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## **Concord New Energy Group Limited**

**協合新能源集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 182)**

### **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022**

The board of directors (the “Board”) of Concord New Energy Group Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2022, together with the comparative figures for the year ended 31 December 2021. The consolidated results have been reviewed by the Company’s audit committee.

*\*for identification purpose only*

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

*(Expressed in Renminbi (“RMB”))*

|   | <i>Note</i> | <b>2022</b><br><b>RMB'000</b> | 2021<br>RMB'000<br>(Restated) |
|---|-------------|-------------------------------|-------------------------------|
| Revenue   | 2,3         | <b>2,679,368</b>              | 2,195,540                     |
| Cost of sales and services rendered                                 |             | <b>(1,084,395)</b>            | (875,878)                     |
| Gross profit  |             | <b>1,594,973</b>              | 1,319,662                     |
| Other income  |             | <b>60,132</b>                 | 82,735                        |
| Other gains and losses, net   | 4           | <b>317,810</b>                | 153,563                       |
| Impairment losses under expected credit loss model, net of reversal | 5           | <b>1,181</b>                  | 27,550                        |
| Distribution and selling expenses                                   |             | <b>(18,814)</b>               | (12,708)                      |
| Administrative expenses   |             | <b>(426,476)</b>              | (337,598)                     |
| Finance costs   | 6           | <b>(546,316)</b>              | (446,120)                     |
| Share of profit of joint ventures, net                              |             | <b>151,115</b>                | 134,246                       |
| Share of profit of associates, net                                  |             | <b>20,004</b>                 | 18,265                        |
| <b>Profit before income tax</b>                                     |             | <b>1,153,609</b>              | 939,595                       |
| Income tax expense  | 7           | <b>(227,840)</b>              | (121,733)                     |
| <b>Profit for the year</b>  |             | <b>925,769</b>                | 817,862                       |
| <b>Profit for the year attributable to:</b>                         |             |                               |                               |
| Equity shareholders of the Company                                  |             | <b>871,817</b>                | 787,534                       |
| Non-controlling interests   |             | <b>53,952</b>                 | 30,328                        |
|   |             | <b>925,769</b>                | 817,862                       |
| <b>Earnings per share</b>   |             |                               |                               |
| Basic <i>(RMB cents)</i>  | 8(a)        | <b>9.90</b>                   | 9.46                          |
| Diluted <i>(RMB cents)</i>  | 8(b)        | <b>9.86</b>                   | 9.39                          |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

*(Expressed in RMB)*

|   | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i><br>(Restated) |
|---|-------------------------------|--------------------------------------|
| <b>Profit for the year</b>  | <b>925,769</b>                | 817,862                              |
| <b>Other comprehensive income :</b>                                 |                               |                                      |
| <i>Item that may be reclassified subsequently to profit or loss</i> |                               |                                      |
| Exchange differences on translation of foreign operations           | <b>(16,227)</b>               | 9,594                                |
| <b>Other comprehensive income for the year, net of tax</b>          | <b>(16,227)</b>               | 9,594                                |
| <b>Total comprehensive income for the year</b>                      | <b>909,542</b>                | 827,456                              |
| <b>Total comprehensive income attributable to:</b>                  |                               |                                      |
| Equity shareholders of the Company                                  | <b>858,076</b>                | 796,487                              |
| Non-controlling interests   | <b>51,466</b>                 | 30,969                               |
|   | <b>909,542</b>                | 827,456                              |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**  
*(Expressed in RMB)*

|   | <i>Note</i> | <b>2022</b><br><b>RMB'000</b> | 2021<br>RMB'000<br>(Restated) |
|---|-------------|-------------------------------|-------------------------------|
| <b>ASSETS</b>   |             |                               |                               |
| <b>Non-current assets</b>   |             |                               |                               |
| Property, plant and equipment   |             | <b>14,876,597</b>             | 11,849,709                    |
| Right-of-use assets   |             | <b>559,208</b>                | 530,534                       |
| Intangible assets   |             | <b>788,224</b>                | 817,455                       |
| Interests in associates   |             | <b>776,034</b>                | 510,030                       |
| Interests in joint ventures   |             | <b>1,578,123</b>              | 1,273,201                     |
| Financial assets at fair value through profit or loss                 |             | <b>13,716</b>                 | 76,631                        |
| Prepayments, deposits and other receivables                           |             | <b>1,666,400</b>              | 1,354,914                     |
| Finance lease receivables   |             | <b>164,993</b>                | 91,426                        |
| Loan receivables  |             | <b>45,240</b>                 | 49,663                        |
| Deferred tax assets   |             | <b>39,486</b>                 | 37,738                        |
|   |             | <b>20,508,021</b>             | 16,591,301                    |
| <b>Current assets</b>   |             |                               |                               |
| Inventories   |             | <b>59,196</b>                 | 27,679                        |
| Contract assets   | <i>10</i>   | <b>206,728</b>                | 345,848                       |
| Trade and bills receivable  | <i>11</i>   | <b>1,369,622</b>              | 1,795,948                     |
| Prepayments, deposits and other receivables                           |             | <b>615,485</b>                | 981,583                       |
| Finance lease receivables   |             | <b>32,599</b>                 | 17,171                        |
| Loan receivables  |             | <b>16,347</b>                 | 9,909                         |
| Amounts due from associates   |             | <b>85,835</b>                 | 84,758                        |
| Amounts due from joint ventures                                       |             | <b>90,563</b>                 | 29,184                        |
| Financial assets at fair value through profit or loss                 |             | <b>138,841</b>                | 10,000                        |
| Cash and cash equivalents   |             | <b>3,471,039</b>              | 3,510,470                     |
| Restricted deposits   |             | <b>578,240</b>                | 640,967                       |
|   |             | <b>6,664,495</b>              | 7,453,517                     |
| <b>Total assets</b>   |             | <b>27,172,516</b>             | 24,044,818                    |
| <b>LIABILITIES</b>  |             |                               |                               |
| <b>Non-current liabilities</b>  |             |                               |                               |
| Bank borrowings   |             | <b>1,285,516</b>              | 765,496                       |
| Other borrowings  |             | <b>10,321,434</b>             | 8,786,142                     |
| Senior notes  |             | <b>-</b>                      | 544,107                       |
| Lease liabilities   |             | <b>98,748</b>                 | 77,066                        |
| Deferred tax liabilities  |             | <b>93,522</b>                 | 38,089                        |
| Deferred government grants  |             | <b>4,865</b>                  | 5,215                         |
| Payables for construction in progress,<br>other payables and accruals |             | <b>745,976</b>                | 541,364                       |
| Financial guarantee contract liabilities                              |             | <b>10,602</b>                 | 17,115                        |
|   |             | <b>12,560,663</b>             | 10,774,594                    |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2022**  
*(Expressed in RMB)*

|  | <i>Note</i> | <b>2022</b><br><b>RMB'000</b> | 2021<br>RMB'000<br>(Restated) |
|--|-------------|-------------------------------|-------------------------------|
| <b>Current liabilities</b>   |             |                               |                               |
| Trade and bills payable  | 12          | <b>1,262,570</b>              | 1,078,538                     |
| Payables for construction in progress,<br>other payables and accruals      |             | <b>2,736,516</b>              | 3,016,253                     |
| Contract liabilities   |             | <b>59,325</b>                 | 139,301                       |
| Amounts due to associates  |             | <b>2,540</b>                  | -                             |
| Amounts due to joint ventures  |             | <b>156</b>                    | 155                           |
| Bank borrowings  |             | <b>979,411</b>                | 526,106                       |
| Other borrowings   |             | <b>734,782</b>                | 861,763                       |
| Senior notes   |             | <b>618,905</b>                | 17,029                        |
| Lease liabilities  |             | <b>13,502</b>                 | 11,411                        |
| Financial guarantee contract liabilities                                   |             | <b>7,535</b>                  | 7,319                         |
| Current income tax liabilities   |             | <b>101,719</b>                | 49,462                        |
|  |             | <b>6,516,961</b>              | 5,707,337                     |
| <b>Total liabilities</b>   |             | <b>19,077,624</b>             | 16,481,931                    |
| <b>Net current assets</b>  |             | <b>147,534</b>                | 1,746,180                     |
| <b>Total assets less current liabilities</b>                               |             | <b>20,655,555</b>             | 18,337,481                    |
| <b>Net assets</b>  |             | <b>8,094,892</b>              | 7,562,887                     |
| <b>EQUITY</b>  |             |                               |                               |
| Share capital  | 13          | <b>77,443</b>                 | 77,499                        |
| Reserves   |             | <b>7,754,304</b>              | 7,336,427                     |
| <b>Total equity attributable to equity shareholders of<br/>the Company</b> |             | <b>7,831,747</b>              | 7,413,926                     |
| <b>Non-controlling interests</b>   |             | <b>263,145</b>                | 148,961                       |
| <b>Total equity</b>  |             | <b>8,094,892</b>              | 7,562,887                     |

## NOTES

### 1 Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

|   |  |
|---|--|
| Amendments to HKAS 16                           | <i>Property, Plant and Equipment: Proceeds before Intended Use</i>   |
| Amendments to HKAS 37                           | <i>Provisions, contingent liabilities and contingent assets: Onerous contracts — cost of fulfilling a contract</i> |
| Amendments to HKFRS 3                           | <i>Business combinations: Reference to the conceptual framework</i>  |
| Annual Improvements to HKFRSs 2018 — 2020 Cycle |  |

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

Amendments to HKAS 16, — *Property, plant and equipment: Proceeds before intended use*

The amendments prohibit an entity from deducting the proceeds from selling items produced before that asset is available for use from the cost of an item of property, plant and equipment. Instead, the sales proceeds and the related costs should be included in profit and loss. The Group has applied the amendments retrospectively to items of property, plant and equipment made available for use on or after 1 January 2021.

