

2024

An Experienced Wind and Solar Power Developer and Supplier

CONCORD NEW ENERGY GROUP LIMITED

STOCK CODE HK.0182

INTERIM RESULTS PRESENTATION

August 23rd 2024

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1H2024 Interim Results Summary

Unit: Million RMB

		As of 30 th June 2024	As of 31 st Dec 2023	Changes
Key Financial Data	Total Assets	32,362.63	31,236.37	+3.6%
	Net Assets	8,775.22	8,435.41	+4.0%
	Cash and Cash Equivalents	2,798.71	3,902.92	-28.3%
		As of 30 th June 2024	As of 31 st Dec 2023	Changes
	Revenue ¹	1,753.26	1,331.20	+31.7%
	Profit Attributable to Owners of the Company	501.37	496.30	+1.0%
	Fully Diluted EPS	6.23 RMB cents	5.81 RMB cents	+7.2%
Segment Revenue	Power Generation²	1,364.32	1,195.60	+14.1%
	Others	388.94	135.61	+186.8%
	Non-continuing Operation ³	-	158.94	-
Segment Results ⁴	Power Generation	812.08	818.70	-0.8%
	Others	-5.51	-10.09	-
	Non-continuing Operation	-	22.20	-

1. Revenue from continuing operations

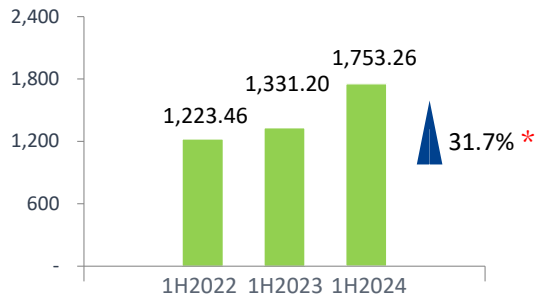
2. Power generation revenue from consolidated power plants

3. O&M segment recognized as discontinued operation in FY2023

4 The Segment Results are the earnings before interest and tax and disposal gain. The Power Generation includes the power generation, URP release, deferred tax contribution and shared profits of joint ventures

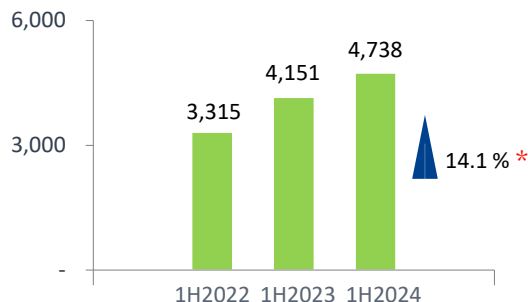
Key Operational/Financial Indicators

Revenue (Million RMB)



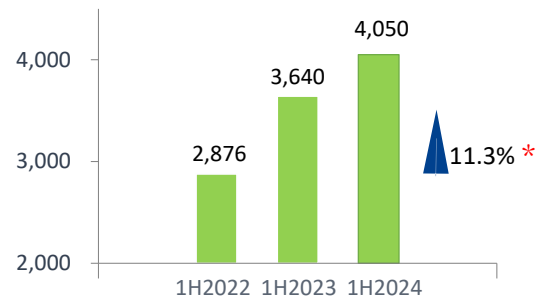
* Rate of Change from 1H2023 to 1H2024

Attributable Installed Generation (GWh)



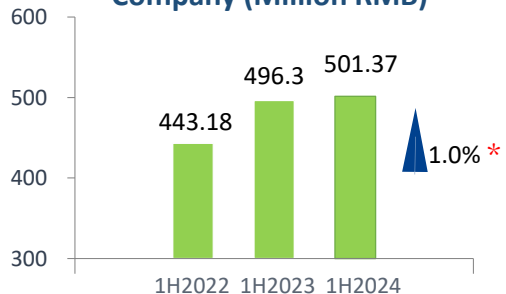
* Rate of Change from 1H2023 to 1H2024

Attributable Installed Capacity (MW)



