proceeds from sales of electricity to the lessees that have remaining lease terms ranging from two to three years with interest rate ranging from 4.3% to 6.4% (2023: from 4.3% to 6.8%) per annum.

The Group's finance lease receivables are denominated in Renminbi ("**RMB**"). The interest rates are adjusted and reset based on changes in the prevailing benchmark lending interest rates promulgated by the People's Bank of China ("**PBOC**").

There was no recent history of default and past due amounts for finance lease receivables. As at 31 December 2024 and 2023, the loss allowance was assessed to be minimal.

11. LOAN RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Loan receivables with terms:		
Within one year	**3,621**	103,700
In the second to fifth years, inclusive	**6,937**	9,648
Total loan receivables	**10,558**	113,348
Less: Portion classified under current assets	**(3,621)**	(103,700)
Non-current assets	**6,937**	9,648

Loan receivables as at 31 December 2024 represented loans to third parties, bearing fixed interest at 7% (2023: 6% to 8%) per annum and repayable in one to three years (2023: one to four years).

There was no recent history of default and past due amounts for loan receivables. As at 31 December 2024 and 2023, the loss allowance was assessed to be minimal.

12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Prepayments	**507,857**	579,270
Deposits	**39,919**	5,722
Other receivables	**371,383**	303,431
Total	**919,159**	888,423
Analysed for reporting purpose as:		
Current assets	**805,220**	653,589
Non-current assets (prepayment for acquisition of property, plant and equipment)	**113,939**	234,834
	919,159	888,423

As at 31 December 2024, included in prepayments was the amount of RMB393,918,000 (2023: RMB344,436,000 (restated)) of prepayments for cost of materials or sub-contract costs for construction.

As at 31 December 2024, included in other receivables were (i) VAT recoverable of RMB352,527,000 (2023: RMB273,690,000 (restated)); and (ii) remaining balances related to the reserves for construction works.

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 December 2024 and 2023, the loss allowance was assessed to be minimal.

13. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Trade receivables	**1,443,093**	1,383,927
Bills receivable	**25,622**	23,072
Impairment	**(33,011)**	(29,996)
Net carrying amount	**1,435,704**	1,377,003

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally three months, extending up to one year for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and before net of loss allowance, is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
0 to 90 days	**273,385**	681,048
91 to 180 days	**257,669**	137,115
181 to 365 days	**157,363**	119,806
Over 365 days	**780,298**	469,030
Total	**1,468,715**	1,406,999

Bills receivable are received from the customers under EPC and consultancy and general construction segment and are due within six months from date of billing.

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
At beginning of year	**29,996**	43,951
Impairment losses	**3,015**	(13,327)
Exchange realignment	**–**	(628)
At end of year	**33,011**	29,996

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

As at 31 December 2024

2024	**Internal credit rating level**	**ECL rate**	**Gross carrying amount** *RMB'000*	**Loss allowance** *RMB'000*	**Net carrying amount** *RMB'000*
Trade and bills receivables					
EPC and consultancy and general construction segment					
Local government related entities					
Current or not yet past due	**Low risk**	**0.11%**	**80,013**	**(86)**	**79,927**
0 to 90 days	**Low risk**	**0.26%**	**195,770**	**(518)**	**195,252**
91 to 180 days	**Low risk**	**0.26%**	**65,799**	**(174)**	**65,625**
181 to 365 days	**Low risk**	**0.45%**	**221,749**	**(999)**	**220,750**
Over 365 days	**Low risk**	**0.74%**	**45,508**	**(337)**	**45,171**
			608,839	**(2,114)**	**606,725**
Normal customers					
Current or not yet past due	**Low risk**	**0.56%**	**27,906**	**(157)**	**27,749**
0 to 90 days	**Low risk**	**2.08%**	**1,200**	**(25)**	**1,175**
91 to 180 days	**Low risk**	**2.14%**	**700**	**(15)**	**685**
181 to 365 days	**Doubtful**	**5.81%**	**58,419**	**(3,393)**	**55,026**
Over 365 days	**Doubtful, loss**	**76.38%**	**31,489**	**(24,051)**	**7,438**
			119,714	**(27,641)**	**92,073**

2024	Internal credit rating level	ECL rate	Gross carrying amount *RMB'000*	Loss allowance *RMB'000*	Net carrying amount *RMB'000*
Power generation segment					
Local state grid companies					
Current or not yet past due	**Low risk**	**0.11%**	**155,847**	**(168)**	**155,679**
0 to 90 days	**Low risk**	**0.26%**	**59,087**	**(156)**	**58,931**
91 to 180 days	**Low risk**	**0.26%**	**90,856**	**(240)**	**90,616**
181 to 365 days	**Low risk**	**0.45%**	**194,300**	**(875)**	**193,425**
Over 365 days	**Low risk**	**0.76%**	**228,833**	**(1,729)**	**227,104**
			728,923	**(3,168)**	**725,755**
Normal customers					
Current or not yet past due	**Low risk**	**0.56%**	**7,858**	**(44)**	**7,814**
0 to 90 days	**Low risk**	**2.11%**	**1,612**	**(34)**	**1,578**
91 to 180 days	**Low risk**	**0.00%**	**8**	**–**	**8**
			9,478	**(78)**	**9,400**
Financing segment					
General customers					
Current or not yet past due	**Low risk**	**0.57%**	**1,761**	**(10)**	**1,751**
Group total					
Current or not yet past due			**273,385**	**(465)**	**272,920**
0 to 90 days			**257,669**	**(733)**	**256,936**
91 to 180 days			**157,363**	**(429)**	**156,934**
181 to 365 days			**474,468**	**(5,267)**	**469,201**
Over 365 days			**305,830**	**(26,117)**	**279,713**
Total			**1,468,715**	**(33,011)**	**1,435,704**

As at 31 December 2023 (Restated)

