IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offering circular (the "**Offering Circular**") attached to this e-mail. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information as a result of such access. You acknowledge that the access to the Offering Circular is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE PREFERENCE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE PREFERENCE SHARES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

THE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE PREFERENCE SHARES DESCRIBED THEREIN.

MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Preference Shares has led to the conclusion that: (i) the target market for the Preference Shares is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Preference Shares to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Preference Shares (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Preference Shares (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPs REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Preference Shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Preference Shares or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Preference Shares or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION/PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Preference Shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Preference Shares or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Preference Shares or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Confirmation of Your Representation: In order to be eligible to view the Offering Circular or make an investment decision with respect to the Preference Shares, investors must not be located in the United States. The Offering Circular is being sent at your request and by accepting the e-mail and accessing the Offering Circular, you shall be deemed to have represented to Merrill Lynch (Asia Pacific) Limited, BOCI Asia Limited, Industrial and Commercial Bank of China (Asia) Limited, J.P. Morgan Securities (Asia Pacific) Limited, ABCI Capital Limited, BOCOM International Securities Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited, China Minsheng Banking Corp., Ltd. Hong Kong Branch, China Securities (International) Corporate Finance Company Limited, CLSA Limited, CMB International Capital Limited, DBS Bank Ltd., Guotai Junan Securities (Hong Kong) Limited, Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Natixis, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank (together, the "**Joint Lead Managers**"), SPIC Preferred Company No.5 Ltd. 国家电投优先股有限公司5号 (the "**Issuer**") and State Power Investment Corporation Limited (the "**Parent**" or the "**Company**") that: (1) you and any customers you represent are not in the United States, (2) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, and (3) you consent to delivery of the Offering Circular by electronic transmission. To the extent you purchase the Preference Shares described in the attached document, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

The Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Company, the Joint Lead Managers, the Trustee, the Agents nor any of their respective affiliates, directors, officers, employees, representatives, advisers or agents, nor any person who controls any of them accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

This Offering Circular is being furnished by the Issuer and the Parent in connection with the offering of the Preference Shares and is exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Preference Shares.

Restrictions: Nothing in this electronic transmission constitutes, and this electronic transmission may not be used in connection with, an offer or an invitation by or on behalf of any of the Issuer, the Company or the Joint Lead Managers to subscribe or purchase any of the securities described therein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licenced broker or dealer and any Joint Lead Manager or any affiliate of a Joint Lead Manager is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Joint Lead Manager or such affiliate on behalf of the Issuer and the Company in such jurisdiction. Any securities to be issued in respect thereof will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

You are reminded that you have accessed the Offering Circular on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Circular to any other person.

The materials relating to the offering of Preference Shares do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by laws.

Actions that you may not take: If you receive the Offering Circular by e-mail, you should not reply by e-mail to this electronic transmission, and you may not purchase any Preference Shares by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

STRICTLY CONFIDENTIAL

SPIC PREFERRED COMPANY NO.5 LTD.
国家电投优先股有限公司5号

(incorporated with limited liability in the Cayman Islands)

U.S.$1,000,000,000 4.795 per cent. Preference Shares with the benefit of a Keepwell Deed provided by

国家电力投资集团有限公司
STATE POWER INVESTMENT CORPORATION LIMITED

STATE POWER INVESTMENT CORPORATION LIMITED

(incorporated in the People's Republic of China with limited liability)

Issue Price for the Preference Shares: 100.00 per cent.

The U.S.$1,000,000,000 4.795 per cent. preference shares (the "**Preference Shares**") will be issued by SPIC Preferred Company No.5 Ltd. 国家电投优先股有限公司5号, an exempted company with limited liability incorporated under the laws of the Cayman Islands (the "**Issuer**"). The Preference Shares will have a par value of U.S.$0.01 each and will be issued as fully paid-up capital in U.S. dollars while the issuance price of the Preference Shares will be U.S.$1,000 each (the "**Liquidation Preference**"). The Preference Shares will be issued in registered form and issued and transferable only in minimum amounts of U.S.$200,000 (or 200 Preference Shares) and integral multiples of U.S.$1,000 (or 1 Preference Share) in excess thereof (each, an "**Authorised Denomination**").

The Issuer will enter into intragroup senior perpetual financing agreements (each, an "**Intragroup Financing Agreement**") with State Power Investment Corporation Limited (the "**Parent**" or the "**Company**") and certain offshore subsidiaries of the Parent (each such subsidiary, a "**Financing Recipient**") on or around the Issue Date (as defined below), pursuant to which the Issuer as financing provider (the "**Financing Provider**") will, subject to, and in accordance with, the provisions of the Intragroup Financing Agreements, provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients (each, a "**Financing**"). Each Financing is perpetual and has no maturity date. The arrangement of payment of principal amount and distribution by each Financing Recipient under the Intragroup Financing Agreements will be similar to the Liquidation Preference and Dividend (as defined below) payment arrangement under the Preference Shares. The due payment of all sums expressed to be payable by the Financing Recipients to the Financing Provider from time to time under the Intragroup Financing Agreements will be unconditionally and irrevocably guaranteed by the Parent subject to, and in accordance with, the provisions of the deeds of senior guarantee entered into between the Issuer and the Parent on or around the Issue Date in respect of each Financing (each, a "**Financing Guarantee**"). The Issuer is an indirectly wholly-owned subsidiary of the Parent. The Issuer will not carry on any business activity and not incur or have outstanding any indebtedness for moneys borrowed or raised (whether senior or subordinated), other than (a) borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into the Intragroup Financing Agreements and the Financing Guarantees and any other activities reasonably incidental thereto; and (b) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders (as defined below). The Financing Provider will have rights under each Financing and the Financing Guarantees against the Financing Recipients and the Parent respectively, but Preference Shareholders do not have direct recourse to the Financing Recipients or the Parent under each Financing or the Financing Guarantees. However, upon (i) the Winding-Up (as defined in the Intragroup Financing Agreement) of any Financing Recipient or the Parent and/or (ii) any amount under any Financing and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Financing Provider not being paid when due or (as the case may be) within any applicable grace period, the Trustee (as defined below) and its custodian, agent, delegate or nominee (each an "**Appointee**") may enforce the Financing Provider's rights under each Financing and the Financing Guarantees on behalf of the Financing Provider to receive payments due to the Financing Provider under each Financing and the Financing Guarantees. Please refer to "*Description of the Intragroup Financing Agreements and the Financing Guarantees*" for further details.