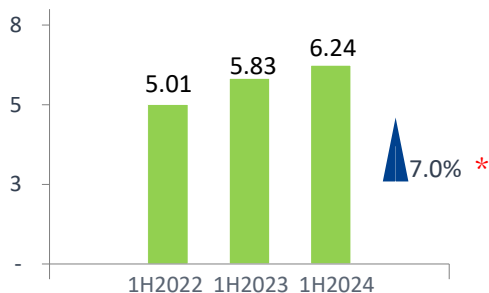
* Rate of Change from 1H2023 to 1H2024

Profit Attributable to Owners of the Company (Million RMB)



* Rate of Change from 1H2023 to 1H2024

Basic EPS (RMB cents)



* Rate of Change from 1H2023 to 1H2024

Total Liabilities to Assets * (%)



* Total Liabilities to Assets = Total Liabilities / Total Assets

* Rate of Change from 2023 to 1H2024

Power Plants Operating Indicators Overview

Operating Indicators	As of 30 th June 2024	As of 30 th June 2023	Changes
<u>Curtailment Rate</u>	10.7%	4.2%	+6.5 pp
Wind (Attributable Installed)	9.7%	4.0%	+5.7 pp
Incl.: Wind (Subsidiary-owned)	8.3%	3.8%	+4.5 pp
Solar (Attributable Installed)	19.5%	6.3%	+13.2 pp
Incl.: Solar PV (Subsidiary-owned)	20.8%	6.6%	+14.1 pp
<u>Weighted Average Utilization Hours</u>			
Wind (Attributable Installed)	1,220 hours	1,353 hours	-9.8%
Incl.: Wind (Subsidiary-owned)	1,343 hours	1,493 hours	-10.0%
Solar (Attributable Installed)	659 hours	731 hours	-9.8%
Incl.: Solar PV (Subsidiary-owned)	650 hours	748 hours	-13.2%
<u>Average Tariff</u>			
Wind (Attributable Installed)	0.3838 RMB/kWh	0.4054 RMB/kWh	-0.0216 RMB/kWh
Incl.: Wind (Subsidiary-owned)	0.3703 RMB/kWh	0.3800 RMB/kWh	-0.0097 RMB/kWh
Solar (Attributable Installed)	0.4714 RMB/kWh	0.5362 RMB/kWh	-0.0648 RMB/kWh
Incl.: Solar PV (Subsidiary-owned)	0.4662 RMB/kWh	0.5302 RMB/kWh	-0.0640 RMB/kWh

Notes: According to data from the National Energy Administration of China, the average utilization hours of wind power in China in 1H2024 were 1,134 hours; the average utilization hours of photovoltaics in China were 626 hours.

Power Generation Results

	Attributable Installed Capacity (MW)			Attributable Power Generation (GW·h)			Power Generation Revenue (‘000 RMB)			Power Generation Attributable Net Profit (‘000 RMB)		
	1H2024	1H2023	Changes	1H2024	1H2023	Changes	1H2024	1H2023	Changes	1H2024	1H2023	Changes
Attributable Total	4,050	3,640	11.3%	4,738	4,151	14.1%	1,364,318	1,195,597	14.1%	585,535	633,353	-7.5%
Subsidiary-owned Total	3,277	2,965	10.5%	4,155	3,391	22.5%	1,364,318	1,195,597	14.1%	490,557	489,433	0.2%
Subsidiary-owned Wind	2,701	2,521	7.1%	3,689	2,989	23.4%	1,176,495	1,011,545	16.3%	461,244	437,959	5.3%
Subsidiary-owned Solar PV	576	444	29.7%	466	402	15.9%	187,823	184,052	2.0%	29,313	51,474	-43.1%
JV&Asso. Attribution	773	675	14.5%	583	760	-23.3%	-	-	-	94,978	143,920	-34.0%

Note: Equity net profit refers to the sum of the net profits calculated based on equity for corresponding power plant projects. Income from joint ventures is not consolidated in the financial statements.