2023	Internal credit rating level	ECL rate	Gross carrying amount *RMB'000* (Restated)	Loss allowance *RMB'000* (Restated)	Net carrying amount *RMB'000* (Restated)
Trade and bills receivables					
EPC and consultancy and general construction segment					
Local government related entities					
Current or not yet past due	Low risk	0.13%	521,512	(669)	520,843
0 to 90 days	Low risk	0.25%	71,652	(177)	71,475
91 to 180 days	Low risk	0.24%	5,737	(14)	5,723
181 to 365 days	Low risk	0.43%	10,974	(47)	10,927
Over 365 days	Low risk	0.76%	88,334	(673)	87,661
			698,209	(1,580)	696,629
Normal customers					
Current or not yet past due	Low risk	0.55%	50,640	(281)	50,359
0 to 90 days	Low risk	2.12%	18,526	(393)	18,133
91 to 180 days	Low risk	2.11%	3,226	(68)	3,158
181 to 365 days	Doubtful	5.77%	14,692	(848)	13,844
Over 365 days	Doubtful, loss	96.09%	25,556	(24,558)	998
			112,640	(26,148)	86,492
Power generation segment					
Local state grid companies					
Current or not yet past due	Low risk	0.13%	107,344	(138)	107,206
0 to 90 days	Low risk	0.25%	46,937	(116)	46,821
91 to 180 days	Low risk	0.25%	110,845	(274)	110,571
181 to 365 days	Low risk	0.43%	153,257	(653)	152,604
Over 365 days	Low risk	0.79%	176,217	(1,389)	174,828
			594,600	(2,570)	592,030
Financing segment					
General customers					
Current or not yet past due	Low risk	0.58%	1,550	(9)	1,541
Group total					
Current or not yet past due			681,046	(1,097)	679,949
0 to 90 days			137,115	(686)	136,429
91 to 180 days			119,808	(356)	119,452
181 to 365 days			178,923	(1,548)	177,375
Over 365 days			290,107	(26,620)	263,487
Exchange realignment			–	311	311
Total			1,406,999	(29,996)	1,377,003

14. CONTRACT ASSETS

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
		(Restated)
Contract assets arising from:		
Provision of EPC services and general construction contract works	**218,786**	263,187
Impairment	**(329)**	(416)
Net carrying amount	**218,457**	262,771

The Group's contracts with customers for the provision of EPC services and general construction services include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The decrease in contract assets in 2024 was the result of the decrease in the provision of construction services at the end of the year.

During the year ended 31 December 2024, RMB87,000 (2023: RMB531,000 (restated)) was recognised as an allowance for expected credit losses on contract assets. The Group's trading terms and credit policy with customers are disclosed in note 20 to the financial statements.

The expected timing of recovery or settlement for contract assets as at 31 December is as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Within one year	**218,457**	262,771

The movements in the loss allowance for impairment of contract assets are as follows:

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
At beginning of year	**416**	947
Impairment losses	**(87)**	(531)
At end of year	**329**	416

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade and bills receivables as the contract assets and the trade and bills receivables are from the same customer bases. The provision rates of contract assets are based on days past due of trade and bills receivables for groupings of various customer segments with similar loss patterns by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

	2024	2023 (Restated)
Expected credit loss rate	**0.15%**	0.16%
Gross carrying amount *(RMB'000)*	**218,786**	263,187
Expected credit losses *(RMB'000)*	**329**	416

Gross carrying amounts of contract assets of RMB20,542,000 and RMB198,244,000 (2023: RMB19,819,000 (restated) and RMB243,368,000 (restated)) were related to general customers and local government related entities respectively in relation to general construction services.

15. 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:

	2024 *RMB'000*	2023 *RMB'000* (Restated)
0 to 90 days	**241,555**	760,994
91 to 180 days	**106,489**	122,860
181 to 365 days	**138,688**	191,518
Over 365 days	**404,469**	307,200
Total	**891,201**	1,382,572

The trade and bills payables are non-interest bearing.

16. CONTRACT LIABILITIES

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Contract liabilities arising from:		
Provision of EPC services and general construction services	**183,918**	213,355

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Balance as at 1 January	**213,355**	549,312
Decrease in contract liabilities as a result of recognition of revenue during the year	**(46,307)**	(493,336)
Increase in contract liabilities as a result of billing in advance of provision of EPC services and general construction services	**16,870**	167,940
Exchange alignments	**–**	(10,561)
Total	**183,918**	213,355

Contract liabilities represent the Group's obligation to transfer goods or services to customers for which the Group has received consideration (or an amount of consideration is due) from the customer.

Typical payment terms which impact on the amount of contract liabilities are the receipts in advance for the provision of EPC services and general construction services.

Contract liabilities amounting to RMB46,307,000 (restated) at 31 December 2023 were recognised as revenue during the year ended 31 December 2024. The Group expects that the contract liabilities as at 31 December 2024 will be recognised as revenue within a year or less.

17. OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
		(Restated)
Other payables	**106,815**	60,014
Accruals	**37,669**	38,139
Total	**144,484**	98,153

BUSINESS REVIEW AND PROSPECTS

Review of Industry Development Status

The year 2024 marks the 10th anniversary of the in-depth implementation of the energy security strategy of "Four Revolutions and One Cooperation", and is a critical year for accomplishing the objectives and tasks of the "14th Five-Year Plan". The Group deepens its study of and act in the faith of the spirits of the 20th National Congress of the CPC, as well as the Second and Third Plenums of the 20th Central Committee of the CPC, and implement the new development concept in a complete, accurate and comprehensive manner. Under the guidance of the work of "carbon peak and carbon neutrality", the Group shall coordinate energy security and low-carbon development, accelerate the planning and construction of a new type of energy system, and thus steadily push forward the transformation toward a green and low-carbon energy, promoting the development of renewable energy onto a new stage in full force.

Review of Major Policies in Relation to China's Energy Industry

In January 2024, the National Energy Administration issued the "Key Points of Energy Regulatory Work in 2024". The document clearly stated that it would carry out special regulation on distributed photovoltaic filing and grid connection progression, focusing on tracking the filing, grid connection, transactions and settlement of distributed photovoltaics. At the same time, the National Energy Administration will instruct grid enterprises to further optimize the grid connection process and improve the efficiency of grid connection, while promoting the connection of wind power and photovoltaic bases in "desert, Gobi and wilderness", distributed power sources, energy storage, and charging piles to the grid.

In February 2024, the National Development and Reform Commission, the National Bureau of Statistics, and the National Energy Administration issued the "Notice on Strengthening the Convergence of Green Electricity Certificates with Energy Conservation and Carbon Reduction Policies and Vigorously Promoting Non-Fossil Energy Consumption", which proposed that green electricity certificates shall be used as the basic certificate for renewable energy power consumption. The effective convergence between green electricity certificates and dualcontrol policies of energy consumption shall be strengthened. The corresponding power consumption of green electricity certificates trading shall be incorporated into the accounting for assessment indicators for evaluating the energy conservation targets and responsibilities of Provincial People's Governments in the "14th Five-Year Plan" to vigorously promote non-fossil energy consumption.