Summary of effects arising from initial application of HKAS 16

The table below summarizes the items affected in the Group’s consolidated statement of financial position for the year ended 31 December 2021 and the consolidated statement of profit and loss for the twelve months ended 31 December 2021, applicable to amendments to HKAS 16. Unaffected items are not included.

|   | As reported | Adjustments | Restated   |
|---|-------------|-------------|------------|
|   | RMB’000     | RMB’000     | RMB’000    |
| <b>Impact on the consolidated statement of financial position</b> |             |             |            |
| Property, plant and equipment                                     | 11,840,303  | 9,406       | 11,849,709 |
| Reserves  | 7,327,369   | 9,058       | 7,336,427  |
| Non-controlling interests   | 148,613     | 348         | 148,961    |
| <b>Impact on the consolidated statement of profit or loss</b>     |             |             |            |
| Revenue   | 2,183,048   | 12,492      | 2,195,540  |
| Cost of sales and services rendered                               | (872,792)   | (3,086)     | (875,878)  |
| Gross profit  | 1,310,256   | 9,406       | 1,319,662  |
| Profit before income tax  | 930,189     | 9,406       | 939,595    |
| Profit for the period   | 808,456     | 9,406       | 817,862    |

Except for the above, none of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented.

## **2 Segment information**

### **(a) Business segments**

The management has determined the operating segments based on the internal reports reviewed and used by executive directors of the Company, who are the chief operating decision makers ("CODM"), for strategic decision making.

The CODM consider the business from a product and service perspective. The Group is organised into certain business units according to the nature of the products sold or services provided.

The CODM review operating results and financial information of each business unit separately. Accordingly, each business unit (including joint ventures and associates) is identified as an operating segment. These operating segments with similar economic characteristics and similar nature of products sold or services provided have been aggregated into the following reporting segments:

- Power generation segment - operation of wind and solar power plants through subsidiaries, generating electric power for sale to external power grid companies, investing in power plants through joint ventures and associates;
- Intelligent operation and maintenance segment - provision of operation and maintenance, asset management, overhaul commissioning service for wind and solar power plants;
- "Others" segment - provision of design, technical and consultancy services, undertaking electrical engineering and construction of power plant projects (the "engineering, procurement and construction business"), provision of finance lease services and energy internet services.

The CODM assess the performance of the operating segments based on a measure of adjusted earnings before interest and income tax. This measurement basis excludes the effects of non-recurring income and expenditure from the operating segments.

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

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' remuneration, certain other income, interest revenue and finance costs, after inter-segment elimination.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities are allocated to operating segments other than assets and liabilities attributable to head office.

|  | <b>Power<br/>generation<br/>RMB'000</b> | <b>Intelligent<br/>operation and<br/>maintenance<br/>RMB'000</b> | <b>Others<br/>RMB'000</b> | <b>Segment total<br/>RMB'000</b> | <b>Elimination<br/>RMB'000</b> | <b>Total<br/>RMB'000</b> |
|--|---|--|---------------------------|----------------------------------|--------------------------------|--------------------------|
| <b>For the year ended 31 December 2022</b> |   |  |                           |                                  |                                |                          |
| <b>Segment revenue</b>                     |   |  |                           |                                  |                                |                          |
| Sales to external customers*               | 2,114,106                               | 279,092  | 286,170                   | 2,679,368                        | -                              | 2,679,368                |
| Inter-segment revenues                     | -                                       | 113,456  | 481,844                   | 595,300                          | (595,300)                      | -                        |
|  | <u>2,114,106</u>                        | <u>392,548</u>   | <u>768,014</u>            | <u>3,274,668</u>                 | <u>(595,300)</u>               | <u>2,679,368</u>         |
| <b>Segment results</b>                     | <b>1,287,115</b>                        | <b>37,359</b>  | <b>12,512</b>             | <b>1,336,986</b>                 | <b>-</b>                       | <b>1,336,986</b>         |
| Unallocated other gains and losses, net    |   |  |                           |                                  |                                | 318,991                  |
| Unallocated income                         |   |  |                           |                                  |                                | 16,727                   |
| Unallocated expenses                       |   |  |                           |                                  |                                | (214)                    |
| Interest revenue                           |   |  |                           |                                  |                                | 27,435                   |
| Finance costs                              |   |  |                           |                                  |                                | (546,316)                |
| Profit before income tax                   |   |  |                           |                                  |                                | 1,153,609                |
| Income tax expense                         |   |  |                           |                                  |                                | (227,840)                |
| Profit for the year                        |   |  |                           |                                  |                                | <u>925,769</u>           |
| <b>At 31 December 2022</b>                 |   |  |                           |                                  |                                |                          |
| Segment assets                             | 24,493,235                              | 433,417  | 1,997,149                 | 26,923,801                       | -                              | 26,923,801               |
| Unallocated assets                         |   |  |                           |                                  |                                | 248,715                  |
| Total assets                               |   |  |                           |                                  |                                | <u>27,172,516</u>        |
| Segment liabilities                        | (17,569,471)                            | (243,644)  | (877,550)                 | (18,690,665)                     | -                              | (18,690,665)             |
| Unallocated liabilities                    |   |  |                           |                                  |                                | (386,959)                |
| Total liabilities                          |   |  |                           |                                  |                                | <u>(19,077,624)</u>      |

\*Revenue from power generation comprised revenue generated from wind power plants and solar power plants of RMB 1,769,309,000 and RMB 344,797,000 respectively.

|  | <b>Power<br/>generation<br/>RMB'000<br/>(Restated)</b> | <b>Intelligent<br/>operation and<br/>maintenance<br/>RMB'000</b> | <b>Others<br/>RMB'000</b> | <b>Segment total<br/>RMB'000<br/>(Restated)</b> | <b>Elimination<br/>RMB'000</b> | <b>Total<br/>RMB'000<br/>(Restated)</b> |
|--|--|--|---------------------------|---|--------------------------------|---|
| <b>For the year ended 31 December 2021</b> |  |  |                           |   |                                |   |
| <b>Segment revenue</b>                     |  |  |                           |   |                                |   |
| Sales to external customers* (as restated) | 1,748,842  | 244,834  | 201,864                   | 2,195,540                                       | -                              | 2,195,540                               |
| Inter-segment revenues                     | -  | 63,919   | 934,237                   | 998,156   | (998,156)                      | -                                       |
|  | <u>1,748,842</u>                                       | <u>308,753</u>   | <u>1,136,101</u>          | <u>3,193,696</u>                                | <u>(998,156)</u>               | <u>2,195,540</u>                        |
| <b>Segment results</b>                     |  |  |                           |   |                                |   |
| (as restated)                              | 1,109,177  | 26,690   | 5,003                     | 1,140,870                                       | -                              | 1,140,870                               |
| Unallocated other gains and losses, net    |  |  |                           |   |                                | 181,113                                 |
| Unallocated income                         |  |  |                           |   |                                | 56,145                                  |
| Unallocated expenses                       |  |  |                           |   |                                | (8,528)                                 |
| Interest revenue                           |  |  |                           |   |                                | 16,115                                  |
| Finance costs                              |  |  |                           |   |                                | (446,120)                               |
| Profit before income tax (as restated)     |  |  |                           |   |                                | 939,595                                 |
| Income tax expense                         |  |  |                           |   |                                | (121,733)                               |
| Profit for the year (as restated)          |  |  |                           |   |                                | <u>817,862</u>                          |
| <b>At 31 December 2021</b>                 |  |  |                           |   |                                |   |
| Segment assets (as restated)               | 21,284,614   | 320,156  | 2,236,737                 | 23,841,507                                      | -                              | 23,841,507                              |
| Unallocated assets                         |  |  |                           |   |                                | 203,311                                 |
| Total assets                               |  |  |                           |   |                                | <u>24,044,818</u>                       |
| Segment liabilities (14,909,021)           | (14,909,021)   | (127,663)  | (1,060,252)               | (16,096,936)                                    | -                              | (16,096,936)                            |
| Unallocated liabilities                    |  |  |                           |   |                                | (384,995)                               |
| Total liabilities                          |  |  |                           |   |                                | <u>(16,481,931)</u>                     |

\*Revenue from power generation comprised revenue generated from wind power plants and solar power plants of RMB1,553,401,000 (restated) and RMB195,441,000 (restated) respectively.