1H Domestic Industry Changes

- ✓ With the continuous advancements in technology and the increase in turbine generator sizes, the average price of onshore wind model is below 1,300 RMB/kW, providing more competitive supply chain assurance for power plant investors. And the increased capacity of the solar PV supply chain, global module prices are at low level, and the prices of Chinese modules declined from 1,000 RMB/kW to below 800 RMB/kW, benefiting solar power plant investors by reducing their capex and increase investment returns.
- ✓ The financing cost of China's renewable power plant investments continues to decline. This year, the People's Bank of China (PBOC) made two reductions to the 5-years and longer terms Loan Prime Rate (LPR) for loans, cumulatively lowering it by 35 basis points, helping to steadily achieve economic growth and benefit renewable power plant investors by decreasing financing costs.
- ✓ In June 2024, the National Energy Administration issued the "Notice on Doing a Good Job in New Energy Consumption and Ensuring the High-quality Development of New Energy", which pointed out that "some areas with abundant resources can appropriately relax the renewable energy utilization rate target, which should not be lower than 90% in principle, and carry out annual dynamic evaluation based on the consumption situation."
- ✓ The Chinese government has successively introduced new policies in the areas of renewable energy assurance regulations and power market construction. The power reform process has shown obvious driving force. Provinces such as Heilongjiang and Tibet have clearly lowered the guaranteed purchase hours, and provinces such as Hunan, Hubei, Yunnan, and Guangxi have introduced trading rules, requiring about 40% of the electricity to be settled at market trading prices.
- ✓ The scale of new energy installations has maintained a relatively high growth in 2023, but the growth in regional consumption and inter-provincial transmission demand has been insufficient, and the situation of power curtailment has been worsening, with the curtailment rate in the Northeast and Northwest regions increasing significantly.

- 1H2024 newly secured 720MW construction approvals
- Projects under construction reached 2,513MW

➤ Newly added construction approvals

No.	Provins	Type	MW
1	Qinghai	Solar PV	500
2	Jiangsu	Solar PV	120
3	Yunnan	Solar PV	100
TOTAL			720

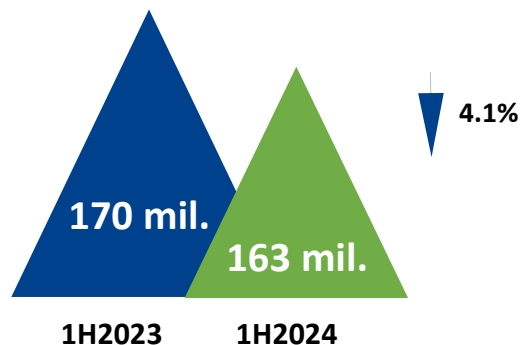
➤ Projects under construction

No.	Provins	Wind MW	No.	Provins	Solar PV MW
1	Heilongjiang	1,200	1	Hebei	200
2	Hunan	400	2	Jiangsu	100
3	Yunnan	325	3	Other Area	3
4	Guizhou	100			
5	Guangxi	100			
6	Anhui	51			
7	Other Area	35			
Wind Subtotal		2,211	Solar PV Subtotal		303
TOTAL 2,513					

Lower Cost with Higher Efficiency

- Facing the intensive competition environment, we diligently strengthen internal capabilities and enhance our own management level
- 1H2024, , strictly control administration expense, proactively adjust business strategies