The Parent intends to assist the Issuer in meeting its obligations under the Preference Shares and will enter into a keepwell deed (the "**Keepwell Deed**") on or around the Issue Date with the Issuer and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as trustee (the "**Trustee**"), whereby the Parent will provide certain undertakings in respect of the Issuer, the Preference Shares, the Intragroup Financing Agreements and the Financing Guarantees. Please refer to "*Description of the Keepwell Deed*" for further details. **The Keepwell Deed does not constitute a guarantee by the Parent of the obligations of the Issuer under the Preference Shares and may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Parent.**

The Preference Shares are perpetual and have no maturity date. The Preference Shares will constitute direct, unsecured and subordinated obligations of the Issuer which rank *pari passu* and without any preference or priority of payment among themselves. Upon the Winding-Up of the Issuer, the rights and claims in respect of holders of the Preference Shares (the "**Preference Shareholders**" or in relation to the Preference Shares, the "**Holders**") shall rank: (a) junior to holders of all general unsubordinated liabilities of the Issuer; (b) equally in all respects with each other and without preference or priority of payment among themselves and with the holders of all Parity Obligations (as defined in the terms and conditions of the Preference Shares (the "**Terms and Conditions of the Preference Shares**" and each, a "**Condition**")) of the Issuer; and (c) in priority to the holders of all Junior Obligations (as defined in the Terms and Conditions of the Preference Shares) of the Issuer.

Subject as provided in the Terms and Conditions of the Preference Shares, each Preference Share will accrue dividends and/or distributions (the "**Dividends**") which are due but unpaid. The rate of Dividend (the "**Dividend Rate**") applicable to the Preference Shares shall be: (i) in respect of the period from, and including, 27 June 2025 (the "**Issue Date**") to, but excluding, 27 June 2028 (the "**First Reset Date**"), at 4.795 per cent. per annum (the "**Initial Dividend Rate**"), subject to any increase pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares, and (ii) in respect of the period (A) from, and including, the First Reset Date to, but excluding, the Reset Date (as defined in the Terms and Conditions of the Preference Shares) falling immediately after the First Reset Date, and (B) from, and including, each Reset Date thereafter to, but excluding, the immediately following Reset Date, the Relevant Reset Dividend Rate (as defined in the Terms and Conditions of the Preference Shares). No Relevant Reset Dividend Rate shall be affected by any Step-up Event (as defined below) occurring before the First Reset Date or otherwise, as provided in Condition 4.7 of the Terms and Conditions of the Preference Shares. See "*Terms and Conditions of the Preference Shares – Dividends – Dividend Rate*".

Subject as provided in the Terms and Conditions of the Preference Shares, Dividends shall be payable on the Preference Shares semi-annually in arrear in equal instalments on 27 June and 27 December of each year (each, a "**Dividend Payment Date**"), commencing on 27 December 2025. The Issuer (a) may, at its sole discretion, elect to defer (in whole or in part) unless a Compulsory Dividend Payment Event (as defined in the Terms and Conditions of the Preference Shares) has occurred and (b) in the case where any condition set out in Condition 4.4 of the Terms and Conditions of the Preference Shares is not satisfied in respect of any relevant Dividend Period (as defined in the Terms and Conditions of the Preference Shares), shall compulsorily defer in whole, any Dividend which is otherwise scheduled to be paid on a Dividend Payment Date to the next Dividend Payment Date by giving notice to the Preference Shareholders, the Trustee and the Principal Paying Agent (as defined in the Terms and Conditions of the Preference Shares) in writing not more than 15 Payment Business Days (as defined in the Terms and Condition of the Preference Shares) nor less than five Payment Business Days prior to a scheduled Dividend Payment Date. Any Dividend so deferred shall constitute "**Arrears of Dividend**" and the restrictions as described in Condition 4.6(v) of the Terms and Conditions of the Preference Shares shall apply. Each amount of Arrears of Dividend shall accrue Dividends as if it constituted the Liquidation Preference of the Preference Shares at the prevailing Dividend Rate and the amount of such Dividends (the "**Additional Dividend Amount**") with respect to Arrears of Dividend shall be due and payable pursuant to the Terms and Conditions of the Preference Shares. The Issuer may at its sole discretion elect to defer further (in whole or in part), or shall compulsorily defer in whole, in each case in the circumstances set out in Terms and Conditions of the Preference Shares, any Arrears of Dividend by complying with the notice requirement applicable to any deferral of an accrued Dividend and is not subject to any limit as to the number of times Dividends and Arrears of Dividend can or shall be deferred. See "*Terms and Conditions of the Preference Shares – Dividends – Dividends Deferral of Preference Shares – Cumulative Deferral*".

Any increase or decrease in Dividend Rate pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares shall apply to the Initial Dividend Rate only. No Relevant Reset Dividend Rate shall be affected by any Step-up Event occurring before the First Reset Date or otherwise. Prior to the First Reset Date, upon the occurrence of a Change of Control Event, a Breach of Covenants Event or a Relevant Indebtedness Default Event (each as defined in the Terms and Conditions of the Preference Shares and each a "**Step-up Event**"), unless (i) an irrevocable notice to redeem the Preference Shares (and in the case of a Breach of Covenants Event in respect of Condition 8.3 of the Terms and Conditions of the Preference Shares, an irrevocable notice to redeem at least a Relevant Percentage of the Preference Shares) has been given to Preference Shareholders by the Issuer pursuant to Condition 6 of the Terms and Conditions of the Preference Shares by the 30th day following the occurrence of the relevant Step-up Event; or (ii) in the case of a Step-up Event other than a Change of Control Event or a Breach of Covenants Event in respect of Condition 4.6(v)(B) of the Terms and Conditions of the Preference Shares, such Step-up Event is remedied by the 30th day following the occurrence of such Step-up Event, (iii) in the case of a Change of Control Event, the circumstance constituting the relevant Change of Control Event ceases to continue by the 30th day following the occurrence of such Change of Control Event, or (iv) in the case of a Breach of Covenants Event in respect of Condition 4.6(v)(B) of the Terms and Conditions of the Preference Shares, the Issuer gives a notice by the 30th day following the occurrence of such Breach of Covenants Event to the Preference Shareholders, the Trustee and the Principal Paying Agent in writing, that it will satisfy any outstanding Arrears of Dividend and Additional Dividend Amount (in whole and not in part) on the next Dividend Payment Date following the occurrence of such Breach of Covenants Event (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Dividend and Additional Dividend Amount, on the payment date specified in such notice) the Initial Dividend Rate will increase by 3.00 per cent. per annum (the "**Step-up Rate**") with effect from (x) the next Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date); or (y) if the date on which the relevant Step-up Event occurs is prior to the most recent preceding Dividend Payment Date, such Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date), **provided that** the maximum aggregate increase in the Initial Dividend Rate pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares shall not exceed the Step-up Rate, as further described in "*Terms and Conditions of the Preference Shares – Dividends – Increase or Decrease in Dividend Rate following occurrence of certain events*".