**For the year ended 31 December 2022**  
**Other segment information**

|   | Power<br>generation<br><i>RMB'000</i> | Intelligent<br>operation and<br>maintenance<br><i>RMB'000</i> | Others<br><i>RMB'000</i>    | Unallocated<br><i>RMB'000</i> | Total<br><i>RMB'000</i>     |
|---|---------------------------------------|---|-----------------------------|-------------------------------|-----------------------------|
| <i>Amounts included in the measure of segment profit or loss or segment assets:</i>               |                                       |   |                             |                               |                             |
| Additions to non-current assets (including property, plant and equipment and right-of-use assets) | 4,940,066                             | 59,016  | 76,232                      | -                             | 5,075,314                   |
| Depreciation of property, plant and equipment   | 536,671                               | 6,292   | 8,458                       | -                             | 551,421                     |
| Amortization of other intangible assets and depreciation of right-of-use assets                   | 36,322                                | -   | 4,380                       | -                             | 40,702                      |
| Share-based compensation  | 26,880                                | 471   | 2,168                       | -                             | 29,519                      |
| Interests in joint ventures and associates  | 2,001,790                             | -   | 352,367                     | -                             | 2,354,157                   |
| Share of profit of joint ventures and associates, net   | 170,119                               | -   | 1,000                       | -                             | 171,119                     |
|   | <u>                    </u>           | <u>                    </u>                                   | <u>                    </u> | <u>                    </u>   | <u>                    </u> |

*Amounts regularly provided to the CODM but not included in the measure of segment profit or loss :*

|  |                             |                             |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Loss on disposal of property, plant and equipment              | 334                         | 255                         | 674                         | -                           | 1,263                       |
| Reversal of impairment loss on amounts due from joint ventures | -                           | -                           | (2,181)                     | -                           | (2,181)                     |
| Recognition of impairment loss on other receivables            | -                           | -                           | 1,000                       | -                           | 1,000                       |
| Interest revenue   | (5,123)                     | (38)                        | (22,274)                    | -                           | (27,435)                    |
| Finance costs  | 537,132                     | 1,366                       | 7,818                       | -                           | 546,316                     |
| Income tax expense   | 214,295                     | 5,395                       | 8,150                       | -                           | 227,840                     |
|  | <u>                    </u> |

**For the year ended 31 December 2021**  
**Other segment information**

|   | <b>Power<br/>generation<br/>RMB'000<br/>(Restated)</b> | <b>Intelligent<br/>operation and<br/>maintenance<br/>RMB'000</b> | <b>Others<br/>RMB'000</b> | <b>Unallocated<br/>RMB'000</b> | <b>Total<br/>RMB'000<br/>(Restated)</b> |
|---|--|--|---------------------------|--------------------------------|---|
| <i>Amounts included in the measure of segment profit or loss or segment assets:</i>                             |  |  |                           |                                |   |
| Additions to non-current assets (including property, plant and equipment and right-of-use assets) (as restated) | 6,094,149  | 11,857   | 5,511                     | -                              | 6,111,517                               |
| Depreciation of property, plant and equipment (as restated)   | 431,589  | 8,120  | 11,343                    | -                              | 451,052                                 |
| Amortization of other intangible assets and depreciation of right-of-use assets                                 | 33,073   | -  | 4,586                     | -                              | 37,659                                  |
| Share-based compensation  | 7,937  | 118  | 826                       | -                              | 8,881                                   |
| Interests in joint ventures and associates  | 1,731,864  | -  | 51,367                    | -                              | 1,783,231                               |
| Share of profit/(loss) of joint ventures and associates, net  | 153,093  | -  | (582)                     | -                              | 152,511                                 |
|   | <u>6,420,705</u>                                       | <u>19,995</u>  | <u>67,227</u>             | <u>-</u>                       | <u>6,507,927</u>                        |

*Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:*

|   |                |              |                 |          |                |
|---|----------------|--------------|-----------------|----------|----------------|
| Loss /(gain) on disposal of property, plant and equipment | 379            | 203          | (189)           | -        | 393            |
| Reversal of impairment loss on trade receivables          | -              | -            | (5,485)         | -        | (5,485)        |
| Reversal of impairment loss on other receivables          | (9,956)        | -            | (12,109)        | -        | (22,065)       |
| Interest revenue  | (2,087)        | (80)         | (13,948)        | -        | (16,115)       |
| Finance costs   | 437,339        | 219          | 8,562           | -        | 446,120        |
| Income tax expense  | 90,041         | 2,352        | 29,340          | -        | 121,733        |
|   | <u>425,716</u> | <u>2,492</u> | <u>(17,780)</u> | <u>-</u> | <u>410,428</u> |

**(b) Geographical segments**

The Group's operations are mainly located in the PRC and the remaining operations are located in the United States of America and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets (excluding deferred tax assets and financial assets) is presented based on the geographical location of the assets.

|         | <b>Revenue</b>                         |                                | <b>Non-current assets</b>      |                              |
|---------|--|--------------------------------|--------------------------------|------------------------------|
|         | <b>Year ended 31<br/>December 2022</b> | Year ended 31<br>December 2021 | <b>At 31<br/>December 2022</b> | At 31<br>December 2021       |
|         | <i>RMB'000</i>                         | <i>RMB'000</i><br>(Restated)   | <i>RMB'000</i>                 | <i>RMB'000</i><br>(Restated) |
| The PRC | <b>2,651,650</b>                       | 2,172,494                      | <b>19,735,082</b>              | 15,716,291                   |
| Others  | <b>27,718</b>                          | 23,046                         | <b>229,980</b>                 | 334,477                      |
|         | <b>2,679,368</b>                       | 2,195,540                      | <b>19,965,062</b>              | 16,050,768                   |

**(c) Information about major customers**

Three (2021: Three) external customers individually contribute more than 10% of the total revenue of the Group. The revenue of these customers is summarized below:

|            | <b>2022</b>    | 2021                         |
|------------|----------------|------------------------------|
|            | <i>RMB'000</i> | <i>RMB'000</i><br>(Restated) |
| Customer A | <b>410,675</b> | 369,337                      |
| Customer B | <b>400,897</b> | N/A*                         |
| Customer C | <b>325,512</b> | 254,378                      |
| Customer D | <b>N/A*</b>    | 392,610                      |

Revenue from customers above are attributable to power generation segment.

\*The corresponding revenue did not contribute over 10% of the total revenue of the Group.

**3 Revenue**

|  | <b>2022</b>      | 2021                         |
|--|------------------|------------------------------|
|  | <i>RMB'000</i>   | <i>RMB'000</i><br>(Restated) |
| Revenue from contracts with customers:             |                  |                              |
| Sales of electricity:                              |                  |                              |
| Basic electricity price                            | <b>1,687,148</b> | 1,221,300                    |
| Renewable energy subsidy                           | <b>401,464</b>   | 527,542                      |
| Green energy certificates                          | <b>25,494</b>    | -                            |
| Engineering, procurement and construction services | <b>248,135</b>   | 201,734                      |
| Power plant operation and maintenance services     | <b>259,369</b>   | 196,531                      |
| Provision of technical and consultancy services    | <b>14,108</b>    | 16,447                       |
| Provision of design services                       | <b>13,406</b>    | 10,284                       |
| Provision of agency service on sale of equipment   | <b>2,466</b>     | 7,115                        |
| Other revenue                                      | <b>1,036</b>     | 511                          |
|  | <b>2,652,626</b> | 2,181,464                    |
| Finance lease income                               | <b>26,742</b>    | 14,076                       |
| Total revenue                                      | <b>2,679,368</b> | 2,195,540                    |

#### 4 Other gains and losses, net

An analysis of other gains and losses, net is as follows:

|  | 2022<br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|--|------------------------|------------------------|
| Gain on disposal/liquidation of subsidiaries , net                 | 255,589                | 259,766                |
| Loss on disposal/liquidation of joint ventures and associates, net | -                      | (27,254)               |
| Change in fair value of financial assets at FVTPL                  | 82,736                 | 78,154                 |
| Exchange gain /(loss), net   | 26,482                 | (1,348)                |
| Fair value losses on derivative component of convertible loan      | -                      | (172,636)              |
| Gain on redemption of convertible loan                             | -                      | 28,524                 |
| Impairment loss recognised for construction in progress            | (39,139)               | -                      |
| Loss on disposal of property, plant and equipment                  | (1,263)                | (393)                  |
| Donation   | (2,024)                | (3,530)                |
| Others   | (4,571)                | (7,720)                |
|  | <u>317,810</u>         | <u>153,563</u>         |

#### 5 Impairment losses under expected credit loss model, net of reversal

Impairment loss recognised/(reversed) in respect of:

|   | 2022<br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|---|------------------------|------------------------|
| Trade and bills receivable                  | -                      | (5,485)                |
| Prepayments, deposits and other receivables | 1,000                  | (22,065)               |
| Amounts due from joint ventures             | (2,181)                | -                      |
|   | <u>(1,181)</u>         | <u>(27,550)</u>        |

**6 Finance costs**

|                            | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|----------------------------|-------------------------------|------------------------|
| Interest expenses on:      |                               |                        |
| — Bank borrowings          | <b>69,951</b>                 | 45,062                 |
| — Other borrowings         | <b>533,401</b>                | 414,173                |
| — Senior notes             | <b>66,454</b>                 | 68,608                 |
| — Convertible loan         | -                             | 36,950                 |
| — Lease liabilities        | <b>5,223</b>                  | 4,685                  |
|                            | <u><b>675,029</b></u>         | <u>569,478</u>         |
| Less: Interest capitalised | <b>(128,713)</b>              | (123,358)              |
|                            | <u><b>546,316</b></u>         | <u>446,120</u>         |

**7 Income tax expense**

|  | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|--|-------------------------------|------------------------|
| Current tax                                |                               |                        |
| — PRC corporate income tax                 | <b>79,422</b>                 | 69,498                 |
| — PRC withholding tax                      | <b>95,720</b>                 | 26,661                 |
| Under / (Over) - provision in prior years: |                               |                        |
| — PRC corporate income tax                 | <b>4,013</b>                  | (1,029)                |
| Deferred tax                               | <b>48,685</b>                 | 26,603                 |
|  | <u><b>227,840</b></u>         | <u>121,733</u>         |

**8 Earnings per share****(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company of RMB871,817,000 (2021: RMB787,534,000 (restated)) by the weighted average number of 8,805,114,000 (2021: 8,325,227,000) ordinary shares in issue during the year, after adjusting the effect of conversion of converted loans and shares repurchased and held under the Company's share award scheme.