➤ Admin. Expense



➤ Proactively Adjust Business Strategies

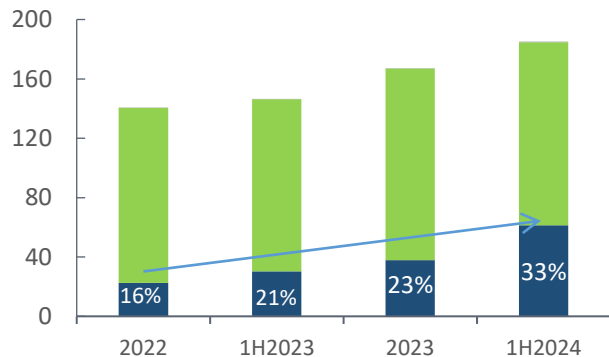
- 1 Streamline project reserves and abandon projects with low benefits
- 2 Terminated project development in certain provinces
- 3 Optimized non-power generation business

Fully Leverage the Benefits from Financing Policies

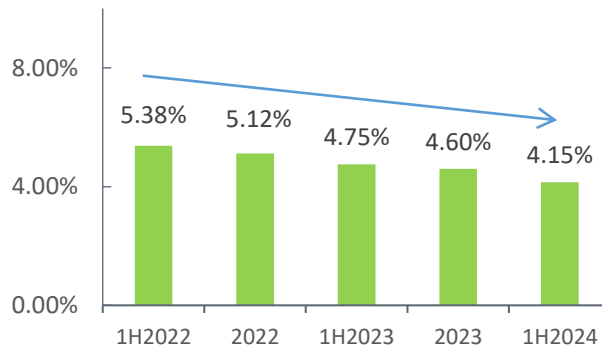
- 1H2024 newly financing withdrawal at average cost of 3.46%, newly signed financing contract at lowest of 2.7%
- As to the financing structure, bank loans accounted for 33%, increased 10 percentage point from the year beginning
- Group average financing cost was 4.15%, dropped 45bps comparing to FY2023

Bank loans to total Financing %

Unit: RMB 100 millions

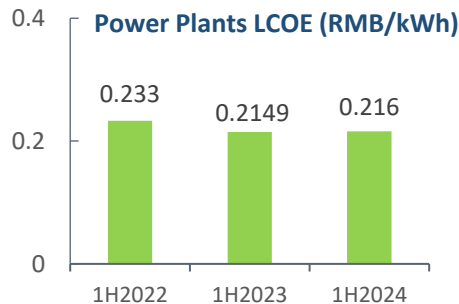


Group Average Financing Cost



Practice Lowest LCOE

- Position the pursuit of the lowest LCOE as the company's core competitiveness



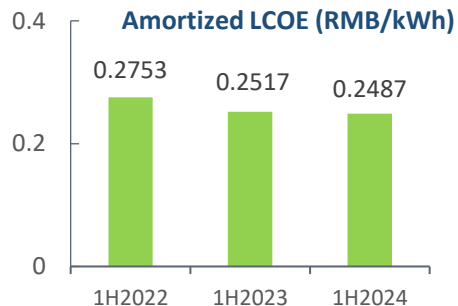
Investment and Development: Select projects with strong risk resistance and good benefits

Engineering Construction: Apply new technologies and new process to build efficient power plants

Production Operation: Refine operation and maintenance, carry out targeted technical improvements, enhance the reliability of wind power plants and units, and increase the power generation of units

Capital Operation: Adhere to asset optimization and replace inefficient assets

Financial Management: Fully leverage the favorable financing policies for green energy, balancing optimal financing leverage and financing costs



Develop Green Power and Green Certificate Marketing Team

Skilled Marketing Team

- Develop a skilled team to prepare for comprehensive market-based trading
- Regional centralized control centers and key power plants has set up on-site green electricity trading posts, with dedicated trading personnel monitoring, operating, and coordinating dispatch
- Establish a power marketing HQ team to study/train new trading policies and rules, and organize regular and ad-hoc trading skills exchanges

Green Power

- 1H2024, accomplished 399 million kWh green power trading, increase tariff over 13.3 million RMB

Green Certificates

- Continuously expand sales channels, break through traditional sales models, and innovatively sign 10-year and longer long-term green certificate sales contracts with favorable prices and high quality
- 1H2024, the issuance of green certificates increased by 98.2% year-on-year, with the amount of newly signed green certificate sales contracts totaling approximately 27.38 million RMB

Industry-leading ESG Performance

- Featured in the S&P Global "Sustainability Yearbook(China) 2024 " and received two special recognitions: **"Top 10% S&P Global ESG Score(China)–Electric Utilities"** and **"Industry Mover"**.
- Only **AA** MSCI ESG rating maintained in the Utilities industry in Mainland China and Hong Kong.

