



China | New Energy

24 February 2026

Concord New Energy (182 HK)
Reshaping through headwinds
FY25 NP is expected to decline by >80% YoY

CNE announced profit warning for its FY25 results. FY25 NP is expected to decline by over 80% YoY to Rmb160m or less, compared to a NP of around Rmb800m in FY24. Despite the decrease in profit, the cash generated from operating activities during FY25 increased YoY compared with FY24, indicating that the Group's cash flow position is relatively stable and there is no risk of cash chain tension.

Weak wind/solar resources and increased curtailment last year

One of the major reasons for the profit decline was a convergence of unfavorable meteorological conditions and grid-level infrastructure constraints. During FY25, wind and solar resources in key regions in China were significantly weaker than historical averages, directly impacting the gross generation potential of the group's portfolio. This natural variability was compounded by an increase in the curtailment rate due to limited absorption capacity in certain provinces. In addition, the pricing environment for renewable energy has shifted from stable, long-term contracts to a competitive, market-based trading environment. This intensification of competition in electricity trading has driven down the average comprehensive electricity price YoY, squeezing the Group's GPM. The transition to market-based pricing means that renewable operators must now compete on a spot basis, often at lower realized prices during periods of high generation, a phenomenon exacerbated by the massive increase in total national capacity which has now seen wind and solar combined surpass coal in the total power mix for the first time in history.

One-Off Subsidy Reversal and Valuation Hits: The Non-Cash Drag

Perhaps the most significant non-cash item in the 2025 profit warning is the one-time reversal of part of the renewable energy subsidy revenue recognized in prior years. This reversal follows a clarified review by the Chinese government regarding historical subsidy eligibility and documentation requirements. FY25 results were further burdened by losses on certain financial assets measured at fair value and impairment charges recognized on long-term equity investments. These charges reflect the broader decline in the market value of energy assets amidst intensifying competition and a higher interest rate environment globally. Specifically, as the industry transitions to market-based pricing, the terminal value and projected cash flows for older projects have been revised downward.

Maintain our BUY rating, cut our TP to HK\$0.45

By end-2025, CNE reduced its full-time workforce by more than 30% YoY. This restructuring is intended to reduce fixed costs and improve operational efficiency. By leveraging its vast portfolio of technical data and operational experience, the Group is transitioning from a traditional owner-operator to a technology-led services provider. Management has indicated that these measures have already yielded initial results in optimizing workforce structures and improving equipment availability, even in a lower-resource year. We lowered our FY25-FY27 forecasts by 78%/51%/48% and cut our target price to \$0.45. We maintained our BUY rating on the counter.

Summary financial data

Year to Dec 31 (RMB mn)	2023	2024	2025E	2026E	2027E
Revenue	2,589	2,752	2,250	2,659	2,985
Gross profit	1,406	1,516	1,215	1,436	1,612
Net profit	964	805	159	405	476
YoY Growth	10.5%	-16.5%	-80.3%	155.6%	17.5%
EPS (RMB)	0.141	0.118	0.023	0.059	0.070
Adj. P/E (x)	2.1	2.5	12.7	5.0	4.2
P/B (x)	0.24	0.23	0.23	0.22	0.21
Dividend Yield (%)	12.2	12.0	2.4	6.1	7.1
ROE (%)	12.0	9.5	1.8	4.5	5.1
Net debt / equity (%)	167	163	179	202	211

Source: Company data, Crosby Securities

BUY

Last Price (HK\$)*	0.30
Target Price (HK\$)	0.45
Upside / (Downside)(%)	52.5%
Previous rating	BUY
Previous TP	0.70
Hang Seng Index*	26,590.32
* Prices as of	24-Feb-26

Key Data

Ticker	182 HK
Market Cap (HK\$m)	2,324
3M avg daily T/O (HK\$m)	5.7
52-week High (HK\$)	0.52
52-week Low (HK\$)	0.29
Free Float (%)	62.3%
Shares O/S (m)	7,877.7