The calculation of the weighted average number of ordinary shares is as follows:

|                                     | <b>2022</b><br><i>000's shares</i> | 2021<br><i>000's shares</i> |
|-------------------------------------|------------------------------------|-----------------------------|
| Issued ordinary shares at 1 January | <b>8,985,329</b>                   | 8,366,855                   |
| Effect of shares converted          | -                                  | 87,455                      |
| Effect of treasury shares           | <b>(180,215)</b>                   | (129,083)                   |
|                                     | <u><b>8,805,114</b></u>            | <u>8,325,227</u>            |

**(b) Diluted earnings per share**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares from the share award scheme.

|  | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i><br>(Restated) |
|--|-------------------------------|--------------------------------------|
| Earnings:  |                               |                                      |
| Earnings for the purpose of basic earnings per share   | <b>871,817</b>                | 787,534                              |
| Effect of dilutive potential ordinary shares:          |                               |                                      |
| Share award scheme                                     | -                             | -                                    |
|  | <u><b>871,817</b></u>         | <u>787,534</u>                       |
| Earnings for the purpose of diluted earnings per share | <u><b>871,817</b></u>         | <u>787,534</u>                       |

|  | <b>2022</b><br><i>000'shares</i> | 2021<br><i>000'shares</i> |
|--|----------------------------------|---------------------------|
| Number of shares:  |                                  |                           |
| Weighted average number of ordinary shares for the purpose of basic earnings per share   | <b>8,805,114</b>                 | 8,325,227                 |
| Effect of dilutive potential ordinary shares:  |                                  |                           |
| Share award scheme   | <b>37,477</b>                    | 64,732                    |
|  | <u><b>8,842,591</b></u>          | <u>8,389,959</u>          |
| Weighted average number of ordinary shares for the purpose of diluted earnings per share | <u><b>8,842,591</b></u>          | <u>8,389,959</u>          |

## 9 Dividend

|  | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|--|-------------------------------|------------------------|
| Dividends for ordinary shareholders of the Company recognised as distribution during the year: |                               |                        |
| 2021Final – HK\$0.03 (2020: HK\$0.03) per share  | <b>230,272</b>                | 208,857                |
|  | <u><b>230,272</b></u>         | <u>208,857</u>         |

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2022 of HK\$0.035 per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders at the forthcoming general meeting (2021: final dividend in respect of the year ended 31 December 2021 of HK\$0.03 per ordinary share has been proposed by the directors of the Company and approved by the shareholders at the general meeting held on 24 June 2022).

## 10 Contract Assets

|   | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|---|-------------------------------|------------------------|
| Tariff adjustment amounts   | -                             | 62,696                 |
| Retention receivables   | <b>186,939</b>                | 254,758                |
| Contract assets arising from performance under construction contracts | <b>19,789</b>                 | 28,394                 |
|   | <u><b>206,728</b></u>         | <u>345,848</u>         |
| Impairment loss on contract assets                                    | -                             | -                      |
|   | <u><b>206,728</b></u>         | <u>345,848</u>         |
| Analysed for reporting purposes as:                                   |                               |                        |
| Current assets  | <b>206,728</b>                | 345,848                |
|   | <u><b>206,728</b></u>         | <u>345,848</u>         |

**11 Trade and bills receivable**

|  | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|--|-------------------------------|------------------------|
| Trade receivables, at amortised cost             | <b>552,868</b>                | 444,791                |
| Tariff adjustment receivables, at amortised cost | <b>811,282</b>                | 1,270,491              |
| Bills receivable, at FVTPL                       | <b>8,564</b>                  | 85,164                 |
|  | <hr/>                         | <hr/>                  |
|  | <b>1,372,714</b>              | 1,800,446              |
| Impairment loss on trade receivables             | <b>(3,092)</b>                | (4,498)                |
|  | <hr/>                         | <hr/>                  |
|  | <b>1,369,622</b>              | 1,795,948              |
|  | <hr/> <hr/>                   | <hr/> <hr/>            |

The Group's credit terms granted to customers ranging from 30 to 180 days. For certain construction projects, the Group generally grants project final acceptance period and retention period to its customers ranging from 1 to 2 years from the date of acceptance according to the contracts signed between the Group and its customers.

As at 31 December 2022, the ageing analysis of the trade receivables, net of allowance for credit losses, presented based on invoice date, is as follows:

|                 | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|-----------------|-------------------------------|------------------------|
| Within 3 months | <b>342,775</b>                | 321,425                |
| 3 to 6 months   | <b>49,612</b>                 | 83,135                 |
| 6 to 12 months  | <b>54,356</b>                 | 18,084                 |
| 1 to 2 years    | <b>86,759</b>                 | 5,877                  |
| Over 2 years    | <b>16,274</b>                 | 11,772                 |
|                 | <hr/>                         | <hr/>                  |
|                 | <b>549,776</b>                | 440,293                |
|                 | <hr/> <hr/>                   | <hr/> <hr/>            |

An ageing analysis of the tariff adjustment receivables, net of allowance for credit losses, based on the revenue recognition date, is as follows:

|                 | <b>2022</b><br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|-----------------|-------------------------------|------------------------|
| Within 3 months | <b>106,622</b>                | 155,023                |
| 3 to 6 months   | <b>82,315</b>                 | 174,391                |
| 6 to 12 months  | <b>196,455</b>                | 246,371                |
| Over 1 year     | <b>425,890</b>                | 694,706                |
|                 | <hr/>                         | <hr/>                  |
|                 | <b>811,282</b>                | 1,270,491              |
|                 | <hr/> <hr/>                   | <hr/> <hr/>            |

## 12 Trade and bills payable

|               | 2022<br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|---------------|------------------------|------------------------|
| Trade payable | 500,932                | 473,568                |
| Bills payable | 761,638                | 604,970                |
|               | <u>1,262,570</u>       | <u>1,078,538</u>       |

An ageing analysis of the trade payable, based on invoice date, is as follows:

|                 | 2022<br><i>RMB'000</i> | 2021<br><i>RMB'000</i> |
|-----------------|------------------------|------------------------|
| Within 3 months | 94,006                 | 66,186                 |
| 3 to 6 months   | 60,287                 | 44,233                 |
| 6 to 12 months  | 7,041                  | 2,451                  |
| 1 to 2 years    | 33,755                 | 10,069                 |
| Over 2 years    | 305,843                | 350,629                |
|                 | <u>500,932</u>         | <u>473,568</u>         |

## 13 Share capital

Ordinary shares issued of HK\$0.01 each:

|   | No. of shares<br><i>000'shares</i> | Nominal value<br><i>RMB'000</i> |
|---|------------------------------------|---------------------------------|
| As at 1 January 2022                            | 8,985,329                          | 77,499                          |
| Cancellation of ordinary shares ( <i>Note</i> ) | (67,460)                           | (549)                           |
| Issue of ordinary shares                        | 57,600                             | 493                             |
| <b>As at 31 December 2022</b>                   | <u><b>8,975,469</b></u>            | <u><b>77,443</b></u>            |

*Note:*

During the year ended 31 December 2022, the Company purchased a total of 21,750,000 ordinary shares of the Company through Tricor Trust (Hong Kong) Limited, the trustee engaged by the Company for purpose of satisfying the share awards under the Share Award Scheme adopted by the Board.

In addition, the Company repurchased a total of 384,130,000 ordinary shares of the Company for an aggregated consideration of RMB226,689,000 on the Stock Exchange. 67,460,000 purchased shares with total par value of RMB 549,000 were cancelled by the Company during the current year, the related costs of repurchase were RMB39,510,000 and the exceed of costs of repurchase over the par value of the shares of RMB38,961,000 was charged to share premium. And the remaining purchased shares were cancelled by the Company subsequent to the year end, the issued share capital of the Company was reduced thereon.

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. BUSINESS ENVIRONMENT

Since 2022, global energy security issues have intensified, countries are more determined to promote the energy transition, and significantly increase investment in renewable energy. Renewable energy deployment is obviously accelerated. According to the International Energy Agency's forecast, Renewables are set to account for over 90% of global electricity capacity expansion between 2022 and 2027.

In 2022, China issued a number of favorable policies for renewable energy development, specifying that by 2025, renewable energy generation will reach 3.3 trillion kWh, the proportion of incremental electricity generation from renewables in the incremental electricity consumption of the society will exceed 50%, and the generation from wind and solar power will double. China aims for 1,200 GW of wind and solar power capacity by 2030. It also plans to basically build a modern energy system by 2035. Energy security safeguards shall be greatly enhanced, low-carbon production and consumption shall be widely adopted, and renewables shall become the main source of power generation.