• S&P Recognitions



• Emission Reduction Indicators

CO₂ Reduction

3,400 Kilotons

Cumulated Reduction

58,860 Kilotons

SO₂ Reduction

1,144 Tons

Cumulated Reduction

30,793 Tons

Saving of Standard Coal

1,874 Kilotons

Cumulated Saving

22,647 Kilotons

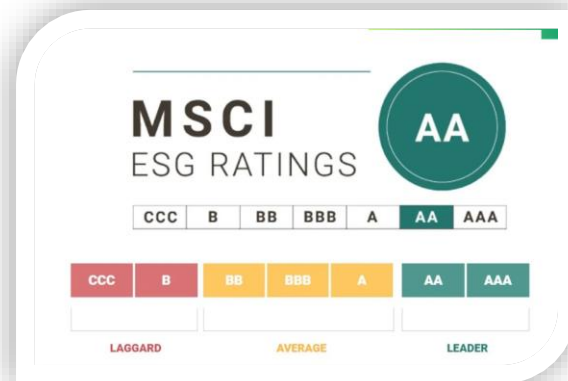
Saving of Water

7,402 Kilotons

Cumulated Saving

120,017 Kilotons

• MSCI ESG Ratings



2H Development Strategy and Business Outlook

- New policies frequently issued in electricity industry, power sector reformation accelerated, both favorable and unfavorable factors coexist
 - Actively respond to changes and challenges, keep pace with the times, focus on strengths, and unwavering march forward in established strategy direction
-
- Ensure Safe and Efficient Production, Improve Power Trade for Higher Profits
 - Enforcing Rigorous Criteria of Investment and Construction, Strengthening Project Resilience to Risks
 - Meticulously Prepare for Pre-Construction, Deeply Optimize Design and Construction
 - Actively Promote Internationalization
 - Strengthen Market Research, Dedicate Efforts to Optimize Asset
 - Enhance Awareness of Operational Excellence, Implement Various Measures to Reduce Costs and Improve Efficiency

Appendix

Company Overview

Concord New Energy Group Limited (0182.HK)

- Total Assets: 32.36 bn
- Net Assets: 8.78 bn
- Net Profit to Shareholders: 0.50 bn

(As of 30th June 2024, Unit: RMB)



Power Generation

- Renewable energy plant investing
- Renewable Energy plant operating

Other Business

- Consultation, EPC
- Energy Storage Equipment Integration
- Intelligent O&M

Summary of Financial Statements

Profit or Loss (RMB'000)	1H2024	1H2023 (Re-stated)
Continuing Operations		
Revenue	1,753,257	1,331,203
Cost of sales and service rendered	(901,164)	(510,594)
Gross profit	852,093	820,609
Other income	76,577	40,277
Other gains and losses, net	(724)	24,574
Impairment losses under expected credit loss model, net of reversal	-	(564)
Distribution and selling expenses	(6,051)	(2,269)
Administrative expenses	(162,642)	(169,793)
Finance cost	(340,563)	(312,845)
Share of profit of joint ventures, net	94,466	131,007
Share of profit of associates, net	8,205	13,045
Profit before income tax	521,361	544,041
Income tax expense	26,097	(44,182)
Profit from continuing operations	547,458	499,859
Profit from discontinued operation, net of tax	-	19,735
Profit for the period	547,458	519,594
Profit Attributable to:		
Owners of the Company	501,370	496,304
Non-controlling Interests	46,088	23,290