The Preference Shares may be redeemed at the option of the Issuer in whole or in part, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders, the Trustee and the Principal Paying Agent at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption on the First Call Date (as defined in the Terms and Conditions of the Preference Shares) or on any Dividend Payment Date after the First Call Date. The Preference Shares may also be redeemed at the option of the Issuer in whole, but not in part, at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders, the Trustee and the Principal Paying Agent at (i) 101 per cent. of the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time before the First Call Date; or (ii) the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time on or after the First Call Date, if a Change of Control Event occurs. The Preference Share may also be redeemed at the option of the Issuer at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders, the Trustee and the Principal Paying Agent, for taxation reasons, for accounting reasons, on the occurrence of a Breach of Covenants Event or a Relevant Indebtedness Default Event or for minimum outstanding amount subject to Condition 6 of the Terms and Conditions of the Preference Shares. See "*Terms and Conditions of the Preference Shares – Redemption*". The Preference Shares are not redeemable at the option of the Preference Shareholders, and the Preference Shareholders have no right to request the Issuer to redeem the Preference Shares. Other than in the event of a Winding-Up of the Issuer or the Parent, no Preference Shareholder will be able to declare any payment of the Liquidation Preference or Dividend under the Preference Shares immediately due and payable.

The Parent has made an application for the pre-issuance registration (the "**Pre-Issuance Registration**") in relation to the Preference Shares with the National Development and Reform Commission of the PRC (the "**NDRC**") in accordance with the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) (the "**NDRC Administrative Measures**") issued by the NDRC on 5 January 2023 which came into effect on 10 February 2023 and any implementation rules as issued by the NDRC from time to time (the "**Post-Issuance Filing**"). The Parent has received an Enterprise Foreign Debt Filing Registration Certificate (the "**NDRC Certificate**") dated 11 June 2025 from the NDRC in connection with the Pre-Issuance Registration. Pursuant to the requirements of the NDRC Administrative Measures, the Parent will be required to submit the filing in respect of the issue of the Preference Shares within the prescribed timeframe.

The Parent will be required to file or cause to be filed with the State Administration of Foreign Exchange of the PRC or its local branch ("**SAFE**") the Financing Guarantees within the prescribed timeframe after execution of each Financing Guarantee in accordance with the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 which came into effect on 1 June 2014 (the "**Cross-Border Security Registration**"). The Parent intends to complete the Cross-Border Security Registration in respect of each Financing Guarantee with SAFE before the Registration Deadline (being 210 PRC Business Days (as defined in the Terms and Conditions of the Preference Shares) after the Issue Date) and comply with all applicable PRC laws and regulations in relation to the Financing Guarantees.

The Preference Shares are being issued in accordance with and under the Green Finance Framework of the Parent. See the section entitled "*Green Finance Framework*" beginning on page 117.

Investing in the Preference Shares involves risks. See "*Risk Factors*" beginning on page 27 for a discussion of certain factors to be considered in connection with an investment in the Preference Shares.

The Preference Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Preference Shares are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act. For a description of these and certain further restrictions on offers and sales of the Preference Shares and the distribution of this Offering Circular, see "*Subscription and Sale*".

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation for the Preference Shares on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval-in-principle for the listing and quotation of the Preference Shares on, and admission to the Official List of, the SGX-ST and quotation of the Preference Shares on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Parent, their subsidiaries, their associated companies or the Preference Shares.

The Preference Shares are expected to be rated "A3" by Moody's Investors Service Inc ("**Moody's**"). A credit rating is not a recommendation to buy, sell or hold the Preference Shares and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

BofA Securities	**BOC International**	**ICBC (Asia)**	**J.P. Morgan**

Joint Lead Managers and Joint Bookrunners

ABC International	**BOCOM International**	**China CITIC Bank International**	**China International Capital Corporation**
China Minsheng Banking Corp., Ltd. Hong Kong Branch	**China Securities International**	**CITIC Securities**	**CMB International**
DBS Bank Ltd.	**Guotai Junan International**	**Huatai International**	**ICBC International**
Natixis	**OCBC**		**Standard Chartered Bank**

Offering Circular dated 23 June 2025

IMPORTANT NOTICE

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY PREFERENCE SHARES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER, THE PARENT OR ANY OF THEIR RESPECTIVE SUBSIDIARIES OR THAT THE INFORMATION SET FORTH IN THIS OFFERING CIRCULAR IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

Each of the Issuer and the Parent accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms that (i) this Offering Circular contains all information with respect to the Issuer, the Parent, the Group, the Keepwell Deed, the Intragroup Financing Agreements, the Financing Guarantees and the Preference Shares which is material in the context of the issue and offering of the Preference Shares (including all information required by applicable laws and the information which, according to the particular nature of the Issuer, the Parent, the Keepwell Deed and the Preference Shares, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer, the Parent and the Group and of the rights attaching to the Preference Shares and the Keepwell Deed), (ii) the statements contained in this Offering Circular relating to the Issuer, the Parent, the Group, the Keepwell Deed, the Intragroup Financing Agreements, the Financing Guarantees and the Preference Shares, are true and accurate in all material respects and not misleading, and (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuer, the Parent and the Group, are honestly and reasonably held, have been reached after considering all relevant circumstances and are based on reasonable assumptions.

This Offering Circular has been prepared by the Issuer and the Parent solely for use in connection with the proposed offering of the Preference Shares and giving of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees described in this Offering Circular. The distribution of this Offering Circular, the offering of the Preference Shares and the giving of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Parent, Merrill Lynch (Asia Pacific) Limited, BOCI Asia Limited, Industrial and Commercial Bank of China (Asia) Limited, J.P. Morgan Securities (Asia Pacific) Limited, ABCI Capital Limited, BOCOM International Securities Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited, China Minsheng Banking Corp., Ltd. Hong Kong Branch, China Securities (International) Corporate Finance Company Limited, CLSA Limited, CMB International Capital Limited, DBS Bank Ltd., Guotai Junan Securities (Hong Kong) Limited, Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Natixis, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank (together, the "**Joint Lead Managers**") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Preference Shares and giving of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees or the distribution of this document in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Preference Shares and the giving of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Preference Shares and distribution of this Offering Circular, see "*Subscription and Sale*".

No person has been or is authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any information supplied by the Issuer, the Parent or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Parent or the Joint Lead Managers, the Trustee or the Agents (as defined in "*Terms and Conditions of the Preference*

Shares") or any of their respective affiliates, officers, employees, agents, representatives, directors, advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Preference Shares shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Parent or the Group since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof.

Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Issuer and the Parent and other sources identified in this Offering Circular. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than the consideration of an investment in the Preference Shares offered by this Offering Circular is prohibited. By accepting delivery of this Offering Circular each investor is deemed to have agreed to these restrictions.