In 2022, China continued to achieve significant growth in newly wind and solar PV deployment. According to the National Energy Administration of China, as of the end of December 2022, China's newly installed capacity of wind power was 37,630 MW, and the newly installed capacity of solar power was 87,410 MW. In 2022, China's total electricity consumption was 8.64 trillion kWh, an increase of 3.6% compared with 2021. Renewable energy generation reached 2.7 trillion kWh, accounting for 31.6% of China's total electricity consumption. The wind and solar power generation was about 1.2 trillion kWh, accounting for 13.8% of China's total consumption. It was 2 percentage points up compared with in 2021, which is close to the consumption of all urban and rural households.

#### **(1) The Upsizing Trend of Wind Turbine Continues, N-Type Solar Panel is Replacing the P-Type**

During the reporting period, the development of large-sized wind turbines continued to accelerate. with high power, high tower, long blades continuing to be the mainstream development direction for wind turbines. The most used wind turbine model upgraded from 5.X at the beginning of the year to 6.X. The 7.X model has also been deployed.

During the reporting period, N-type cell technology including TOPCon, HJT, HBC and perovskite solar cell has been further developed. It is the consensus that N-type solar cell technology is replacing P-type as the next-generation technology.

## **(2) Rapid Growth of Energy Storage While New Technologies Continued to Diversify**

Since 2022, China has issued a series of policies to support the development of energy storage, setting the direction for the roll-out target, market position, and business model of energy storage. At present, more than 90% of regions in China released explicitly the mandatory energy storage requirements for wind and solar power plants. Energy storage has been accelerated with the development of renewable energy.

During the reporting period, the diversified development trend of novel energy storage technologies such as compressed air, liquid flow battery, flywheel, solid-state battery, sodium ion, and gravity was obvious. About the aspect of market share, the new type of energy storage, mainly lithium-ion battery technology, still dominates the new installation market of energy storage. About the aspect of system safety, thanks to the adoption of lithium battery water-cooling technology, the safety of the energy storage system has been further enhanced.

## **(3) Wind Turbine Prices Are Relatively Stable with Declines, Solar Photovoltaic Panel Prices Began to Drop**

Wind turbine price entered a downward path since 2021 and dropped to RMB 2,000/kW in early 2022. The price of wind turbines continued to decline in the second half of the year, with bid price of RMB 1,500/kW reported in the industry.

At the beginning of 2022, the raw material prices of solar panel continued to soar due to supply shortages. At the same time, as the energy crisis has swept many countries, their demand for solar panels dramatically increased, resulting in the price hike in the solar PV supply chain. However, since December 2022, the release of domestic silicon production capacity in China led to a drop in prices of solar PV cells and components, which will help reduce the cost of investment in solar PV power plants in the future.

## **(4) Further Deepening the Electricity Market Reform, And Electricity Market Becoming Increasingly Sound**

In 2022, China continued to deepen the electricity market reform. The regions of pilot provincial electricity spot market continued to expand, with additional 6 provinces joined in. In 2022, the proportion of transacted electricity volume in China, which is about 5.3 trillion kWh, had a significant increase, accounting for approximately 60.8% of China's total electricity consumption, representing an increase of 15.4 percentage points as compare with last year.

## **(5) Emphasis on Low-Carbon Development Green Manufacturing, Actively Encourage Carbon Asset Development**

In November 2022, the National Development and Reform Commission of China (NDRC) published a document clarifying that the newly-added renewable energy would be excluded from the cap on total energy consumption. The issuance of Green Certificates will cover all renewable energy power projects, thereby establishing a nationwide unified green certificate system. These policies will actively promote the construction of a green certificate trading market and the participation of renewable energy in green certificate trading. Green certificates, renewable energy and CCER have become the supportive direction by the Chinese government, and the government also stresses more on the development of carbon assets, thus the income from carbon assets is expected to improve in the future.

In December 2022, the EU Council and the European Parliament reached an agreement in relation to the Carbon Border Adjustment Mechanism (CBAM, i.e. carbon tariff) of the EU and the EU Emissions Trading System, formally setting the EU's "carbon tariff". Pursuant to the agreement, the EU will levy additional duties on steel, aluminum, cement, fertilizer, electricity, and hydrogen energy importers from 2026 onwards to compensate EU enterprises for the losses caused by stringent emission reduction measures. This will promote the development of carbon assets in the international market.

## **(6) Continued Easing in the Credit Environment, Further Reduced Financing Cost**

On the financial aspect, the financing environment for domestic enterprises in China continues improving in 2022, and the financing environment for renewable energy power plants continues to be relaxed, with China's domestic lending rate (LPR) currently at a low level in the past three years. Under the guidance of the "Dual Carbon" target, both China's policy banks and commercial banks are actively engaged in the green financing business, providing sufficient bank loans with lower interest rates for investment renewable power plants.

## **II. BUSINESS REVIEW**

In 2022, the Group achieved remarkable progress in project development, maintaining a continued growth in various businesses. The scale of projects under construction hit a record high. The Group's asset quality continued to be optimized, and the service business was rapidly moving forward.

In 2022, the Group achieved a total revenue of RMB2,679,368,000 (2021: RMB2,195,540,000 (restated)), representing a year-on-year increase of 22.0%. Profit attributable to equity holders of the Group amounted to RMB 871,817,000 (2021: RMB787,534,000 (restated)), representing a year-on-year increase of 10.7%. Basic earnings per share was RMB 9.90 cents (2021: RMB9.46 cents (restated)), and diluted earnings per share was RMB9.86 cents (2021: RMB9.39 cents (restated)).

As of 31 December 2022, the Group had net assets of RMB 8,094,892,000 (31 December 2021: RMB 7,562,887,000 (restated)) and net assets attributable to equity shareholders of the Group per share (excluding treasury shares held for the purpose of cancellation) was RMB 0.91 (31 December 2021: RMB0.84(restated)).

## **(1) Breakthrough In Project Development, Rapid Implementation of Power Plant Construction**

### **1. Actively Develop New Type Projects with Breakthrough in Large Projects**

During the Year, by closely following new policies of renewable energy in various provinces, the Group finely tuned its top-level design, and leveraged the advantage of its flexibility and expertise. It adopted a differentiated strategy by taking advantage of our strengths, avoiding our limitations, and actively planning. The Group kept increasing project reserves by proactive introducing new business sectors and new business models, actively expanding the types of projects, promoting collaboration, and coordinated development of new energy and industries, and developing projects with great efforts by leveraging its professional capabilities.

During the Year, the Group obtained wind power construction permits of 1,355MW in China. Meanwhile, the Group secured preliminary approved renewable energy projects from national authorities of 4,000MW in China (to be further arranged by provincial authorities as renewable energy construction permits) and achieved a breakthrough in the development of large-scale projects. In 2022, 7 wind power projects and 4 solar PV power projects were newly approved/registered, totaling 1,556MW. The Group also actively developed energy storage projects in several provinces.

During the reporting period, the Group signed new contracts, consisting of 3,505MW of wind power resources, 4,000MW of solar power resources, and a total of 4,020MW/8,040MWh of energy storage pipeline projects. The abundant resource reserve enables sufficient project pipeline for the Group's subsequent construction and sustainable growth.

### **2. Strong Acceleration of The Pace of Construction, Newly Installed Capacity Hit a New Record High**

During the Year, the scale of the Group's projects under construction hit a new high. The total capacity of the Group's power plants under construction of 1,982MW (2021: 1,834MW). Among them, there are 8 expansion projects and 12 new projects.

During the reporting period, the Group commissioned 10 new power plants into commercial operation with a total installed capacity of 1,111MW. Among them, 9 were wind power plants with a total attributable installed capacity of 992MW, and 1 was a solar PV power plant with an attributable installed capacity of 70MW.

As of 31 December 2022, the Group held wind power and solar power plants with an attributable installed capacity of 3,588MW. The attributable installed capacity is 3,137MW of wind power plants and 451MW of solar PV power plants. The attributable capacity of the Group's subsidiary-owned power plants accounted for 81.2% of the Group's total attributable installed capacity. As of the end of the reporting period, the attributable installed capacity of the Group's owned subsidy-free projects has reached 2,161MW, accounting for 60.2% of the Group's total attributable installed capacity.

**ATTRIBUTABLE INSTALLED CAPACITY (MW)**

| Business Segments | Power Plants invested<br>by the Group |              |                | Power Plants owned<br>by the Group's Subsidiary |              |                |
|-------------------|---------------------------------------|--------------|----------------|---|--------------|----------------|
|                   | 2022                                  | 2021         | Change<br>Rate | 2022  | 2021         | Change<br>Rate |
| Wind              | 3,137                                 | 2,387        | 31.4%          | 2,469   | 1,763        | 40.1%          |
| Solar PV          | 451                                   | 381          | 18.4%          | 444   | 374          | 18.7%          |
| <b>Total</b>      | <b>3,588</b>                          | <b>2,768</b> | <b>29.6%</b>   | <b>2,913</b>                                    | <b>2,137</b> | <b>36.3%</b>   |

**(2) Safe and Efficient Production and Operation, Steady Growth in Power Plant Profits**

**1. Significant Growth in Attributable Electricity Generation, Safe and Efficient Production of Power Plants**

During the Year, by consistently following safety management policy of “Safety First, Prevention Priority and Comprehensive Management”, the Group continuously improved the safety management system, and established a regular mechanism for business training of safety professionals and part-time positions. It strengthened the quantitative assessment on the safety responsibility system to tighten process control. It created a database on safety risk source identification and information, improved the standard of safety measures. It steadily carried out hidden risk identification to deepen hidden risks management. It emphasized on ecological environment and quality supervision and commenced safety education and training through multiple means to effectively enhance the Group's safety level. The above measures have further reinforced the Group's safety awareness and ensured the Group's safe and stable operation.