Performance	Absolute	Relative
1 month	-13.2%	-12.7%
3 months	-4.8%	-8.0%
6 months	-28.0%	-31.4%

Price Chart


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Figure 1 Peer comparison (closing prices as of 24 Feb 2026)

Company	Ticker	Price	Mkt cap (US\$m)	3-mth avg t/o (US\$m)	P/E (x)		FY1-FY3 EPS Cagr (%)	FY1 PEG (x)	Div Yld (%)		P/B (x)		ROE (%)		ROIC (%)	Share px chg (%)		
					FY1	FY2			FY1	FY2	Hist	FY1	Hist	FY1		Hist	1-mth	3-mth
HSI		26,590			13.2	11.8	12.0	1.10	2.9	3.1	1.46	1.42	10.4	10.4		(0.6)	3.4	13.9
HSCEI		9,008			11.9	10.7	12.5	0.96	2.7	3.0	1.33	1.31	11.1	10.9		(1.7)	(0.8)	4.5
CSI300		4,708			16.8	14.4	14.9	1.13	2.3	2.6	1.82	1.79	10.2	10.8		0.1	5.8	18.6
Sector Average					13.2	7.9	35.3	0.5	6.2	6.0	0.7	0.7	4.8	6.6	2.3	(4.0)	2.2	24.3
Sector Median					7.7	6.6	14.5	0.6	5.6	4.7	0.7	0.6	7.4	8.1	3.6	(2.9)	0.5	8.4
China Longyuan-H	916 HK	7.21	14,706	12.1	8.6	7.9	9.0	0.96	3.4	3.8	0.71	0.69	8.2	8.1	4.3	1.0	4.5	14.6
Goldwind Scien-H	2208 HK	14.46	14,500	85.0	16.6	12.1	27.9	0.59	1.8	2.5	1.40	1.32	6.8	8.2	2.6	(14.7)	20.6	186.9
Xinyi Solar Hlds	968 HK	3.63	4,245	25.3	33.0	17.5	57.5	0.57	1.5	2.6	0.99	1.09	(0.4)	4.0	1.3	1.1	15.6	6.8
China Suntien-H	956 HK	4.14	3,703	3.1	6.8	5.8	11.7	0.58	6.3	7.5	0.68	0.67	7.9	9.4	3.5	7.0	(7.2)	10.1
China Datang C-H	1798 HK	1.97	1,832	3.8	6.1	5.4	12.7	0.48	5.0	5.5	0.63	0.61	9.6	9.1	3.7	(5.3)	(12.4)	(5.7)
Jnec-H	579 HK	2.32	2,445	1.2	4.9	4.7	8.9	0.55	8.8	9.3	0.49	0.48	8.9	N/A	4.7	(0.4)	(1.7)	19.6
Xinte Energy C-H	1799 HK	7.36	1,346	1.4	26.8	7.4	137.9	0.19	9.3	1.0	0.28	0.28	(9.6)	(1.0)	(5.8)	(7.2)	2.8	1.5
Concord Ne	182 HK	0.30	297	0.7	2.7	2.2	16.4	0.17	13.9	15.8	0.23	0.22	6.8	8.1	3.7	(13.2)	(4.8)	(39.2)