None of the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors, advisers or any person who controls any of them has separately verified the information contained in this Offering Circular. None of the Joint Lead Managers, the Trustee or the Agents, or any of their director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them, makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Offering Circular or any information supplied in connection with the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee or the Agents, or any of their respective directors, officers, employees, agents, advisers, representatives, affiliates or any person who controls any of them, in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer, the Parent and the Group and the merit and risks involved in investing in the Preference Shares. See "*Risk Factors*" below for a discussion of certain factors to be considered in connection with an investment in the Preference Shares.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents, or any of their director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them, accepts any responsibility for the contents of this Offering Circular and assumes no responsibility for the contents, accuracy, completeness or sufficiency of any such information or for any other statement made or purported to be made by the Joint Lead Managers, the Trustee or any Agent, or any of their director, officer, employee, agent, adviser, representative, affiliate, or on its behalf, in connection with the Issuer, the Parent, the Group, the issue and offering of the Preference Shares or the giving of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees. Each of the Joint Lead Managers, the Trustee and the Agents, and their respective directors, officers, employees, agents, advisers, representatives, affiliates and each person who controls any of them, accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee or the Agents, or any of their director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them, undertakes to review the financial condition or affairs of the Issuer, the Parent or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or prospective investor in the Preference Shares of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents, or any of their director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them.

This Offering Circular may not be used for the purpose of an offer to, or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. This Offering Circular does not constitute an offer or an invitation by or on behalf of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, officers, employees, agents, representatives, directors, advisers or any person who controls any of them to subscribe for or to purchase the Preference Shares, is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents, or any director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them, that any recipient of this Offering Circular should subscribe for or purchase any Preference Shares. Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Parent with its own tax, legal and business advisers as it deems necessary.

Except as otherwise indicated in this Offering Circular, all non-Group specific statistics and data relating to the industry or to the economic development of certain regions within the People's Republic of China have been extracted or derived from publicly available information and industry publications. Such information has not been independently verified by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents, or by their respective directors, officers, employees, agents, advisers, representatives, affiliates or any person who controls any of them, and none of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents, or their respective directors, officers, employees, agents, advisers, representatives, affiliates or any person who controls any of them, makes any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers who contributed to the publicly available information and industry publications may have obtained information from market participants and such information may not have been independently verified.

No assurance is given by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them that investing in the Preference Shares or the use of proceeds by the Issuer will satisfy, whether in whole or in part, any present or future investor expectations or requirements with respect to green preference shares, social preference shares or sustainable preference shares.

None of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them makes any representation as to the suitability of any Preference Shares to fulfil any green, environmental or sustainability criteria required by any prospective investors or any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including, without limitation, in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time. None of the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them has undertaken, nor are any of them responsible for, any assessment of the eligibility criteria for the eligible projects, any verification of whether the eligible projects meet such criteria, the monitoring of the use of proceeds of any Preference Shares (or amounts equal thereto) or the allocation of the proceeds by the Issuer to particular eligible projects.

In addition, in connection with the issue of the Preference Shares, Moody's has been engaged to provide a second-party opinion (the "**Second-Party Opinion**") on the Framework (as defined herein) to review and confirm its alignment with, amongst others, the Green Bond Principles 2021 as administered by the International Capital Market Association. The Second-Party Opinion provide an opinion on certain sustainability, social and related considerations and is not intended to address any credit, market or other aspects of an investment in any Preference Shares, including without limitation market price, marketability, investor preference or suitability of any security. The Second-Party Opinion is a statement of opinion, not statement of fact. To the fullest extent permitted by law, none of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them accept any responsibility for the contents of the Second-Party Opinion, nor do they assume responsibility for the contents, accuracy, completeness or sufficiency of any such information in the Second-Party Opinion. No representation or assurance is given by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them as to the suitability or reliability of the Second-Party Opinion or any opinion or certification of any third party made available in connection with the Preference Shares being issued as green, sustainable or social securities. As at the date of this Offering Circular, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. The Second-Party Opinion and any other such opinions or certifications are not, nor should be deemed to be, a recommendation by the Issuer, the Parent, or the Joint Lead Managers, or any other person to buy, sell or hold any Preference Shares and are current only as of the date they are issued. The criteria and/or considerations that formed the basis of the Second-Party Opinion or any such other opinion or certification may change at any time and the Second-Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. The Second-Party Opinion is for information purposes only and none of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them accept any form of liability for the substance of the Second-Party Opinion and/or any liability for loss arising from the use of the Second-Party Opinion and/or the information provided in it. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and their purchase of the Preference Shares should be based upon such investigation as they deem necessary.

MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Preference Shares has led to the conclusion that: (i) the target market for the Preference Shares is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Preference Shares to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Preference Shares (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Preference Shares (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PRIIPs REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Preference Shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Preference Shares or otherwise making them available to retail

investors in the EEA has been prepared and therefore offering or selling the Preference Shares or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION/PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Preference Shares are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Preference Shares or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Preference Shares or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

IN CONNECTION WITH THE ISSUE OF THE PREFERENCE SHARES, ANY OF THE JOINT LEAD MANAGERS APPOINTED AND ACTING AS STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF ANY OF THEM) (THE "STABILISATION MANAGER") MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND DIRECTIVES, OVER-ALLOT PREFERENCE SHARES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE PREFERENCE SHARES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF A STABILISATION MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE PREFERENCE SHARES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE PREFERENCE SHARES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE PREFERENCE SHARES. ANY STABILISATION ACTION OR OVER-ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of this offering of the Preference Shares, including certain Joint Lead Managers, are "capital market intermediaries" (the "**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (the "**OCs**") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Parent, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the Parent the CMI or the relevant group company. Prospective investors associated with the Issuer, the Parent or any CMI (including its group companies) should specifically disclose this when placing an order for the Preference Shares and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated.

Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Lead Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Parent, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

This Offering Circular is provided solely for the purpose of enabling the recipient to consider purchasing the Preference Shares. The investors or prospective investors should read this Offering Circular carefully before making a decision regarding whether or not to purchase the Preference Shares. This Offering Circular cannot be used for any other purpose and any information in this Offering Circular cannot be disclosed to any other person. This Offering Circular is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Preference Shares.

This Offering Circular summarises certain material documents and other information, and the Issuer, the Parent and the Joint Lead Managers refer the recipient of this Offering Circular to them for a more complete understanding of what is contained in this Offering Circular. In making an investment decision, the prospective investor must rely on its own judgement and examination of the Issuer and the Parent and the Terms and Conditions of the Preference Shares including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Preference Shares. None of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents, or any of their respective directors, officers, employees, agents, advisers, representatives, affiliates or any person who controls any of them, are making any representations regarding the legality of an investment in the Preference Shares under any law or regulation. The recipient of this Offering Circular should not consider any information in this Offering Circular to be legal, business or tax advice. Any investor or prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Preference Shares.