Assets (RMB'000)	1H2024	2023
Current Assets	6,828,185	6,986,439
Non-current Assets	25,534,448	24,249,929
Total Assets	32,362,633	31,236,368
Current Liabilities	(6,567,320)	(6,878,585)
Non-current liabilities	(17,020,092)	(15,922,369)
Total liabilities	(23,587,412)	(22,800,954)
Net Current Assets	260,865	107,854
Net Assets	8,775,221	8,435,414
Share capital	69,509	72,598
Reserves	8,445,016	8,210,438
Cash Flows (RMB'000)	1H2024	1H2023
Net cashflow from operating	849,097	670,187
Net cashflow used in investing	(2,136,256)	(2,474,979)
Net cashflow from financing	1,184,739	1,015,169
Net increase/(decrease) in cash and cash equivalents	(102,420)	(789,623)
Cash and cash equivalents	2,798,706	3,429,170
Total Liabilities (RMB'000)	1H2024	2023
Incl.: Liabilities with interests	18,469,679	16,692,318
Weighted Average Cost	4.15%	4.60%
Medium and Long Term	17,284,715	15,050,383

➤ Subsidiary-owned projects: **2,701MW** attributable installed capacity

Year	Project	Regions	Province	Capacity (MW)	CNE's Stake	Attributable Capacity(MW)
2015	Feixi	E	Anhui	34	100%	34
2016	Jiepai	CS	Hunan	48	100%	48
2016	Jiagou	E	Anhui	48	100%	48
2017	Wuhe	E	Anhui	48	100%	48
2017	Qiaotoupu	CS	Hunan	48	100%	48
2017	Hongtang	CS	Hunan	48	100%	48
2017	Jingmen	CS	Hubei	48	100%	48
2018	Yushan	CS	Hubei	48	100%	48
2018	Lixi	CS	Hubei	48	100%	48
2018	Jindashan	E	Anhui	50	100%	50
2019	Baimangying	CS	Hunan	48	100%	48
2019	Wulanhua D	NE	Jilin	49.5	100%	49.5
2019	Wulanhua E	NE	Jilin	49.5	100%	49.5
2019	Wulanhua F	NE	Jilin	49.5	100%	49.5
2020	Mengzhuling	CS	Hunan	50	100%	50
2020	Yingshanmiao	CS	Henan	50	100%	50
2020	Yilan	NE	Heilongjiang	200	100%	200
2021	Fangzheng	NE	Heilongjiang	50	100%	50
2021	Guazhou	NW	Gansu	100	100%	100
2021	Shiziling Phase I	CS	Guangxi	48	100%	48
2021	Dongda	CS	Hunan	48	100%	48
2021	Fuxin Hailiban	NE	Liaoning	50	100%	50
2021	Xinfa D	NE	Jilin	49.5	100%	49.5
2021	Wuying	CS	Hubei	20	100%	20
2022	Shiziling Phase II	CS	Guangxi	42	100%	42
2022	Shiziling Phase III	CS	Guangxi	48	100%	48
2022	Chaoyang	NE	Liaoning	49.5	100%	49.5
2022	Kaiyuan	SW	Yunan	350	100%	350
2022	Danfeng	SW	Yunan	300	100%	300
2022	Guazhou Phase II	NW	Gansu	100	100%	100
2022	Huilong	CS	Hunan	21	100%	21
2022	Jinbi	CS	Hunan	30	100%	30
2022	Xiangbei I	CS	Hubei	100	51%	51
2023	Tonghe	NE	Heilongjiang	300	60%	180
2023	Xiangbei Fengchu II	CS	Hubei	100	100%	100
2023	Donglan	CS	Guangxi	100	100%	100