During the Year, the Group's power plants maintained safe and stable generation. During the year, the Group's power plants maintained safe and stable production, with no accidents of serious personal injury or above, and no major equipment accidents or above, ensuring stable and reliable power supply and the safety of personnel and property.

In 2022, benefiting from newly added projects, the attributable power generation achieved a rapid growth and recorded an increase of 27.7% over the same period of last year. The attributable power generation of the Group's subsidiary-owned power plants accounted for 78.5% of the Group's attributable power generation.

**ATTRIBUTABLE ELECTRICITY GENERATION(GWh)**

| Business Segments | Power Plants invested<br>by the Group |                |              | Power Plants owned<br>by the Group's Subsidiary |                |              |
|-------------------|---------------------------------------|----------------|--------------|---|----------------|--------------|
|                   | 2022                                  | 2021           | Change       | 2022  | 2021           | Change       |
| Wind              | 5,893.7                               | 4,930.7        | 19.5%        | 4,474.2   | 3,541.6        | 26.3%        |
| Solar PV          | 779.3                                 | 293.8          | 165.2%       | 767.1   | 282.4          | 171.6%       |
| <b>Total</b>      | <b>6,673.0</b>                        | <b>5,224.5</b> | <b>27.7%</b> | <b>5,241.3</b>                                  | <b>3,824.0</b> | <b>37.1%</b> |

In 2022, thanks to the increase in the proportion of high-quality grid parity projects, as well as the Group's active implementation of technology improvement and fine management, the operational quality of the Group's power plants was further improved. The average utilization hours of wind and solar continued to rise. The weighted average utilization hours of wind power plants owned by the Group's subsidiaries was 2,921 hours, which was 31.5% higher than the China's average. The weighted average utilization hour of solar power plants held by the Group's subsidiaries was 1,532 hours, which was 14.6% higher than the China's average.

#### Weighted Average Utilization Hours (Hour)

| Business Segments | 2022                               |                  |                                  | 2021                               |                  |                                  |
|-------------------|------------------------------------|------------------|----------------------------------|------------------------------------|------------------|----------------------------------|
|                   | Power Plants invested by the Group | Average in China | Greater than China's Average (%) | Power Plants invested by the Group | Average in China | Greater than China's Average (%) |
| Wind              | 2,921                              | 2,221            | 31.5%                            | 2,697                              | 2,246            | 20.1%                            |
| Solar PV          | 1,532                              | 1,337            | 14.6%                            | 1,420                              | 1,163            | 22.1%                            |

In 2022, the power curtailment rate of the Group's power plants saw a favourable trend, with a year-on-year decrease on power and solar power curtailment rates. The consolidated power curtailment rate of the Group's invested power plants was 2.8%, representing a decrease of 0.4 percentage points as compared with the same period last year. The consolidated power curtailment rate of subsidiary-owned power plants was 2.5%, representing a decrease of 0.3 percentage points as compared with the same period of last year.

#### Curtailment Rates (%)

| Business Segments                   | Power Plants invested by the Group |      |        | Power Plants owned by the Group's Subsidiary |       |        |
|-------------------------------------|------------------------------------|------|--------|--|-------|--------|
|                                     | 2022                               | 2021 | Change | 2022   | 2021  | Change |
| Consolidated Power Curtailment Rate | 2.8%                               | 3.2% | -0.4%  | 2.5%   | 2.8%  | -0.3%  |
| Including: Wind,                    | 2.6%                               | 2.9% | -0.3%  | 2.2%   | 2.1%  | 0.1%   |
| Solar PV                            | 3.8%                               | 9.8% | -6.0%  | 4.1%   | 10.9% | -6.8%  |

In 2022, the availability of the Group's power plants continuously remained at a favourable level.

#### Availability of Power Plants (%)

| Business Segments | Power Plants invested by the Group |        |        | Power Plants owned by the Group's Subsidiary |        |        |
|-------------------|------------------------------------|--------|--------|--|--------|--------|
|                   | 2022                               | 2021   | Change | 2022   | 2021   | Change |
| Wind              | 98.50%                             | 98.28% | 0.22%  | 98.40%                                       | 98.63% | -0.23% |
| Solar PV          | 99.90%                             | 99.95% | -0.05% | 99.89%                                       | 99.94% | -0.05% |

## 2. Steady Growth in Power Plant Revenue and Profit

Benefited from commercial operation of high-quality grid-parity projects , improved asset quality of existing power plants and the rising installed capacity, the Group achieved year-on-year growth in revenue and net profit from power generation.

In 2022, the Group's subsidiary-owned power plants achieved a revenue of RMB 2,114,106,000, an increase of 20.9% over the same period of last year. It accounted for 79% of the Group's total revenue.

In 2022, the Group's subsidiary-owned power plants achieved a total net profit of RMB 817,876,000 from power generation, representing an increase of 7.0% over last year. The Group's shared net profits from power generation business of its associates and joint ventures was RMB170,119,000.

| <b>Revenue and Net Profit from Power Plants (RMB'000)</b> |                  |                        |               |
|---|------------------|------------------------|---------------|
|   | <b>2022</b>      | <b>2021 (Restated)</b> | <b>Change</b> |
| <b>Revenue from</b>                                       |                  |                        |               |
| <b>Subsidiary-owned</b>                                   | <b>2,114,106</b> | <b>1,748,842</b>       | <b>20.9%</b>  |
| <b>Power Plants</b>                                       |                  |                        |               |
| Including: Wind   | 1,769,309        | 1,553,401              | <b>13.9%</b>  |
| Solar PV  | 344,797          | 195,441                | <b>76.4%</b>  |
| <b>Net Profit from</b>                                    |                  |                        |               |
| <b>Subsidiary-owned</b>                                   | <b>817,876</b>   | <b>764,280</b>         | <b>7.0%</b>   |
| <b>Power Plants</b>                                       |                  |                        |               |
| Including: Wind   | 702,675          | 684,240                | <b>2.7%</b>   |
| Solar PV  | 115,201          | 80,040                 | <b>43.9%</b>  |
| <b>Net Profit from</b>                                    |                  |                        |               |
| <b>Jointly-owned</b>                                      | <b>170,119</b>   | <b>153,093</b>         | <b>11.1%</b>  |
| <b>Power Plants</b>                                       |                  |                        |               |
| Including: Wind   | 165,532          | 148,456                | <b>11.5%</b>  |
| Solar PV  | 4,587            | 4,637                  | -1.1%         |

## 3. LCOE Continued to Fall, Achieved Breakthrough in Green Certificates Revenue

As China's renewable energy enter the era of grid parity, the average sale price of electricity generated from existing and new projects is declining. However, thanks to technology innovation, the levelized cost of electricity for new projects remains very competitive and enables us to achieve favourable return. During 2022, with the impacts of the operation commencement of more grid parity projects, the increase of electricity trading and ancillary service cost sharing, the weighted average sale price of the electricity generated by the Group's invested power plants fell slightly. However, the Group's consolidated levelized cost of electricity (LCOE) continued to decline, with the LCOE decreased by 10.4% compared with last year.

Meanwhile, with more newly added grid-parity projects and the disposal of power plants with renewable energy subsidies, the Group has continuously reduced its reliance on renewable energy subsidies.

**Weighted Average Sale Price of the Electricity Generated (RMB/KWh)**  
**(Including VAT)**

| Business Segments | Power Plants invested by the Group |        |         | Power Plants owned by the Group's Subsidiary |        |         |
|-------------------|------------------------------------|--------|---------|--|--------|---------|
|                   | 2022                               | 2021   | Change  | 2022   | 2021   | Change  |
| Wind              | 0.4390                             | 0.5005 | -0.0615 | 0.3904                                       | 0.5124 | -0.1220 |
| Solar PV          | 0.5122                             | 0.8020 | -0.2898 | 0.4895                                       | 0.7806 | -0.2911 |

In addition, the sale of green certificates and green electricity made a positive impact on the Group's revenue. During 2022, the Group strengthened the whole-process management of the registration and sale of green certificates. The Group issued 1.519 million green certificates for grid-parity projects, representing an increase of 64% year-on-year. Green certificates bulk sales contract has signed. As of 31 December 2022, a revenue of RMB 25,494,000 was obtained by selling green certificates, a leading position in the market. During 2022, the volume of green electricity transacted was approximately 295 GWh, equivalent to an average increase of RMB0.05/kWh compared to the reference tariff of thermal power. In the future, the Group will continue to maintain existing customers, and vigorously expand new sectors and new customers, so as to maintain the steady growth of green certificates and green electricity businesses.

**(3) Actively Expanded Financing Channels, Financing Cost Significantly Reduced**

During the reporting period, the Group has been granted comprehensive credit facilities by several banks, with an increasing proportion from bank financing. During the year, the financing interest rate remained low, while the weighted average cost decreased by 0.4 percentage point as compared with last year. Financing channels were further expanded, while the financing cost of new projects decreased remarkably to effectively improve asset efficiency.