WARNING

The contents of this Offering Circular have not been reviewed by any regulatory authority in the Cayman Islands, the People's Republic of China, Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this document, that investor should obtain independent professional advice.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular contains audited consolidated financial information of the Parent as at and for the years ended 31 December 2022, 2023 and 2024.

The audited consolidated financial information of the Parent as at and for the years ended 31 December 2022, 2023 and 2024 are derived from the Parent's consolidated financial statements for the years ended 31 December 2023 and 2024 (the "**Audited Financial Statements**"), which have been audited by BDO China Shu Lun Pan Certified Public Accountants ("**BDO**").

The Parent has restated certain financial information as at and for the year ended 31 December 2023 due to changes in accounting policies and correction of accounting errors, see reasons set out in "*Summary Consolidated Financial Information*" and note 5 *(Changes in accounting policies and accounting estimates and correction of errors and other adjustments)* to the financial statements as at and for the year ended 31 December 2024.

The Audited Financial Statements were prepared and presented in accordance with the Accounting Standards for Business Enterprises in China ("**PRC GAAP**"). The Parent has not prepared its financial statements or consolidated financial statements, as the case may be, in accordance with International Financial Reporting Standards ("**IFRS**"). As advised by BDO, there are no material differences between PRC GAAP and the IFRS with respect to the determination of the Group's financial position.

The Audited Financial Statements (including the independent auditor's report relating thereto) are issued in simplified Chinese which are available at the following website: www.chinamoney.com.cn. The English translation of the Audited Financial Statements included elsewhere in this Offering Circular are provided for reference only. None of the Joint Lead Managers, the Trustee, the Agents, any person who controls any of them, or any of their director, officer, employee, representative, agent or adviser, or affiliate of any such person have independently verified or checked the accuracy of such translation and can give no assurance that the information contained in such translation is accurate, truthful or complete.

This Offering Circular shall not be read or construed with reference to any other financial information of the Parent that has not been disclosed or referred to in this Offering Circular. The Joint Lead Managers, the Trustee, any Agent, or any of their director, officer, employee, agent, adviser, representative, affiliate or any person who controls any of them take no responsibility for any other financial information of the Parent that has not been disclosed in this Offering Circular.

CERTAIN DEFINED TERMS AND CONVENTIONS

This Offering Circular has been prepared using a number of conventions, which investors should consider when reading the information contained herein. Unless indicated otherwise, in this Offering Circular all references to (i) the "**Issuer**" are to SPIC Preferred Company No.5 Ltd. 国家电投优先股有限公司5号, (ii) the "**Parent**" or the "**Company**" are to State Power Investment Corporation Limited and (iii) the "**Group**" are to the Parent and its direct and indirect subsidiaries, taken as a whole, unless the context otherwise indicates. Unless otherwise specified or the context otherwise requires, references to "**Brazil**" are to the Federative Republic of Brazil, to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, to the "**PRC**", "**mainland China**" or "**China**" are to the People's Republic of China, for the purpose of this Offering Circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, to the "**U.S.**" or "**United States**" are to the United States of America, to "**U.S. dollars**" and "**U.S.$**" are to the lawful currency of the United States, to "**Renminbi**" or "**RMB**" are to the lawful currency of the PRC, and to "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Unless otherwise stated in this Offering Circular, all translations from Renminbi into U.S. dollars were made at the rate of RMB7.2993 to U.S.$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi on 31 December 2024, as set forth in the weekly H.10 statistical release of the Federal Reserve Board of the Federal Reserve Bank of New York. All such translations in this Offering Circular are provided solely for investors' convenience and no representation is made that the amounts referred to herein have been, could have been or could be converted into U.S. dollars or Renminbi, or *vice versa*, at any particular rate or at all. For further information relating to the exchange rates, see "*Exchange Rate Information*".

Certain monetary amounts included in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the individual items and actual numbers may differ from those contained herein due to rounding.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purpose only. In the event of any inconsistency, the Chinese name prevails.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains "forward-looking statements". The forward-looking statements contain information regarding, among other things, the Group's future operations, performance, financial condition, expansion plans and business strategy. These forward-looking statements are based on the Group's current expectations and projections about future events. Although the Group believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- general economic and political conditions in the PRC and globally;
- risks associated with business activities in the PRC, including but not limited to the PRC regulatory environment, and in particular, PRC regulation of the power industry as well as environmental regulation and employee safety and labour protection regulations;
- risks associated with the power generation sector in the PRC and globally;
- the Group's business strategy and plan of operation;
- the Group's capital expenditure plans and ability to carry out those plans;
- the Group's ability to control its costs;
- fluctuations in interest rates and the availability of credit;
- operational hazards customary to the power generation industry including but not limited to equipment failures, natural disasters, environmental or industrial accidents, construction delays, labour disputes and other business interruptions;
- supplier issues including but not limited to variations in price, available quantity or delivery of coal;
- various business opportunities that the Group may pursue; and
- those other risks identified in the "Risk Factors" section of this Offering Circular.

The words "believe", "expect", "anticipate", "estimate", "intend", "plan", "seek" and similar words identify forward-looking statements. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, revenue and profitability, planned projects and other matters as they relate to the Issuer or the Company discussed in this Offering Circular regarding matters that are not historical fact. Although the Group believes that the expectations reflected in the forward-looking statements are reasonable, the Group can give no assurance that such expectations will prove correct. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "*Risk Factors*" below and elsewhere in this Offering Circular. Each of the Issuer and the Company cautions investors not to place undue reliance on these forward-looking statements which reflect their managements' view only as at the date of this Offering Circular. None of the Issuer, the Company or the Group undertakes any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing and the risks, uncertainties and assumptions in "*Risk Factors*" and elsewhere in this Offering Circular, the forward-looking statements in this Offering Circular are not and should not be construed as assurances of future performance and the Issuer's and the Company's actual results could differ materially from those anticipated in those forward-looking statements.

"**CAP1400**"	a third-generation nuclear power technology with the independent intellectual property rights, also known as "Guohe One".
"**CDM**"	The Clean Development Mechanism, an arrangement under the Kyoto Protocol allowing industrialised countries to invest in projects that reduce greenhouse gas emissions in developing countries in order to earn emission credits.
"**CPI**"	China Power Investment Corporation (中國電力投資集團).
"**CSRC**"	China Securities Regulatory Commission (中國證券監督管理委員會).
"**demand**"	For an integrated power system, the amount of power demanded by customers of energy at any point of time.
"**dispatch**"	The schedule of production for all the generating units on a power system, generally varied at short notice to match power production requirements.
"**excess output**"	The amount by which the total output of a power plant in a particular year exceeds its planned output for such year.
"**Fourteenth Five-Year Plan**"	The Fourteenth Five-Year Plan Guidelines for National Economic and Social Development of the PRC (《中華人民共和國國民經濟和社會發展第十四個五年規劃綱要》).
"**gross power generation**"	For a specified period, the total amount of electricity produced by a power plant in that period, including auxiliary electricity and electricity generated during the construction and testing period.
"**GW**"	Unit of energy, gigawatt. 1 GW = 1,000 MW.
"**GWh**"	Unit of energy, gigawatt-hour. 1 GWh = 1 million KWh. GWh is typically used as a measure for the annual energy production of large power plants.
"**installed capacity**"	The manufacturers' rated power output of a generating unit or a power plant, usually denominated in MW.
"**KW**"	Unit of energy, kilowatt. 1 KW = 1,000 watts.
"**KWh**"	Unit of energy, kilowatt-hour. The standard unit of energy used in the electric power industry. One kilowatt-hour is the amount of energy that would be produced by a power generator producing one thousand watts for one hour.
"**MW**"	Unit of energy, megawatt. 1 MW = 1,000 KW. The capacity of a power project is generally expressed in MW.