In February 2024, the National Development and Reform Commission and the National Energy Administration jointly issued the "Guiding Opinions on Strengthening the Grid Peaking, Energy Storage and Smart Dispatch Capacity Construction" which mentioned that the construction of new energy storage on the power side shall be promoted. New energy enterprises shall be encouraged to flexibly configure new energy storage through self-built, co-built and leasing. The scale of energy storage configuration shall be reasonably determined in conjunction with the system demand. The level of new energy consumption and utilization, capacity support capability and network safety performance shall be enhanced. For large-scale new energy bases focusing on desert, Gobi and wilderness regions, the construction of supporting energy storage shall be reasonably planned and its regulating capacity shall be fully utilized, to play a greater role in supporting large-scale and high-ratio transmission of new energy and promoting the development of multi-energy complementarity.

In March 2024, the 2024 Report on the Work of the Government was released, which proposed to actively and steadily promote carbon peak and carbon neutrality, and solidly carry out the "Ten Actions for Reaching Carbon Dioxide Peaking". The carbon emission accounting and verification capabilities shall be enhanced and a carbon footprint management system shall be established to expand the coverage of the national carbon market industry. The energy revolution shall be promoted in depth by controlling the consumption of fossil energy, and accelerating the construction of a new energy system. The construction of large-scale wind power and photovoltaic bases and transmission corridors shall be strengthened and the development and utilization of distributed energy resources shall be promoted. The power grid's ability to accept, allocate and regulate clean energy shall be improved. New types of energy storage shall be developed and the use of green power and international mutual recognition shall be promoted, in order to give full play to the bottoming-out role of coal and coal-fired power and ensure the energy demand for economic and social development.

In March 2024, the National Administration published the "2024 Guiding Opinions on Energy Work" (the "**Guiding Opinions**"). By the end of 2024, the proportion of installed non-fossil energy generation will increase to about 55%, the proportion of wind power and solar power generation in national electricity generation will reach more than 17%, and the proportion of non-fossil energy in total energy consumption will increase to about 18.9%. The Guiding Opinions also call for vigorously promoting the high-quality development of non-fossil energy and steadily pushing forward the construction of large-scale wind power and photovoltaic bases. The completion and commissioning of projects shall be orderly promoted. The arrangement of offshore wind power shall be coordinated and optimized. The construction of offshore wind power bases shall be promoted, as well as the development of offshore wind power to the deep water and farshore in a steady and orderly manner. Good planning and arrangement of the national solar thermal power generation shall be made, while continuing to promote the development of large-scale solar thermal power generation. The promotion of distributed wind power and distributed photovoltaic power development shall be accelerated according to local conditions. The implementation of the "Thousands of Villages Wind Power Coverage Action" and the "Thousands of Households Photovoltaic Coverage Action" shall be organized in regions with necessary conditions.

In May 2024, the State Council issued the "2024-2025 Energy Conservation and Carbon Reduction Action Plan" (the "**Action Plan**") which indicated that by 2025, the proportion of non-fossil energy consumption will reach about 20%. The construction of large-scale wind power and photovoltaic bases focusing on deserts, Gobi, and wilderness shall be accelerated. Offshore wind power shall be developed in a reasonable and orderly manner, the large-scale development and utilization of ocean energy shall be promoted, and the development and utilization of distributed new energy shall be advanced. The construction of transmission channels for large-scale wind power and photovoltaic bases shall be accelerated to enhance cross-provincial and cross-regional power transmission capabilities. The transformation of distribution networks shall be accelerated to enhance the carrying capacity of distributed new energy. Pumped storage and new energy storage shall be actively developed.

In June 2024, the National Energy Administration issued the "Notice on Safeguarding High Quality Development of New Energy for Better Use of New Energy" which required that the targets of new energy utilization rate for various regions shall be determined scientifically. The targets of new energy utilization rate for certain regions with more sufficient resources shall be relaxed in an appropriate manner to no less than 90% in principle, and annual dynamic assessment shall be carried out as per consumption patterns.

In June 2024, the National Energy Administration issued the Notice on Announcement on the Commissioning of the National Green Certificate Issuance and Trading System, which stated that the National Green Certificate Issuance and Trading System was officially launched on 30 June 2024.

In September 2024, the National Energy Administration published a notice on "The Basic Rules for Electricity Registration", which stated that all of the industrial and commercial users shall directly participate in the trading of electricity market in principal, and for those who do not have a direct participation of market trading would be required to purchase electricity through agents of the grid enterprises according to the Rules.

In October 2024, the General Affairs Department of the National Energy Administration publicly solicited comments on the "Management Measure for the Development and Construction of Distributed Photovoltaic Power Station (Draft for Solicitation of Comments)". The document stated that the state would establish and improve institutional mechanisms to support the sustainable development of new energy, while local governments shall formulate corresponding supporting policies based on the development status of distributed photovoltaic power generation and the progress of electricity market construction. Distributed photovoltaic power generation projects may independently or through methods such as micro-grids, source-grid-load-storage integration, and virtual power plant aggregation participate fairly in various types of electricity market transactions, including electric energy and ancillary services.

In October 2024, the National Development and Reform Commission together with other departments issued the "Guiding Opinion on Vigorously Implementing the Renewable Energy Replacement Action", proposing to comprehensively enhance the supply capacity of renewable energy. Accelerate the construction of large-scale wind and photovoltaic power bases focusing on desert, Gobi, and arid regions, and promote the clustered development of offshore wind power. Press forward the construction of large-scale hydropower bases in a scientific and orderly way, and coordinate the integrated development of hydropower, wind power and solar power. Develop distributed renewable energy locally. Steadily develop biomass power generation and promote the scaled development of solar thermal power generation.

In November 2024, the National Energy Administration has stated in the summary of replies to proposals from the Member of the CPPCC that the distributed new energy developed rapidly in recent years and became a major power in energy transformation. Looking ahead, the National Development and Reform Commission would adapt to new development model such as "cross-boundary electricity trading" and source-grid-load-storage integration, and would work with relevant parties to study and improve the relevant pricing mechanism in promoting the consumption of new energy in the vicinity, and to speed up the construction of market systems for spot electricity and auxiliary services.

In November 2024, the National Energy Administration issued a Guidelines on Supporting Innovative Development of New Business Entities in the Electricity Sector, encouraging new business entities to participate in the electricity market on an equal basis. Enterprises may sell its electricity generated through distributed photovoltaic projects to the consumer outside the red line within the same distribution platform area through registering as a new power operator, i.e. realising a complete cross-boundary electricity trading.