**(4) Continued Optimization of the Asset Quality**

The Group continued to conduct the dynamic analysis of the economic benefits of existing power plants to strengthen the monitoring and analysis of the indicators such as cash flow and debt. It carried out targeted asset optimization to continuously improve asset quality and capital structure. It continuously reduced the reliance on renewable energy subsidies, improved cash flow, and enhanced the shareholder return, to ensure the steady development of the Group.

During the reporting period, the Group actively optimized its assets, disposing of 189MW attributable installed capacity of power plants, result in a decrease of the renewable energy subsidy receivables and contract assets by RMB 306 million. It effectively reduced the Group's reliance on renewable energy subsidies, improved its cash flow and asset structure.

**(5) Sustainable Growth Consolidated the Leading Position of Intelligent O&M**

During the reporting period, the Group's intelligent O&M sector achieved a revenue of RMB 279,092,000 to the Group (2021: RMB244,834,000), representing a year-on-year increase of 14.0%.

The intelligent O&M sector is the significant arrangement for the existing assets of the renewable energy industry. With more than 16 years of experience in the full lifecycle asset management of the Group's own power stations, It developed unique technical and management advantages and gradually established a leading position in the industry. It consistently provided “house-keeper” operation and O&M management services for a variety of renewable energy assets from the perspective of project owners. It keeps innovating in practice and actively develop future-oriented intelligent operation and maintenance technologies. As of the end of 2022, the O&M sector further increased its delivery capabilities. It delivered services covering most provinces across the country, consolidate the advantages consisting of people and networks, enables service resources sharing due to the scale of business. In the future, leveraging on the advantages of the Group, the O&M sector will establish trading service capabilities in the electricity market, and provide customers with personalized service products, quickly adapt to market changes, provide customers with personalized service products that are more adaptable to the new market environment.

#### **(6) Further Progress in Power Design, Leasing and Other Service Businesses**

During the reporting period, the Group’s design sector endeavored to develop its business and expand its scale, leading to a significant increase of 75% in revenue. It carried out a number of EPC projects including distributed wind power, distributed solar PV power and energy storage projects. In terms of technology, the “Wuhe Century Concord Yinmahu Wind Farm” project has been recommended by Beijing Engineering Exploration and Design Association to participate in the China Engineering and Consulting Association Awards as the representative of Beijing Outstanding Project. The “The standard iron tower of Yilan Dongsheng Wind Farm adds a T-shaped cross-arm to reduce the total cost of the line” project won the Third Prize for 2022 Outstanding QC Group Results Award granted by China Electric Power Planning and Engineering Association.

During the reporting period, focus on distributed solar and wind power projects and behind-meter energy storage business, the Group’s leasing sector carried out financial leasing. It actively expanded businesses as well as strictly controlled risks by integrating industry and financing in investment decision making to effectively control risks. The total assets, net assets, revenue and net profit of the leasing operation saw growth during the year.

During the reporting period, the Group has gradually carried out business adjustments to its electricity sales companies. It improved their qualification and expanded business teams, as well as enhanced its professional service capability by strengthening exchanges and actively studying the trading policies and transactions of pilot provinces. Meanwhile, in compliance with the latest policies of various provinces in China, the Group has actively engaged in market-oriented transactions and related new business.

### III. ENVIRONMENTAL PROTECTION, COMPLIANCE AND SOCIAL RESPONSIBILITY

In addition to financial performance, the Group believes that high standards of corporate social responsibility are of great significance in building a positive relationship between the enterprise and the society, motivating its employee, achieving sustainable development and return for the Group.

#### 1. Environmental Policies and Performances

The Group specializes in the wind and solar power generation and related businesses, and emphasis on the investment and management in environmental protection, soil and water conservation and biodiversity protection. The Group has always been implementing the national energy conservation and emission reduction policies to earnestly fulfil its corporate social responsibility in invested countries. The Group always performs its environmental responsibilities in accordance with the environmental regulations and industry practices of locations where it operates. It strives to maintain sustainable and healthy development for the environment as well as for humans and commits to our responsibilities for improving the energy structure, mitigating air pollution, and reducing greenhouse gas emissions and haze. The Group also insists on practicing green office concept to reduce emissions and discharges from its own office operation activities, improve efficiency in the use of resources and energy.

The Group strictly complies with the environmental laws and regulations in invested countries. It actively took the responsibility to conserve energy and reduce emissions. During the Year, there was no violation of environmental laws, regulations, and policies in invested countries. The Group actively fulfilled its social responsibility. While focusing on the development of renewable energy business, the Group was also committed to community welfare in order to reciprocate the society by various means.

During the Year, the Group achieved the reduction of carbon dioxide, sulphur dioxide, and nitrogen oxides emissions and the saving of standard coal and water conservation from the electricity generated by the Group's invested wind and solar power plants, as compared with those by conventional thermal power plants. The reduction in pollutants positively contributed to the reduction in air pollution, greenhouse gas emissions and haze.

#### Emission Reduction from Power Plants

| Emissions Reduction Indicators  | 2022   | Accumulated Amount |
|---------------------------------|--------|--------------------|
| CO <sub>2</sub> (Kilotons)      | 7,092  | 47,543             |
| SO <sub>2</sub> (tons)          | 1,679  | 27,757             |
| NO <sub>x</sub> (tons)          | 1,751  | 25,509             |
| Standard Coal Saving (Kilotons) | 2,751  | 17,673             |
| Water Saving (Kilotons)         | 10,864 | 100,374            |

#### 2. Compliance

During the year, the Group strictly complied with the relevant standards, laws and regulations in business, management and labour regulations.

### **3. Customers and Suppliers Relationship**

During the year, the Group maintained good relationships with its customers and suppliers without major disputes.

During the year, sales of the Group's top five customers accounted for 58.8% of the Group's total sales during the reporting period, including 15.3% from State Grid Hubei Electric Power Company, the largest customer.

During the year, purchases from the Group's top five suppliers accounted for 45.0% of the Group's total procurement during the reporting period, including 18.6% from the largest supplier, Zhejiang Yunda Wind Power Company Limited, which supplied wind turbine for wind power projects invested by the Group.

### **IV. HUMAN RESOURCES**

The Group has been awarded “Outstanding Employer Award” for the third consecutive year by liepin.com (獵聘網). The Group always upholds to the core values of "people-oriented, value creation and pursuit of excellence". The Group safeguards the legitimate rights and interests of its employees, cares about the career development of its employees and their health and safety, strive to achieve the shared growth of its employees and the Group. 202 training sessions were organized in the year 2022. The Group enabled the innovations of training mechanism, trained employees in various aspects to improve their skills.

During 2022, the Group continued to promote management digitalization and centralized management, deepen regional management, optimize the organizational structure and personnel allocation; improve working efficiency, highlight key points to reduce unnecessary work, strengthen the exploration of employee's potential, and match talents to suitable positions through internal transfer and external hiring. During 2022, the Group has continuously promote the system of five-career-pathway, providing broader career development and promotion pathways. It has continuously carried out the recruitment qualification standard that implements personnel job evaluation and certification. The Group also refined the talent management mechanism which includes job rotation, transfer and occupational trainings, improved the training system to comprehensively develop talents, well managed the talent pipeline to unleash the full potential of its employees. At the same time, the Group has continuously improved the standardization of its systems and processes as well as its system management mechanism, exercising strict risk control, continuously optimizing the workflow, refining and streamlining, continuously improving the efficiency to support the rapid and efficient development of the Group.

As of December 31, 2022, the Group had 2,574 full-time employees (December 31, 2021: 1,907), including 217 staff at the Group headquarters, 450 in project development and management, 1,747 in power plant operation and maintenance, 47 in energy IoT R&D, and 113 in design, leasing and other businesses.

## V. FINANCIAL RESOURCES AND COMMITMENTS

As at 31 December 2022, the Group held cash and bank balances of approximately RMB 4,049,279,000 (31 December 2021: RMB4,151,437,000); the Group's net assets amounted to RMB 8,094,892,000 (31 December 2021: RMB 7,562,887,000 restated). The balance of bank and other borrowings of the Group was RMB 13,321,143,000 (31 December 2021: RMB 10,939,507,000); the liability-to-asset ratio was 70.2% (31 December 2021: 68.6%(restated)).

### Pledge of Assets

As of 31 December 2022, the buildings and equipment of the Group were pledged to secure borrowings balance of RMB 10,488,820,000 (31 December 2021: RMB 9,702,631,000).

### Contingent Liability

With effective from 27 June 2019, the subsidiaries of the Group provided joint liability guarantees for the debts of Daoxian Century Concord Wind Power Co., Ltd.\*(道縣協合) (“Daoxian Century Concord”) and Daoxian Jingtang Century Concord Wind Power Co., Ltd.\*(道縣井塘) (“Daoxian Jingtang”) under the lease contracts. As of 31 December 2022, the total principal debt's balances of Daoxian Century Concord and Daoxian Jingtang which the Group provided joint liability guarantees were RMB338,643,000.

Save as mentioned above, the Group did not have any material contingent liabilities as at 31 December 2022.

### Commitments

As of 31 December 2022, the Group had contracted but not yet incurred RMB2,380,563,000 (31 December 2021: RMB 2,068,344,000) of capital expenditure.

As of 31 December 2022, the total amount of equity capital contracted but not yet paid to joint ventures and associates was RMB44,500,000 (31 December 2021: RMB103,540,000).