"**on-grid tariff**"	The price of electricity per KWh for which a power project can sell the electricity it generates to the power grid companies. On-grid tariff in China includes (1) benchmark or approved on-grid tariff; (2) tariff premiums to compensate the costs of transmission lines that power companies construct and own (if applicable); and/or (3) discretionary tariff subsidies granted by the local government (if applicable).
"**planned output**".	The actual amount of power sold by a power plant in accordance with annually determined target gross power generation level in a particular year, which equals total output less excess output and output subject to competitive bidding.
"**power generation**"	Electricity generated by power plants (generating units) during the reporting period, or "power generation". It refers to the consumed generated electricity produced by generating units with power energy being processed and transferred, or the product of actual consumed electricity generated by generating units and actual operation hours of generating units.
"**PRC Government**". . . .	The government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities).
"**renewable energy**"	Sustainable sources that are regenerative or, for all practical purposes, cannot be depleted, such as wind, water or sunlight.
"**SASAC**"	State-owned Assets Supervision and Administration Commission of the State Council of the PRC (國務院國有資產監督管理委員).
"**SNPTC**"	State Nuclear Power Technology Corporation.
"**SPIC**"	State Power Investment Corporation.
"**standard coal**"	Coal with an energy content of 7,000 Kcal/kg.
"**TWh**"	Unit of energy, terawatt-hour. The standard unit of energy used in the electric power industry. One terawatt-hour is the amount of energy that would be produced by a power generator producing one trillion watts for one hour.

CONTENTS

	Page
SUMMARY	1
OFFERING STRUCTURE	4
THE OFFERING	7
SUMMARY CONSOLIDATED FINANCIAL INFORMATION	20
RISK FACTORS	27
TERMS AND CONDITIONS OF THE PREFERENCE SHARES	61
SUMMARY OF PROVISIONS RELATING TO THE PREFERENCE SHARES IN GLOBAL FORM	91
DESCRIPTION OF THE KEEPWELL DEED	93
DESCRIPTION OF THE INTRAGROUP FINANCING AGREEMENTS AND THE FINANCING GUARANTEES	96
DESCRIPTION OF THE ARTICLES OF ASSOCIATION OF THE ISSUER	100
USE OF PROCEEDS	116
GREEN FINANCE FRAMEWORK	117
CAPITALISATION AND INDEBTEDNESS	120
DESCRIPTION OF THE ISSUER	121
DESCRIPTION OF THE GROUP	122
DIRECTORS AND SENIOR MANAGEMENT	156
EXCHANGE RATE INFORMATION	161
TAXATION	162
SUBSCRIPTION AND SALE	165
GENERAL INFORMATION	171
INDEX TO FINANCIAL STATEMENTS	F-1

SUMMARY

OVERVIEW

As a large integrated energy conglomerate, the Group is one of the top four power generation groups in China and is the first one with qualifications to hold, develop, construct and operate nuclear power plants among the top power groups in China. The Group is currently one of the four nuclear development and construction operators in the PRC. The Group has diversified power assets across thermal power, nuclear power, hydropower, wind power, PV power and other non-nuclear clean energies. The Group is also the largest PV power generation group and the second largest wind power generation group worldwide and is also ranked number one in its proportion of clean energy production among the top power groups as at 31 December 2024. The Group ranked 256th among the Fortune Global 500 in 2024, having been listed in the Fortune Global 500 for thirteen consecutive years, with its businesses covering 47 countries and regions. The Group is the leading enterprise for two National Science and Technology Major Projects, namely the large advanced Pressurised Water Reactor nuclear power plant and the heavy-duty gas turbine project, and is the leading group for establishing the Energy Industry Internet. The Group has nearly 100 key national and regional research and development initiatives, with 40 domestic and provincial-level innovation platform.

The Group is a pilot state capital investment enterprise. State capital investment enterprise is a comprehensive reform pilot, covering various aspects of reforms of state-owned enterprises and state-owned assets. Pilot enterprise can take the lead in terms of authorisation and decentralisation, organisational structure, and business models, so as to better release reform dividends and stimulate development vitality. The Company strives to further (i) optimise the industrial layout, improve the operating mechanism and innovate the development model, (ii) strengthen the functions of the group headquarters in strategic leadership, capital operation, risk control and compliance, audit and supervision, and comprehensively enhance the group's management and control capabilities, and (iii) enhance the motivation and vitality of high-quality development, improve resource allocation efficiency and international management level in open cooperation, and make every effort to promote the construction of a world-class clean energy enterprise with global competitiveness.

Apart from its power generation business, the Group also has ancillary businesses such as heating, coal and aluminium which integrate with the power generation business synergistically. The Group designs, develops, manages and operates power plants, and sells the electricity generated by its power plants to local grid companies. As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity was approximately 212 GW, 237 GW and 265 GW, respectively. As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity of clean and low carbon energy represented approximately 65.9 per cent., 69.9 per cent. and 72.7 per cent. of its total controllable installed capacity, respectively.

The Group was formed pursuant to the merger between CPI and SNPTC, whereby SNPTC was consolidated into CPI and became a subsidiary of CPI. CPI was established in 2002 through the reorganisation of the former State Power Corporation of China under the reform of China's power system. CPI was one of the five largest power generation companies in China and was one of the three major operators of nuclear power investment projects, with strong assets and qualifications and the resources to operate nuclear power projects. SNPTC was established in 2007. It was the key entity to implementing China's self-developed third-generation nuclear power technology, and the leading unit in executing major nuclear science and technology projects in China, with strong research and development capabilities in both nuclear and related conventional power areas. In May 2015, SNPTC merged into CPI and was renamed as State Power Investment Corporation. The Merger has integrated the advantages of CPI and SNPTC on operation and technology innovation through realising the optimisation of resources across the upstream and downstream industry chain and promoting automation and industrialisation development of third-generation nuclear power technology. On 29 December 2017, the Company was restructured as a wholly state-owned limited company and renamed as State Power

Investment Corporation Limited. As at 31 December 2024, the Company has 68 secondary subsidiary entities, including five listed on either Shanghai or Shenzhen Stock Exchange, one listed on the Hong Kong Stock Exchange and two in the National Equities Exchange and Quotations (NEEQ).