Source: Bloomberg, Crosby Securities

Figure 2 Historical 5-year forward PE range



Source: Bloomberg, Crosby Securities

Figure 3 Historical 5-year forward PB range



Source: Bloomberg, Crosby Securities



Summary financials

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Profit & Loss (RMBm)					
Power generation	2,259	2,516	2,014	2,400	2,700
YoY%	6.9	11.4	(20.0)	19.2	12.5
O&M / EPC & Others	329	236	236	260	286
YoY%	15.0	(28.3)	(0.0)	10.0	10.0
Turnover	2,589	2,752	2,250	2,659	2,985
YoY%	7.8	6.3	(18.2)	18.2	12.3
COGS	-1,183	-1,236	-1,035	-1,223	-1,373
Gross profit	1,406	1,516	1,215	1,436	1,612
Margin	54.3%	55.1%	54.0%	54.0%	54.0%
Selling & distribution	-6	-14	-16	-16	-18
Admin	-404	-344	-394	-399	-448
R&D	0	0	0	0	0
Other opex	0	0	0	0	0
Total opex	-411	-358	-409	-415	-466
YoY%	18.2	(12.9)	14.5	1.3	12.3
Operating profit	995	1,158	805	1,021	1,146
Margin	38.4%	42.1%	35.8%	38.4%	38.4%
Other income / (exp)	508	215	51	136	132
Finance costs	-644	-684	-672	-731	-796
Associates' income	190	178	102	140	161
Pre-tax profit	1,049	867	286	566	643
Tax	-154	9	-57	-91	-97
Profit after tax	895	876	229	476	547
Margin	34.6%	31.8%	10.2%	17.9%	18.3%
Discontinued operations	94	0	0	0	0
Minority Interest	-25	-70	-70	-70	-70
Net profit	964	805	159	405	476
YoY%	10.5	(16.5)	(80.3)	155.6	17.5
Margin	37.2%	29.3%	7.0%	15.2%	16.0%
Non-core items adj.	0	0	0	0	0
Adj. profit	964	805	159	405	476
YoY%	10.5	(16.5)	(80.3)	155.6	17.5
Margin	37.2%	29.3%	7.0%	15.2%	16.0%
EBITDA	2,236	2,266	1,570	1,980	2,208
YoY%	7.3	1.3	(30.7)	26.1	11.5
Margin	86.4%	82.3%	69.8%	74.5%	74.0%
Fully diluted EPS (RMB)	0.141	0.118	0.023	0.059	0.070
YoY%	10.5	(16.5)	(80.3)	155.6	17.5
DPS (RMB)	0.036	0.035	0.007	0.018	0.021
YoY%	(5.9)	(1.7)	(80.3)	155.6	17.5

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Cash Flow (RMBm)					
Operating profit	995	1,158	805	1,021	1,146
Dep. & Amort.	733	893	713	823	930
Chg in working cap	-88	125	650	-717	289
Others	117	148	40	130	130
Cash from operations	1,757	2,324	2,209	1,258	2,495
Tax paid	-176	-133	-57	-91	-97
Net cash from operations	1,581	2,191	2,151	1,167	2,398
YoY%	(34.1)	38.6	(1.8)	(45.8)	105.5
Capex	-4,682	-4,573	-3,300	-3,300	-3,300
Investments	-3,126	-2,511	0	0	0
Disposal of assets	3,210	2,551	0	0	0
Interest received	31	41	11	6	2
Others	-21	1,073	102	140	161
Net cash from investments	-4,588	-3,418	-3,187	-3,154	-3,137
Issue/ buyback of shares	-301	-68	0	0	0
Interest paid	-733	-708	-672	-731	-796
Dividends paid	-278	-259	-48	-122	-144
Net change in debt	4,040	1,615	1,529	1,550	1,903
Others	-754	-54	0	0	0
Net cash from financing	1,974	525	809	697	963
Net change in cash	-1,033	-702	-226	-1,290	225
Adjustments	8	-49	0	0	0
Opening cash	3,471	2,445	1,694	1,468	177
Closing cash	2,445	1,694	1,468	177	402
FCF	-3,101	-2,382	-1,149	-2,133	-902
YoY%	N/A	N/A	N/A	N/A	N/A