## VI. RISK FACTORS AND RISK MANAGEMENT

The Group's main business is the investment and operation of renewable energy power plants. The main risks faced by the Group include international political risk, exchange rate risk, policy risk, market risk, climate risk and power curtailment risk, etc.

The Group will assess the possible adverse factors, formulate various countermeasures to mitigate the risks, closely follow the international situation and changes in exchange rates, closely track the related policies and evaluate their impacts, formulate scientific electricity trading strategies, strengthen equipment operation management, improve production and operation efficiency and enhance the profitability of power generation. The Group will continue to enhance its capabilities and strengths of project development, implement a strategy that integrating non-power generation investment and project quota acquisition, utilize its flexibility advantages to implement its development strategy. The Group will make reasonable geographic distribution of power plants across the country to minimize the overall risk of regional wind and solar resource fluctuations and power curtailments on the its power plants.

## VII. THE OUTLOOK

At present, the renewable energy generation is booming and will gradually become the main power source, which will bring profound changes to the power industry. In the course of building a new power system that adapts to carbon neutrality, more investment and service opportunities will emerge. With years of experience in the renewable energy industry, the Group will actively grasp these opportunities, be brave to compete, actively participate in building new power system, focus on renewables power generation as the main business, leverage our professional advantages, and collaborate with the service business sector for multi-wing development.

In 2023, the Group will focus on the following tasks:

### **1. Accelerate Project Development And Construction To Achieve Rapid Growth In Installed Capacity**

The power generation is the major profit source and profit growth driver of the Group. The Group will scale up the investment of renewables focusing on wind and solar power align with the national policy and its available resource. It will proactively plan the development of comprehensive wind and solar bases, take various measures to obtain project quotas. It will actively speed up the preparation of project construction in advance to promote project construction with scientific arrangement and effective coordination, enhance the control of project nodes and stringent cost to ensure the steady growth of power generation business. With these efforts, the Group aims to achieve rapid growth in installed capacity.

### **2. Strive to Enhance Market-Based Revenue , Further Exploit the Value Of Carbon Assets**

Continuously reducing the LCOE is a long-term goal pursued by the Group. The Group will continue to center on the core concept of “lowest LCOE” to create greater values and further enhance the awareness of operational excellence. By closely keep up the electricity market reform, the Group will establish a professional trading management team, explore scientific trading strategies in depth, and rapidly build its trading capacity to ensure the steady profit growth from power generation. In addition, the Group will continue to broaden its channels of green electricity and green certificates, vigorously exploring new industries and new customers, and striving to increase the revenue from green certificates, green electricity and carbon trading. Keeping up with the market, active planning, the Group will take the initiative in forming its core competitiveness.

### **3. Vigorously Develop the Service Business, Reinforce the O&M sector's Competitiveness**

The Group will vigorously develop the service business of renewable energy. It will actively build up its efficiency and high-quality of O&M business sector, its ability of analysis and improve the assets quality, and its ability to make profits from trading on behalf of customers. The Group will seize market opportunities, make full use of intelligent O&M and optimize intelligent energy management products to actively cultivate its core competitive advantages, in order to continuously expand and strengthen its operation and maintenance business. For the distributed solar and wind power plants, the Group will actively promote financial leasing and EPCM&L integrated services. Meanwhile, it will further upgrade the design qualification, improve design and service quality, to facilitate the coordinated development of design, financial leasing, intelligent operation and maintenance and other service businesses.

### **4. Establish an International Investment Platform, Gradually Create A Global Market Presence**

The Group has extensive experience in renewable power plant development, design, construction, operation and maintenance and other fields. Incorporating these experiences, it will establish a professional international business team and make its presence in international markets by building an international investment platform, keeping up with the international situation and world economic trends. It will identify and select target markets for investment by thoroughly studying related policies. It will also actively explore business opportunities in overseas low-carbon industries and high-tech sectors to fulfill the collaborations and synergies of international and domestic businesses.

### **5. Continuously Optimize the Quality Of Asset**

The Group will constantly improve its abilities in operation and risk control, will continuously conduct dynamic analysis of power plants to formulate reasonable optimization strategy. Through continuous adjustment and optimization of asset structure, its assets quality and cash flow will be comprehensively improved to ensure that liability-to-asset ratio of the Group remains at a reasonable level.

### **6. Strengthen Safety Management Efforts to Ensure The Safety of Generation and Construction**

The Group will enhance its safety management capability by adhering to the principle of safety first, exercising stringent control of safety management and continuing to implement the closed-loop management mechanism. The Group will consistently keep focusing on risk management and taking system construction as effective means. It will insist on process control, insist on target and result orientation, enhance the primary responsibilities assumed by business entities and the fulfillment of responsibilities at all levels. Six key tasks are specified, including quantitative assessment of the safety responsibility system, management of potential safety risks, safety training and benchmarking, standardized safety construction, ecological environmental protection and quality monitoring, and on-site team safety construction. The Group will strengthen the implementation of targeted policies and benchmarking to achieve the safety targets of the year.

## **7. Enhance Management and Foster Corporate Culture to Support Rapid Business Expansion**

The Group will continuously enhance its management by leveraging its strategy, adjusting and optimizing its organization structure reasonably, standardizing performance management, optimizing and strictly executing incentive mechanisms, refining internal policies, procedures, and workflows. With these efforts, the Group aims to comprehensively boost work productivity. The Group will optimize its human resources management system based on the principle of matching strategy, organization, talent and incentives. The Group respects the value of talents, seeks to develop their potentials and optimizes the incentive mechanism, fostering a human resources management system that can support the strategy implementation and organizational development of the Group. Through the building of corporate culture, the Group's vision and mission that demonstrate the value and code of conduct for the Group's employee are clearly presented. Through management improvement and corporate culture building, the Group aims to comprehensively facilitate its strategy implementation and business development.

## SCOPE OF WORK OF INDEPENDENT AUDITOR

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 December 2022 have been agreed by the Group's independent auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by KPMG in this respect did not constitute an assurance engagement performed 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 KPMG on the preliminary announcement.

## DIVIDEND

The board of directors recommends to declare a final dividend of HK\$0.035 per ordinary share in respect of the year ended 31 December 2022 (2021: HK\$0.03), subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. Based on the number of issued ordinary shares as of the date of approving this consolidated financial information, the proposed final dividend amounted to approximately HK\$302,053,000. It is expected that the final dividend will be paid out before end of June 2023. The Company will make further announcement when the book close date is fixed.

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

During the year ended 31 December 2022, the Company repurchased a total of 384,130,000 ordinary shares of the Company for an aggregate consideration of HK\$250,947,000 on The Stock Exchange of Hong Kong Limited, the purchased shares were subsequently cancelled by the Company and the issued share capital of the Company was reduced thereon. Details of the share repurchases during the Year are as follows:

| Share Repurchased |                    | Purchase Price per Share |                |                          |
|-------------------|--------------------|--------------------------|----------------|--------------------------|
| Month             | Number             | Highest<br>HK\$          | Lowest<br>HK\$ | Aggregate Amount<br>HK\$ |
| March 2022        | 38,740,000         | 0.69                     | 0.62           | 25,976,200               |
| October 2022      | 73,540,000         | 0.65                     | 0.60           | 45,674,900               |
| November 2022     | 191,390,000        | 0.69                     | 0.60           | 124,717,700              |
| December 2022     | 80,460,000         | 0.70                     | 0.66           | 54,578,200               |
|                   | <b>384,130,000</b> |                          |                | <b>250,947,000</b>       |

During the year ended 31 December 2022, the Company purchased a total of 21,750,000 ordinary shares of the Company through Tricor Trust (Hong Kong) Limited, the trustee engaged by the Company for purpose of satisfying the share awards under the Share Award Scheme adopted by the Board.

Save as disclosed above, neither the Group, nor any of its subsidiaries purchased, sold or redeemed any of the Group's listed securities during the Year under review.

## CORPORATE GOVERNANCE

Throughout the year ended 31 December 2022, the Board has reviewed the Group's corporate governance practices and is satisfied that the Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rule.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) set out in Appendix 10 to the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2022.

## **AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive directors, Mr. Yap Fat Suan, Henry, Ms. Huang Jian and Mr. Zhang Zhong. Mr. Yap Fat Suan, Henry is the chairman of the Audit Committee. The Audit Committee has adopted the terms of reference which are in line with the CG Code. The Group’s consolidated financial statements for the year ended 31 December 2022 have been reviewed by the Audit Committee.

## **APPRECIATION**

The Board wishes to take this opportunity to express gratitude to our employees for their contribution and dedication to the Group. We also thank our shareholders, customers and business partners for their continuous support.

For and on behalf of

**Concord New Energy Group Limited**  
**Liu Shunxing**  
*Chairman*

Hong Kong, 28 February 2023

*As at the date of this announcement, the Board comprises Mr. Liu Shunxing (Chairman), Ms. Liu Jianhong (Vice Chairperson), Mr. Gui Kai (Chief Executive Officer), Mr. Niu Wenhui, Mr. Zhai Feng and Ms. Shang Jia (all of above are executive Directors), Mr. Wang Feng (who is a non-executive Director) and Mr. Yap Fat Suan, Henry, Dr. Jesse Zhixi Fang, Ms. Huang Jian, Mr. Zhang Zhong and Ms. Li Yongli (who are independent non-executive Directors).*