In line with its internationalisation strategy, the Group is actively expanding in the overseas power generation market, aiming to become an international energy conglomerate providing services across the globe. The Group's overseas projects are located in 47 countries and regions including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil, and Australia, of which 38 are countries participating in the Belt and Road Initiative. For example, in 2017, the Company's subsidiary UHE São Simão won the bid for the 30-year concession right of the São Simão Hydropower Station in Brazil with total controllable installed capacity of 1,710 MW. As at 31 December 2024, the Group's overseas business recorded total assets exceeding RMB123.7 billion, with annual revenue surpassing RMB22.1 billion and profits over RMB2.3 billion, reflecting the Group's robust financial performance and growing global footprint. The Group believes that its comprehensive capabilities in the development and management process of power projects enable it to compete in its selected international markets.

As at 31 December 2024, the Company had registered capital of RMB35 billion and the Group had total assets of approximately RMB1,887.0 billion. For the three years ended 31 December 2022, 2023 and 2024, the Group recorded revenue of RMB360.6 billion, RMB385.7 billion (for 2023 before restatement), RMB385.6 billion (restated for 2023) and RMB395.5 billion, respectively, and net profit of RMB19.1 billion, RMB33.1 billion and RMB37.8 billion, respectively.

COMPETITIVE STRENGTHS

The Group believes that its leading position in the power industry is underpinned by the following principal strengths:

- Steady industry leadership, focus on clean energy development and comprehensive diversified power structure advantages
- Prominent nuclear power technology leader in China with core competitive advantages throughout the whole nuclear power industry chain
- Industry-leading energy sci-tech innovation capacity to maintain its innovation-based leadership
- Strong integrated synergies along the industrial chain, which significantly increases operating efficiency
- Extensive financing channels and low-cost financing capability
- Efficient modern management system, sound risk control, and safe and reliable production and operation
- Experienced, professional and motivated management team supported by a highly skilled professional talent team

BUSINESS STRATEGIES

The Group aims to become a world-leading clean energy enterprise with global competitive edge in the fields of clean energy supply and integration of energy ecosystems by innovating in advanced energy technologies and quality engineering service. With a mission centred on "creating green value", the Group embraces core values of "green, innovation, integration, sincerity, diligence, and achievement". By harnessing the momentum for reform and prioritising the development of new productive forces, the Group implements a "balanced growth strategy" to advance its clean energy initiatives. The Group will strive to achieve this aim through synergising traditional power sources and emerging clean energy

development to increase its scale and investment, as well as improving its energy sources and enlarging its geographic distribution. The Group strategically position itself as an advanced energy technology developer, a clean and low-carbon energy supplier and an energy ecosystem integrator. The Group intends to complete the transformation to a modern clean energy enterprise and state-owned capital investment company, to accelerate overseas development and to operate the world-leading PV business. The Group's goal is to become a world-leading clean energy enterprise with global competitive edge by 2035.

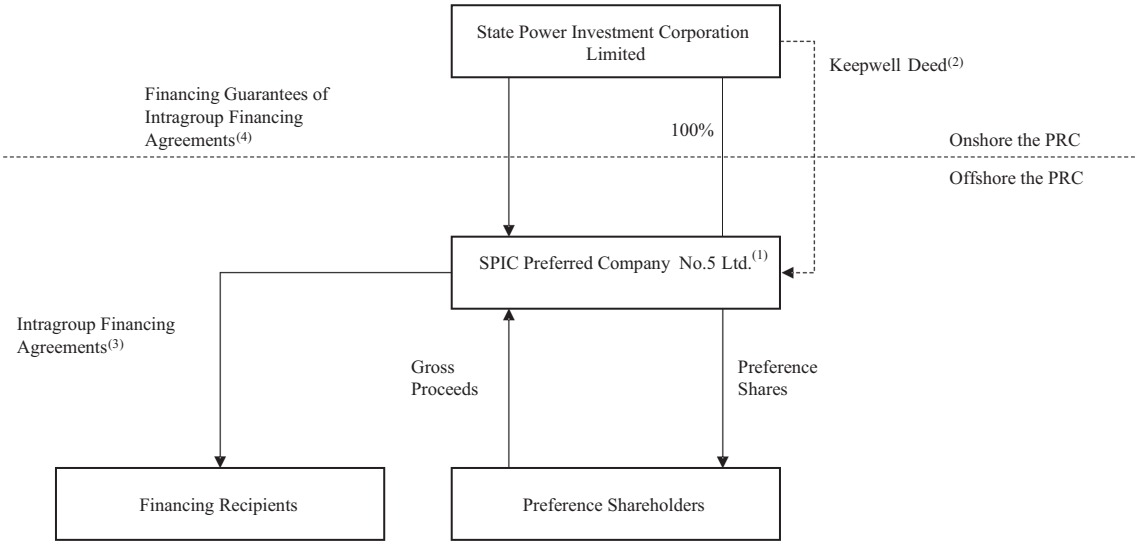
The Group's strategies include to:

- Accelerate the pace of and being dedicated to developing overseas markets
- Continue to strengthen the Group's leading position as an integrated energy enterprise in the PRC power sector
- Further develop the Group's green and sustainable development
- Continue to strengthen its ESG framework

OFFERING STRUCTURE

The following is a description of the structure of the Offering, which should be read in conjunction with the sections entitled "Risk Factors", "Terms and Conditions of the Preference Shares", "Description of the Intragroup Financing Agreements and the Financing Guarantees" and "Description of the Keepwell Deed".

The following chart illustrates the structure of the Offering, the flow of funds and corresponding credit support at the time of the Issue Date.



Notes:

(1) The Issuer, being an indirectly wholly-owned subsidiary of the Parent (which is held through SPIC International Finance (Hong Kong) Company Limited（國家電投香港財資管理有限公司）("**SPIC International Finance Hong Kong**"), a wholly-owned subsidiary of the Parent), will issue the Preference Shares to the Preference Shareholders.

(2) The Parent intends to assist the Issuer in meeting its obligations under the Preference Shares and will enter into the Keepwell Deed, whereby the Parent will provide certain undertakings in respect of the Issuer, the Preference Shares, the Intragroup Financing Agreements and the Financing Guarantees.

(3) The Issuer will provide the gross proceeds, without any deduction, from the offering of the Preference Shares as senior financing to the Financing Recipients in the form of Intragroup Financing Agreements. The Financing Recipients are subsidiaries of the Parent, incorporated outside of the PRC. The amounts payable under the Intragroup Financing Agreements by the Financing Recipients to the Issuer, as the Financing Provider, will at all times be sufficient to cover the Issuer's costs of funding and ensure the Issuer has sufficient distributable reserves to meet its obligations under the Preference Shares.