The National Development and Reform Commission and the National Energy Administration jointly issued "Notice on Deepening Market-Oriented Reform of New Energy On-grid Tariffs to Promote High-Quality Development of New Energy" (NDRC Price [2025] No.136) on 27 January 2025, which aimed at promoting the entry of new energy on-grid output generated from wind and solar power into the electricity market, with on-grid tariffs determined through market transaction. This policy differentiated existing and new projects, with the existing projects maintaining continuity with current polices while the new projects determining electricity tariffs through market-based bidding mechanisms, and established a sustainable price settlement mechanism to ensure new energy enterprises would receive reasonable revenue through a "refund overpayments and supplement underpayments" differential price settlement method. The reform, which would take effect on 1 June 2025, aimed at promoting high-quality development of the new energy industry and helping achieve the "dual-carbon" target.

Review of Development Status of the Photovoltaic Power Generation Industry

Data from the National Energy Administration indicated that the newly installed photovoltaic power generation output in China reached 278GW in 2024, representing a year-on-year increase of 28%, including 160GW of centralised photovoltaics and 118GW of distributed photovoltaics. As of the end of December, China's accumulative installed photovoltaic power generation output reached 886GW, representing a year-on-year increase of 45%, including included 511GW of centralised photovoltaics and 375GW of distributed photovoltaics. In 2024, China's photovoltaic power generation reached 834.1 billion kWh, representing a year-on-year increase of 44%, and the utilisation rate of China's photovoltaic power generation is 96.8%.

Advanced battery technologies (TOPCon, heterojunction, perovskite + stacked) evolve through years, with efficiency of polycrystalline silicon module from 10 more years ago marked at 14% to the current HJT module achieving an efficiency of 25.2%, BC module efficiency of 27.09%, and large-area perovskite stacked battery efficiency of 28.2%, while the efficiency of the upcoming battery in new stacked structure is estimated to be as high as 43%. Component price dropped from RMB1/W at the end of 2023 to about RMB0.6/W at the moment. Perovskite battery is expected to become the next generation of photovoltaic new force with advantages of high efficiency and low cost.

Review of Development Status of the Wind Power Generation Industry

The newly installed wind power capacity in China amounted to 79.8GW in 2024, representing a year-on-year increase of 6%, which included 75.8GW from the onshore and 4GW from the offshore. From the view of distribution of the new installment, “Three North” areas accounted for 75% of China’s newly installed capacity. As of the end of December, China’s accumulative gird-connected wind power capacity reached 521GW, representing a year-on-year increase of 18%, which included 480GW from the onshore and 41GW from the offshore. In 2024, China’s wind power generation output reached 991.6 billion kWh, representing a year-on-year increase of 16%, and the average utilisation rate of China’s wind power was 95.9%.

The 143m blades of the wind turbine have been rolled out, with the highest hub height reaching 180 metres. Major technological breakthroughs have been achieved in deep and remote floating wind power, and technological advances, including those in flexible DC transmission, have driven the project to reduce costs and increase efficiency. The price of onshore wind turbines has been reduced from RMB4/W in 2020 to around RMB1.2/W at present. Offshore wind turbine price: Currently, the price with tower is about RMB3.3/W, and the price without tower is about RMB2.8/W.

Review of Status of the Energy Storage Industry

As of the end of 2024, the cumulative installed capacity of new energy storage projects that were completed and operative in China reached 73.76GW, representing an increase of more than 130% compared with that of the end of 2023. The capability of distribution and utilization of new type of energy storage continued to improve. In 2024, the equivalent utilisation hours of new energy storage was approximately 1,000 hours, which has played a role in promoting the development and consumption of new energy, ensuring peak supply and safeguarding the safe and stable operation of the power system, and has strongly supported the construction of a new power system.

The mainstream of energy storage batteries is 280Ah, and is moving towards larger capacity, longer life and higher safety. This is achieved by increasing the capacity of the battery cells and the system, and implementing liquid cooling and other ways to improve efficiency, reduce attenuation, and promote cost reduction throughout the life cycle of energy storage. Breakthroughs have also been made in all-vanadium liquid current battery, solid-state battery, and sodium-ion battery technology. Currently, the price of 2h energy storage system has dropped from RMB1.6/Wh in early 2023 to around RMB0.5/Wh, and the price of energy storage battery cells has dropped from RMB0.95/Wh in early 2023 to roughly RMB0.3 to 0.35/Wh.

BUSINESS REVIEW

In 2024, at the macro level, the heightening of the complexity, severity and uncertainty of the external environment and the continual intensifying of the domestic structural adjustment posed new challenges, the effect of the macro policy continued to release, external demand has warmed up, and the new matter productivity accelerated its development, forming a new support. At the industrial level, the development of new energy, represented by wind power and photovoltaic power generation, in China in recent years has achieved remarkable results, but the lack of adaptability of the power system to large-scale and high proportion of new energy connected to the grid and consumed has become one of the most important factors restricting the development of new energy, and the policy on centralized and ground-based distributed projects has been tightened, and the competition for high-quality projects has intensified. Under such circumstances, the Group seized opportunities externally, increased market development and actively sought quality projects; internally, the Group strengthened collaboration, closely adhered to its core values and pushed for quality and efficiency improvement.

In 2024, the Group promoted the steady development of the Company's new energy business through, among others, resource sharing and business synergies with the support from its shareholders. Outside the Group, the Group has improved its market layout and strengthened the development of quality projects to realize collaborative development. We won the bidding for the 100MW distributed project in Luoping, and obtained the indicators for the construction scale of the 50MW photovoltaic project in Yuduo, Taizhou, the 50MW photovoltaic project in Shaji, Suining, the 160MW photovoltaic project in Boshang Phase II and the 100MW/200MWh energy storage project in Linxiang Phase I. The Group is now tracking the projects with the scale of more than 4GW. Within the Group, the Group has strengthened industrial synergies, utilized the rooftop resources of the logistics park and industrial park of its shareholder, built rooftop distributed power stations, developed industrial and commercial energy storage projects, and tested the viability of the new development of a zero-carbon park.

For the year ended 31 December 2024, revenue decreased by approximately 16.9% year-on-year to RMB1,295,563,000 (2023: RMB1,559,437,000 (restated)); profit attributable to owners of the Group amounted to RMB114,136,000 (2023: RMB98,734,000 (restated)), representing an increase of approximately 15.6% over the same period of last year. The basic earnings per share was RMB6.16 cents, indicating an increase of RMB0.83 cents or approximately 15.6% from RMB5.33 cents (restated) in the same period of last year.