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Balance Sheet (RMBm)					
Fixed assets	17,759	17,248	19,914	22,478	24,944
Associates & JCE	2,841	2,909	2,909	2,909	2,909
Goodwill & intangibles	716	660	581	493	397
Deferred tax assets	47	61	61	61	61
Others	2,886	3,108	3,108	3,108	3,108
Non-current assets	24,250	23,986	26,572	29,049	31,419
Inventories	46	19	50	50	50
Trade & bills receivables	1,416	1,649	1,550	1,600	1,100
Prepayments, deposits & others	995	994	1,004	1,014	700
Investments	0	0	0	0	0
Cash	2,445	1,694	1,468	177	402
Others	2,084	3,788	3,314	3,319	3,323
Current assets	6,986	8,144	7,386	6,161	5,755
Total assets	31,236	32,130	33,958	35,210	36,995
Trade & bills payables	1,672	589	707	565	452
Accruals & other payables	3,084	2,552	2,552	2,042	1,633
Tax payable	138	51	51	51	51
Bank loans	1,869	2,092	2,301	2,531	2,785
Bonds, CB & debentures	0	0	0	0	0
Others	115	2,656	2,656	2,656	2,656
Current liabilities	6,879	7,940	8,267	7,846	7,577
Bank loans	14,666	14,106	15,426	16,746	18,396
Bonds, CB & debentures	0	0	0	0	0
Deferred tax liabilities	58	20	20	20	20
Others	1,199	1,158	1,158	1,158	1,158
Non-current liabilities	15,922	15,283	16,603	17,923	19,573
Total liabilities	22,801	23,224	24,871	25,769	27,151
Total net assets	8,435	8,906	9,087	9,441	9,844
Share capital	73	68	68	68	68
Reserves	8,210	8,647	8,757	9,040	9,373
Shareholder's equity	8,283	8,715	8,826	9,109	9,441
Minority interests	152	191	262	332	403
Total Equity	8,435	8,906	9,087	9,441	9,844
Total debts	16,535	16,198	17,727	19,277	21,180
Net cash/(debts)	-14,090	-14,504	-16,259	-19,100	-20,778
BVPS (RMB)	1.209	1.272	1.288	1.330	1.378

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Key ratios					
Margins (%)					
Gross margin	54.3	55.1	54.0	54.0	54.0
EBITDA margin	86.4	82.3	69.8	74.5	74.0
EBIT margin	38.4	42.1	35.8	38.4	38.4
Net margin	37.2	29.3	7.0	15.2	16.0
Net margin (Core profit)	37.2	29.3	7.0	15.2	16.0
Effective tax rate (%)	17.9	N/A	31.1	21.3	20.0
Selling exp as % of rev	0.2	0.5	0.7	0.6	0.6
Admin exp as % of rev	15.6	12.5	17.5	15.0	15.0
R&D exp as % of rev	0.0	0.0	0.0	0.0	0.0
Other opex as % of rev	0.0	0.0	0.0	0.0	0.0
Total opex as % of rev	15.9	13.0	18.2	15.6	15.6
Interest coverage (x)	1.5	1.7	1.2	1.4	1.4
Dividend payout (%)	25.6	30.2	30.2	30.2	30.2
Balance sheet ratios					
Inventory days	16	10	12	15	13
Acct. rec. days	196	203	259	216	165
Acct. payable days	453	334	229	190	135
Cash cycle	-240	-121	43	41	43
Net debt/equity (%)	167.0	162.8	178.9	202.3	211.1
Net debt/total cap (%)	62.6	62.0	64.1	66.9	67.9
Current ratio (x)	1.02	1.03	0.89	0.79	0.74
Returns (%)					
Asset turnover (x)	0.09	0.09	0.07	0.08	0.08
Financial leverage (x)	3.62	3.73	3.77	3.86	3.89
EBIT margin (%)	65.4	56.3	42.6	48.8	48.2
Interest burden (x)	0.62	0.56	0.30	0.44	0.45
Tax burden (x)	0.92	0.93	0.55	0.72	0.74
ROE (%)	12.0	9.5	1.8	4.5	5.1
ROIC (%)	7.6	6.8	3.7	4.5	4.5

Source: Company data, Crosby Securities



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