➤ JV&Asso. projects: **766MW** attributable installed capacity

Year	Project	Regions	Province	Capacity (MW)	CNE's Stake	Attributable Capacity(MW)
2006	Chantu Phase I	NE	Liaoning	50.25	25%	12.56
2008	Erliahaote Phase I	N	Inner Mongolia	21	49%	10.29
2009	Linchang Phase I	NE	Jilin	49.5	49%	24.26
2009	Zhaqi Phase I	N	Inner Mongolia	49.5	49%	24.26
2009	Heiyupao Phase I	NE	Jilin	49.5	49%	24.26
2010	Huadeng Phase I	N	Inner Mongolia	49.5	32.16%	15.92
2010	Huadeng Phase II	N	Inner Mongolia	49.5	32.16%	15.92
2010	Zhalute Phase II	N	Inner Mongolia	49.5	32.16%	15.92
2010	Zhalute Phase III	N	Inner Mongolia	49.5	32.16%	15.92
2010	Guazhou	NW	Gansu	201	51.45%	103.41
2011	Kailu	N	Inner Mongolia	49.5	32.16%	15.92
2011	Maniuhu	NE	Liaoning	49.5	30%	14.85
2011	Gulibengao	NE	Liaoning	49.5	30%	14.85
2013	Chaoyang Wanjia	NE	Liaoning	49.5	30%	14.85
2013	Guanshan	E	Anhui	48	49%	23.52
2013	Suzhou Fuli	E	Anhui	48	49%	23.52
2013	Jianghua	CS	Hunan	48	59.3%	28.46
2014	Zilingpu	CS	Hubei	48	59.3%	28.46
2014	Huolonggang	CS	Henan	49.5	59.3%	29.35
2014	Yantai Gaotuan	E	Shandong	48	49%	23.52
2016	Lingshan	E	Anhui	48	49%	23.52
2018	Shenzhagtang	CS	Hunan	48	25%	12
2018	Jingtang	CS	Hunan	48	25%	12
2019	Kailu Phase II	N	Inner Mongolia	50	32%	16.08
2019	Yushan Phase II	CS	Hubei	89	49%	43.61
2019	Zhaqi Phase IV	N	Inner Mongolia	50	32.16%	16.08
2020	Kailu Phase II	N	Inner Mongolia	200	32.16%	64.32
2023	Binxian	NE	Heilongjiang	200	49%	98

➤ 583 MW Attributable Installed Capacity

Year	Projects	Regions	Province /Country	Capacity (MW)	CNE's Stake	Attributable Capacity (MW)
Subsidiary-owned Projects: 576.22MW attributable installed capacity						
2012	Hawaii (Hoku)	—	USA	0.9	80%	0.72
2013	Wisconsin (Jefferson)	—	USA	1	100%	1
2014	Naidong	WS	Tibet	20	100%	20
2015	Indiana	—	USA	10	100%	10.2
2015	Eryuan	WS	Yunnan	30	100%	30
2015	Yanyuan	WS	Sichuan	30	100%	30
2015	Rhode Island (Johnston)	—	USA	1.5	100%	1.5
2015	Rhode Island (North kingstown)	—	USA	0.5	100%	0.5
2016	Ohio (Minster)	—	USA	4.3	100%	4.3
2017	Cuomei	WS	Tibet	20	100%	20
2017	Jiangzi	WS	Tibet	15	100%	15
2018	Haerbin	NE	Heilongjiang	1	100%	1
2021	Xiangbei Agri-PV	CS	Hubei	100	100%	100
2021	Xishui	CS	Hubei	40	100%	40
2021	Dachaidan	NW	Qinghai	100	100%	100
2022	Nandagang	N	Hebei	70	100%	70
2023	Dachaidan II	NW	Qinghai	100	100%	100
2023	Eastern distributed PV	-	-	2	100%	2
2023	Cuomei II	WS	Tibet	30	100%	30
JV&Asso.: 6.43MW attributable installed capacity						
2015	Zhaer	N	Inner Mongolia	20	32.16%	6.43



乘风致远 能·创未来

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