EPC and Consultancy and General Construction Business

Revenue from the EPC and consultancy and general construction segment was recognized based on the completion progress of the projects. Segment sales to external customers decreased by approximately 49.5% as compared to the same period of last year to RMB517,228,000 (2023: RMB1,025,041,000 (restated)). The decrease in segment revenue was mainly due to the change in the Group's business strategic direction. Firstly, the new energy EPC business mainly focused on self-invested and self-built projects, and most of the revenue recognized was offset at the company consolidation level; secondly, for the municipal EPC business, due to the downward trend of the property industry as a whole and the Company's plan to withdraw from this business, in order to reduce capital occupation, the Group has not undertaken any long-cycle new projects in 2024.

In 2024, the Group undertook 17 new energy EPC projects and 4 power station operation and maintenance with a contract sum of approximately RMB809 million. The scope of business has covered, among others, centralized photovoltaic, distributed photovoltaic and energy storage. In terms of typical projects, the 300MW agriculture-solar complementation project in Boshang, the 50MW fishery-solar complementation project in Yuduo, Taizhou, the 100MW/200MWh energy storage project in Linxiang Phase I and the Quicktron Zero Carbon Park Project in Shanghai were connected to the grid at full capacity, and the Zhabuye solar thermal project in Tibet completed the construction of all the 190 collector circuits.

The Group has always adhered to the principle of "safety first, prevention as the priority and comprehensive management", and closely monitored the implementation of systems and responsibilities, increased investment in safety production, strengthened the investigation and management of safety hazards, and built up a strong line of defense for safety production, which effectively prevented and curbed the occurrence of various types of safety accidents. There were no safety production accidents above the general level in the year. For project management, the Group deeply promoted the standardized construction of quality management and implemented the first-piece sample system, strengthening the quality inspection and sampling frequency. The Group strictly controlled the quality of intermediate handovers to ensure a 100% acceptance rate with no quality accidents or customer complaints.

In 2024, the Group's qualification for general contracting for power engineering construction and specialized contracting for construction, mechanical and electrical installation was upgraded from Grade 3 to Grade 2, and the design qualification for new energy and wind power generation was extended to 2029. For research and development in science and technology, the Group focused on its main business, started 3 new research and development projects, applied for 11 patents and obtained 3 invention patents and 1 utility model patent. In addition, the Group was once again selected as a high-tech enterprise in Jiangsu Province and received support from the enterprise income tax exemption policy, which empowered the innovative development of the enterprise.

Power Generation Business

In 2024, the Group continued to accelerate the progress of grid connection of power plant projects. As at the end of December, full capacity of the Boshang project, the Zhenkang project, the Yangchun project, the Taizhou Yuduo project, the Taizhou liancheng project, Linxiang Phase I energy storage project, the Tianjin Baowan project, Xi'an Yazhi project and Shanghai Quicktron project were connected to the grid, the Suining Shaji project was connected to the grid with a capacity of 58.9MW, the Xuzhou Airport project was connected to the grid with a capacity of approximately 36MW, resulting in the newly installed grid-connected reaching a record-high scale of 973MW.

As of 31 December 2024, the Group had a total of 85 power plants in operation and maintenance, including 78 wind and solar power plants with a total operating capacity of 1,919MW (in terms of actual installed generating capacity) and seven 307MWh energy storage power plants. The annual wind and solar power generation was 1,794 million kWh. Among them, the cumulative power generation of photovoltaic power stations was 1,267 million kWh and the cumulative power generation of wind power stations was 527 million kWh. The Group has actively participated in green electricity trading and green electricity certificate trading as evidenced by additional revenue of approximately RMB3.60 million generated through green power trading from several projects, namely Zhenjiang Xinneng, Guangdong Yangjiang, Guangdong Yangchun and Xuzhou Dalishen, as well as additional revenue of approximately RMB1.05 million from trading of 710,000 green electricity certificates.

The Group continued to promote the standardized operation of power plants and enhance the level of smart operation and maintenance. During the year, 3 systems, including the "6S Management Standards for Standardized Power Plants", were issued to enhance operation efficiency of power plants through consolidating and improving operating process as well as eliminating potential accidents. The Group utilized modern technological means, such as real-time monitoring and control, infrared alarms and drone inspections to optimize inspection and troubleshooting at power plants. The input rate of power generation equipment at power plants was 99.68%, which was 0.68 percentage point higher than the industry standard. The Group's self-developed smart operation and maintenance system was put into operation, which not only meets the management requirements of multiple scenarios, such as photovoltaic, wind power, energy storage, carbon management, but also significantly reduces the cost of the input of data collection equipment.

For the year ended 31 December 2024, this segment recorded a revenue growth of approximately 48.8% as compared to the same period of last year, contributing RMB756,231,000 (2023: RMB508,084,000 (restated)) to the revenue of the Group, and an increase in segment profit (before deducting tax and finance cost) of approximately 28% to RMB349,908,000 (2023: RMB273,366,000 (restated)). The increase in segment revenue was due to significant increase in power generation as a result of, among others, increase of scale of 973MW of newly-installed grid connection, leading to a rise in revenue from power generation business in 2024 as compared with that for the corresponding period last year.

Energy Storage Business

For energy storage business, through actively focusing on core regions with economic benefits, we have been firmly developing energy storage market by leveraging on the technologies, resources and manpower advantages of leading integrators, as well as the internal resources of the Group and the application scenarios, such as development zones and urban-industrial integration. Upon the launch of Midea Industrial Park project and the regional projects for, among others, CIMC and Clou, located in Jiangsu and Shaanxi, the scale of development and reserves reached 50MWh.

In 2024, Chiwan Photovoltaic Energy Storage Demonstration Project was successfully connected to the grid and put into operation with the energy storage scale of 14.88MW/59.60MWh, the installed PV capacity of 189kW, the annual charging and discharging capacity of the energy storage of approximately 20 million KWh and the annual PV power generation of 190,000 KWh. The project has been connected to the Shenzhen Virtual Power Plant Aggregation Platform in August to participate in the demand side response, and it has been successfully participating in the invited demand side response and generating revenue. This project, as the first industrial and commercial energy storage project put into operation by Nanshan Group, was also the largest industrial and commercial storage project in Guangdong Province at that time. It has been a good attempt to make strategic planning for new energy development under the collaboration between the resource advantages of the Group and the industry.

Handan Midea Refrigeration 7.5MW/22.362MWh energy storage project was completed in mid-October and put into operation, it was the largest single user-side energy storage project in Hebei Province for the time being. This project has not only effectively reduced energy consumption of enterprises by peak-load shifting, saved energy costs and maximised economic benefits, but also positively responded to the strategic deployment of the state's carbon peaks and carbon neutrality, making it a model for the construction of energy-saving parks. Handan Midea Kitchen & Electric Appliances 5MW/13.416MWh energy storage project was completed and put into operation in November.

Linxiang Phase I 100MW/200MWh energy storage project was connected to the grid at full capacity, with 53.34 million kWh of charging and 46.75 million kWh of discharging in the first year. The project was included in the first batch of energy storage demonstration projects in Yunnan Province, after its commissioning, it has not only generated revenue through charging/discharging spread and capacity leasing, but also reduced the proportion of the power limitation of the Group's Yunnan regional power plants on a priority basis as per the allocation and storage policy of the Yunnan Provincial Energy Administration.

Shenzhen Youth Football Training Base "Photovoltaic Storage and Super Charging, Vehicle to Grid" integrated application scenario project was successfully connected to the grid. The base will host AFC U20 Asian Cup China 2025 and the 15th National Games of the People's Republic of China – Football Tournament in 2025. With the application of photovoltaic-storage-charging integrated technology and the operation of intelligent management and control system, it has achieved efficient interaction between photovoltaic, energy storage and charging, and it is the first photovoltaic-storage-charging integration project of football base in Shenzhen.

Financing Business

For the year ended 31 December 2024, the Group's finance leasing business recorded segment revenue from external customers of RMB22,104,000 (2023: RMB26,312,000 (restated)), representing a year-on-year decrease of 16%. The decrease in segment revenue was mainly due to intense competition among the peers and hurdles for project expansion, resulting in a decrease in revenue from external customers.

In 2024, the Group continued to carry out finance leasing, factoring and other financial businesses in the new energy field, increased the proportion of external business income, and focused on the tasks of "guaranteeing investment, reducing leverage, ensuring liquidity, and reducing costs" to ensure the effective flow of funds and the effective reduction of financial costs.

The Group has focused on the new energy industry (including photovoltaic and energy storage), new infrastructure (including 5G base stations and data centers) and healthcare (rehabilitation medical treatment, pandemic prevention equipment) and other fields to conduct market analysis. Through actively anticipating the market conditions and potential risks, the Company not only strengthened its capabilities to conduct professional and market-oriented business development, but also reserved projects and provided reference for the determination of business direction and the formulation of risk control criteria. In respect of factoring business, we focused on the development of reverse factoring and supply chain fintech for core enterprises such as state-owned central enterprises. We have reinforced our principal businesses, facilitated development of differentiation and given full play to the advantages of financial instruments to consolidate the profitability of financial businesses such as financial leasing, unceasingly demonstrate the financial-industrial integration ability with an aim of providing financial support and security services for the Group's industrial investment platform.

(a) *Finance Lease Receivables*

In 2024, the Group has 25 (2023: 23) finance lease contracts with 24 (2023: 21) lessees who engaged in new energy sector.

(b) Loan Receivables

In 2024, the Group has 1 (2023: 11) loan contract with 1 (2023: 11) customer.

(i) Industry Profile of Loan Receivables

The following table sets out the breakdown of the Group's loan receivables by industries:

	As of 31 December 2024		As of 31 December 2023		Changes
	RMB'000	*%*	*RMB'000* (Restated)	*%*	*RMB'000*
Construction Sector	**–**	**–%**	–	–%	–
New energy Sector	**–**	**–%**	100,000	88%	(100,000)
Property Management Sector	**10,558**	**100%**	13,348	12%	(2,790)
Total Loan Receivables	**10,558**	**100%**	113,348	100%	(102,790)

(ii) Geographical Region Profile of Loan Receivables

All of the loan receivables are due from the customers located in the People's Republic of China (the "**PRC**"). The following table sets out the breakdown of the Group's loan receivables by customer's geographical region in the PRC:

	As of 31 December 2024		As of 31 December 2023		Changes
	RMB'000	*%*	*RMB'000* (Restated)	*%*	*RMB'000*
Eastern	**–**	**–%**	–	–%	–
Southern	**10,558**	**100%**	100,000	88%	(89,442)
Central	**–**	**–%**	13,348	12%	(13,348)
Southwestern	**–**	**–%**	–	–%	–
Total Loan Receivables	**10,558**	**100%**	113,348	100%	(102,790)

(iii) Maturity Profile of Loan Receivables

The following table sets out the maturity analysis of the Group's loan receivables:

	As of 31 December 2024		As of 31 December 2023		Changes
	RMB'000	***%***	*RMB'000* (Restated)	*%*	*RMB'000*
Maturity					
Not more than 1 year	**3,621**	**34%**	103,700	92%	(100,079)
1 to 2 years	**3,898**	**37%**	3,700	3%	198
2 to 5 years	**3,039**	**29%**	5,948	5%	(2,909)
Total Loan Receivables	**10,558**	**100%**	113,348	100%	(102,790)

BUSINESS PROSPECTS

According to the forecast of the "Analysis and Forecast Report on the National Power Supply and Demand Situation in 2024-2025" released by the China Electricity Council, it is expected that the national newly installed power generation capacity will exceed 450 million KW in 2025, among which the newly installed new energy power generation capacity will exceed 300 million KW. As of the end of 2025, it is expected that the national installed power generation capacity will exceed 3.8 billion KW, representing a year-on-year increase of approximately 14%. Among them, the share of coal-fired power in the total installed capacity will be reduced to one-third by the end of 2025, while the non-fossil energy power generation capacity will be 2.3 billion KW, representing an increase to approximately 60% of the total installed capacity. Among them, 450 million KW of hydropower, 640 million KW of grid-connected wind power, 1.1 billion KW of grid-connected solar power, 65 million KW of nuclear power, and approximately 48 million KW of biomass power will be generated.

The Group will adhere to the principle of seeking progress while maintaining stability, focusing on stability, deepening reform and innovation, and focusing on its main duties and responsibilities. The Group will grasp various operational risks accurately, while coordinating the promotion of the "One Body and Two Wings" project and also strengthening and optimizing the main responsibility of investment, construction and operation of new energy power stations, in order to accelerate the cultivation of new-quality productivity for development.

Wind Power and Photovoltaic Power

From Northwestern China to Southeastern China, power curtailment is restricting the consumption of new energy, and the power curtailment rate will continue to rise nationwide in 2025. As a result, the growth rate of the newly installed wind and photovoltaic power generation capacity will slow down and enter a phase of steady growth. According to the 2025 National Energy Work Conference, the newly installed wind and photovoltaic power generation capacity is expected to reach around 200GW in 2025, with new energy bases, Gobi power stations, offshore wind power, the "Thousands of Households Photovoltaic Coverage Action" and the "Thousands of Villages Wind Power Coverage Action" driving the growth in installation capacity.

Energy Storage

With the removal of the "mandatory energy storage" policy, the growth rate of grid-connected energy storage will slow down in 2025. Recently, the "China Energy Storage Industry Review in 2024 and Outlook in 2025" research report was released in Beijing. In the standard scenario, the domestic energy storage newly installed grid-connected capacity will reach 69.6GW/177.2GWh (i.e., the maximum charging and discharging power of 69.6GW and storage capacity of 177.2GWh) in 2025. The growth rate in terms of power capacity is 59%, which is obviously slower than the double growth rate in previous years, but the newly installed capacity will continue to expand.

FINANCIAL REVIEW

The Group's revenue decreased by approximately 16.9% from RMB1,559,437,000 (restated) for the year ended 31 December 2023 to RMB1,295,563,000 for the year ended 31 December 2024. The decrease was mainly due to the decrease of revenue generated from EPC and consultancy and general construction segment during the year ended 31 December 2024. Profit attributable to owners of the Company amounted to RMB114,136,000 for the year ended 31 December 2024, which represented a year-on-year increase of approximately 15.6% when compared with that for the year ended 31 December 2023. Basic earnings per share for the year ended 31 December 2024 was RMB6.16 cents when compared with RMB5.33 cents (restated) recorded for the year ended 31 December 2023.

Revenue

During the year ended 31 December 2024, the Group achieved revenue of RMB1,295,563,000 (2023: RMB1,559,437,000 (restated)), representing a decrease of approximately 16.9% as compared to that of the year ended 31 December 2023. Composition of revenue for the years ended 31 December 2024 and 2023 is shown in the following table:

Year ended 31 December

	2024		2023	
	RMB'000	**Percentage of the Group's total revenue**	*RMB'000* (Restated)	Percentage of the Group's total revenue
EPC and consultancy and general construction	**517,228**	**39.9%**	1,025,041	65.7%
Power generation	**756,231**	**58.4%**	508,084	32.6%
Financing	**22,104**	**1.7%**	26,312	1.7%
Total	**1,295,563**	**100%**	1,559,437	100%

For the year ended 31 December 2024, EPC and consultancy and general construction segment remained the major source of revenue for the Group which contributed RMB517,228,000 (2023: RMB1,025,041,000 (restated)), representing a decrease of approximately 49.5% as compared to that for the year ended 31 December 2023. The decrease in revenue was mainly due to the fact that the focus of photovoltaic power station EPC business was on the development and construction of internal power stations.

Benefiting from the increasing proportion of revenue from self-owned power plants, the power generation of the year was 1,794 million KWh. Revenue derived from power generation segment achieved a growth of approximately 48.8% to RMB756,231,000 (2023: RMB508,084,000 (restated)).

Revenue from the financing segment decreased by approximately 16.0% to RMB22,104,000 (2023: RMB26,312,000 (restated)), mainly contributed by the decrease in loan interest income and handling fee of the Group as compared with last year.

Profit

Profit for the year ended 31 December 2024 amounted to RMB119,901,000 (2023: RMB106,157,000 (restated)), representing an increase of approximately 12.9% compared with 2023. The increase in profit was mainly attributable to the shift of the Group's business development from undertaking external EPC projects to holding and operation of power stations. The gross profit margin of power stations were relatively higher and the scale of power stations put into operation during the year increased, resulting in an increase in profit correspondingly.

The net profit margin of the Group increased to 9.3% (2023: 6.8%). Net profit margin of the Group varied in different segments depending on its business nature. Profit attributable to owners of the Company for the year ended 31 December 2024 increased by approximately 15.6% to RMB114,136,000 (2023: RMB98,734,000 (restated)) and basic and diluted earnings per share was RMB6.16 cents (2023: RMB5.33 cents (restated)).

Other income and gains

Other income and gains for the year ended 31 December 2024 amounted to RMB13,522,000 (2023: RMB32,376,000 (restated)) which were mainly derived from interest income (2023: interest income).

Staff Costs

The staff costs decreased by approximately 14.8% to RMB63,206,000 (2023: RMB74,161,000 (restated)).

Depreciation

The deprecation of the Group increased by approximately 65.6% to RMB345,659,000 for the year ended 31 December 2024 (2023: RMB208,791,000 (restated)), which was due to the operation of new power stations and the depreciation during the period.

Other Operating Expenses

Other operating expenses mainly included exchange differences, bank charges, professional fees, administrative expenses, research and developments expenses, travelling expenses etc, which amounted to RMB28,865,000 (2023: RMB37,745,000 (restated)) for the year ended 31 December 2024, representing a decrease of approximately 23.5% compared with last year. The decrease was mainly due to the decrease in legal expenses and bank charges.

Finance Costs

Finance costs primarily represented interest expenses on bank and other borrowings. Finance costs for the year ended 31 December 2024 increased by approximately 16.3% to RMB215,523,000 (2023: RMB185,350,000 (restated)) compared with last year. Taking into account the capital intensive nature of the energy industry, the Group expanded its investment in owned wind power stations and power stations and facilities for power generation income. As a result, the bank loans and other loans received by the Group increased for the expansion of power generation businesses.

Income Tax Expense

For the year ended 31 December 2024, income tax expense of the Group increased by approximately 27.9% to RMB44,157,000 (2023: RMB34,527,000 (restated)) which was mainly due to the increase in the overall profit before tax.

Financial Position

As at 31 December 2024, total assets of the Group were RMB10,323,470,000 (2023: RMB10,364,716,000 (restated)), representing a decrease of approximately 0.4% as compared to that for the year ended 31 December 2023. Current assets decreased by approximately 21.3% to RMB3,420,050,000 (2023: RMB4,347,745,000 (restated)) and non-current assets increased by approximately 14.7% to RMB6,903,420,000 (2023: RMB6,016,971,000 (restated)).

Total liabilities as at 31 December 2024 were RMB8,612,255,000 (2023: RMB8,757,176,000 (restated)), representing a decrease of approximately 1.7% as compared to that as at 31 December 2023. In particular, current liabilities as at 31 December 2024 were RMB3,345,013,000 (2023: RMB3,599,398,000 (restated)), representing a decrease of approximately 7.1% as compared to that as at 31 December 2023, which was principally due to the decrease in trade and bills payables. Non-current liabilities as at 31 December 2024 were RMB5,267,242,000 (2023: RMB5,157,778,000 (restated)), representing an increase of approximately 2.1% as compared to that as at 31 December 2023 as a result of the increase in long-term borrowings and lease liabilities.

Total equity attributable to owners of the Company as at 31 December 2024 was RMB1,673,197,000 (31 December 2023: RMB1,575,287,000 (restated)), representing an increase of approximately 6.2% as compared with that as at 31 December 2023.

Liquidity, Financial Resources and Gearing

As at 31 December 2024, net current assets of the Group amounted to RMB75,037,000 (2023: net current assets of RMB748,347,000 (restated)). Besides, the Group maintained cash and cash equivalents of RMB831,871,000 as at 31 December 2024 (2023: RMB1,612,431,000 (restated)), of which approximately 0.79% was in Hong Kong dollars, 95.44% was in Renminbi and 3.77% was in United States dollars (2023: approximately 1.4% was in Hong Kong dollars, 98.2% was in Renminbi and 0.4% was in Euros).

As at 31 December 2024, the Group had outstanding bank and other borrowings of RMB7,027,693,000 (2023: RMB6,752,145,000 (restated)), which was totally in RMB (2023: approximately 6.4% was in Hong Kong dollars and 93.6% was in Renminbi). All of the Group's borrowings as at 31 December 2024 were arranged on floating rate basis with effective interest rates ranged from 1.5% to 7.0% per annum (2023: ranged from 2.9% to 7.0% per annum). Except for certain bank and other borrowings which were committed loan facilities with specific maturity dates, the Group's borrowings contained repayment on demand clause at any time at the discretion of the banks. Under the Hong Kong Accounting Standards, the Group separated and classified the bank and other borrowings as current and non-current liabilities in the consolidated statement of financial position as at 31 December 2024 in accordance with terms of settlement. Of the total bank and other borrowings as at 31 December 2024, RMB2,098,277,000 (2023: RMB1,873,002,000 (restated)) was loans repayable within one year and the balance of RMB4,929,416,000 (2023: RMB4,879,143,000 (restated)) was repayable after one year.

As at 31 December 2024, the Group's gearing ratio was 4.31 (2023: 4.39), which was calculated on the basis of total debt over total equity of the Company. Total debt comprises loans included in bank and other borrowings and lease liabilities.

The Group's debt-to-asset ratio was 0.83 (31 December 2023: 0.84), which decreased by 1% compared with last year.

Pledge of Assets

As at 31 December 2024, pledged deposits amounting to RMB100,894,000 (2023: RMB309,722,000 (restated)) of the Group have been pledged to secure general banking facilities. As at 31 December 2024, the Group had finance lease receivables amounting to RMB68,705,000 (2023: RMB147,924,000 (restated)), trade and bills receivables approximately amounting to RMB517,788,000 (2023: RMB416,467,000 (restated)) and power plants amounting to RMB2,068,755,000 (2023: RMB2,205,824,000 (restated)) respectively, which have been pledged to secure the bank and other borrowings of the Group.

Save as disclosed above, the Group had no other pledge of its assets as at 31 December 2024 (2023: Nil).

Capital Expenditure and Commitments

During the year ended 31 December 2024, the Group had capital expenditure of RMB1,589,657,000 (2023: RMB1,949,573,000 (restated)), which was used for the purchase of property, plant and equipment.

As at 31 December 2024, the Group has capital commitments of RMB964,591,000 (2023: RMB263,956,000 (restated)) for power plants construction.

Contingent liabilities

As at 31 December 2024, the Group did not have any contingent liabilities (2023: Nil).

CORPORATE GOVERNANCE

The Board of the Company has committed to achieve high corporate governance standards to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has applied the principles as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

To the best knowledge and belief of the Directors, the Company has complied with all applicable code provisions of the CG Code throughout the year ended 31 December 2024, except the following deviation:

The code provision C.5.7 set out in the CG Code stipulates that, if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting.

During the year and up to the date of this announcement, the Board approved certain connected transactions and continuing connected transactions by circulation of written resolutions in lieu of physical board meetings, for which certain Directors who also held senior positions in the substantial shareholders of the Company, were regarded as having material interests therein. As the Directors of the Company are living and working far apart, adoption of written resolutions in lieu of physical board meetings allows the Board to make a decision relatively quicker in response to the rapid change in the markets. Before formal execution of the written resolutions, the Directors (including the independent non-executive Directors) had discussed the matters via emails and made amendments to the transactions as appropriate.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding Directors' dealings in the Company's securities (the "**Code of Conduct**") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made for all the Directors and the Directors have confirmed that they have complied with the Code of Conduct and the Model Code throughout the year ended 31 December 2024.

The Company has also established written guidelines no less exacting than the Model Code (the "**Employees Written Guidelines**") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

AUDIT COMMITTEE

The Company has an audit committee (the "**Audit Committee**") which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and risk management and internal controls.

The consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2024 have been reviewed by the Audit Committee and approved by the Board.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary results announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary results announcement.

EVENT AFTER REPORTING PERIOD

Mr. Chan Yiu Wing has resigned as the company secretary of the Company with effect from 23 January 2025. Ms. Ye Han has been appointed as the company secretary of the Company with effect from 23 January 2025.

Save as disclosed above in this announcement, no important events affecting the Company occurred since the end of the reporting period and up to the date of this announcement.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2024.

ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") of the Company will be convened on Thursday, 29 May 2025 at 11:00 a.m. Notice of AGM will be published and issued to shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Thursday, 29 May 2025, the register of members of the Company will be closed from Friday, 23 May 2025 to Thursday, 29 May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company should ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Thursday, 22 May 2025.

By Order of the Board
China Nuclear Energy Technology Corporation Limited
Shu Qian
Chairman

Hong Kong, 25 March 2025

As at the date of this announcement, the executive directors of the Company are Mr. Shu Qian (Chairman), Mr. Wu Rong (Vice Chairman), Mr. Li Hongwei (Vice Chairman), Mr. Liu Genyu, Ms. Huang Yan, Ms. Du Ruili; and the independent non-executive directors of the Company are Dr. Xu Shiqing, Dr. Su Lixin and Mr. Wang Ruzhang.