(4) The Parent will guarantee the payment of all sums expressed to be payable from time to time by each Financing Recipient in respect of each Intragroup Financing Agreement, by way of senior financing guarantees.

(5) The Intragroup Financing Agreements and the Financing Guarantees constitute senior and unsecured obligations of the Financing Recipients and the Parent, respectively. The arrangement of payment of principal amount and distribution by each Financing Recipient will be similar to the Liquidation Preference and Dividend payment arrangement under the Preference Shares.

As shown above, the Issuer proposes to issue the Preference Shares pursuant to the articles of association of the Issuer (as amended from time to time, the "**Articles of Association**") on the Issue Date.

The Issuer intends to enter into the Intragroup Financing Agreements each with the Parent and an offshore subsidiary of the Parent (each of such subsidiary, a "**Financing Recipient**") on or around the Issue Date, pursuant to which the Issuer as financing provider (the "**Financing Provider**") will, subject

to, and in accordance with, the provisions of the Intragroup Financing Agreements, provide the entire gross proceeds from the issue of the Preference Shares, without any deduction, as senior financing to the Financing Recipients. Each Financing is perpetual and has no maturity date. The arrangement of payment of principal amount and distribution by each Financing Recipient will be similar to the Liquidation Preference and Dividend payment arrangement under the Preference Shares.

The due payment of all sums expressed to be payable by the Financing Recipients to the Financing Provider from time to time under the Intragroup Financing Agreements will be unconditionally and irrevocably guaranteed by the Parent subject to, and in accordance with, the provisions of the Financing Guarantees entered into between the Issuer and the Parent on or around the Issue Date.

If the Financing Provider intends to redeem the Preference Shares, the Financing Provider shall inform the Financing Recipients and each Financing Recipient may choose to (but has no obligation to) redeem in whole but not in part the Financing on any date prior to the date on which the Financing Provider intends to redeem the Preference Shares, together with any distribution (including any arrears of distribution and any additional distribution amount) accrued but unpaid to but excluding the date fixed for redemption of the relevant Financing.

Although the Parent will not guarantee the Preference Shares directly, and the Trustee will not receive the benefit of the Intragroup Financing Agreements and Financing Guarantees directly, upon the (i) Winding-Up of any Financing Recipient or the Parent and/or (ii) any amount under any Financing and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Financing Provider not being paid when due or (as the case may be) within any applicable grace period, the Trustee or its Appointee may enforce the Financing Provider's rights under each Financing and Financing Guarantees on behalf of the Financing Provider.

The Issuer will not carry on any business activity and not incur or have outstanding any indebtedness for moneys borrowed or raised (whether senior or subordinated), other than (a) borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into the Intragroup Financing Agreements and the Financing Guarantees and any other activities reasonably incidental thereto; and (b) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders. For the avoidance of doubt, the aforesaid restriction does not prevent the Issuer from conducting any corporate administrative activity such as maintaining its registered office, making internal or governmental registrations and/or filings (including maintaining and updating its register of director(s) and register of member(s)), opening and operating bank accounts and/or engaging any service provider in connection with the foregoing.

Each of the Financing Provider, the Financing Recipients and the Parent agrees and acknowledges pursuant to each Intragroup Financing Agreement that:

- none of the Financing Provider, the Financing Recipients and the Parent may amend, supplement, vary or waive any provision of the Intragroup Financing Agreements, exercise any right to rescind, cancel or terminate the Intragroup Financing Agreements, transfer or assign any right under the Intragroup Financing Agreements or waive or consent to any breach or proposed breach of any provision of the Intragroup Financing Agreements, except for any such action by the Financing Provider that is not materially prejudicial to the interests of the Financing Provider and/or any class of shareholders of the Financing Provider;

- neither the Financing Provider nor the Parent may amend, supplement, vary or waive any provision of the Financing Guarantees, exercise any right to rescind, cancel or terminate the Financing Guarantees, transfer or assign any right under the Financing Guarantees or waive or consent to any breach or proposed breach of any provision of the Financing Guarantees, except for any such action by the Financing Provider that is not materially prejudicial to the interests of the Financing Provider and/or any class of shareholders of the Financing Provider;

- the Financing Provider has pursuant to the Trust Deed granted an irrevocable power of attorney to the Trustee and its Appointee to, in such manner as the Trustee or the Appointee thinks fit, enforce the Financing Provider's rights under the Intragroup Financing Agreements and the Financing Guarantees on behalf of the Financing Provider in the event of (i) a Winding-Up of any Financing Recipient or the Parent; and/or (ii) any amount under any Intragroup Financing Agreement and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Financing Provider not being paid when due or (as the case may be) within any applicable grace period;

- any amounts received by the Financing Provider pursuant to the Intragroup Financing Agreements or the Financing Guarantee (other than any Surplus (as defined in the Terms and Conditions of the Preference Shares)) shall not be used for any purposes other than payment to the holders of the Preference Shares or redemption of the Preference Shares or to cover all amounts referred to in clause 7.1 of each Intragroup Financing Agreement; and

- the Financing Provider shall not consent to the exercise or claim of any right of set-off or counterclaim by any Financing Recipient or the Parent in respect of any amounts due and payable to the Financing Provider under the Intragroup Financing Agreements or the Financing Guarantees, respectively.

For further details on the key terms of the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees, please refer to the sections entitled "*Terms and Conditions of the Preference Shares*", "*Description of the Intragroup Financing Agreements and the Financing Guarantees*" and "*Description of the Keepwell Deed*".

THE OFFERING

The following summary contains some basic information about the Preference Shares. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Preference Shares" shall have the same meanings in this summary. For a more complete description of the terms and conditions of the Preference Shares, see "Terms and Conditions of the Preference Shares".

Issuer	SPIC Preferred Company No.5 Ltd. 国家电投优先股有限公司5号.
Parent.	State Power Investment Corporation Limited.
Preference Shares	U.S.$1,000,000,000 4.795 per cent. Preference Shares.
Keepwell Deed	The Parent intends to assist the Issuer in meeting its obligations under the Preference Shares and will enter into a keepwell deed on or around the Issue Date (the "**Keepwell Deed**") with the Issuer and the Trustee, whereby the Parent will provide certain undertakings in respect of the Issuer, the Preference Shares, the Intragroup Financing Agreements and the Financing Guarantees. Please refer to "*Description of the Keepwell Deed*" for further details.
Intragroup Financing Agreements and Financing Guarantees .	The Issuer as financing provider (the "**Financing Provider**") will provide the gross proceeds, without any deduction, from the Preference Shares as senior financing to certain offshore subsidiaries of the Parent (the "**Financing Recipients**"), by way of senior perpetual intragroup financing agreements (each, an "**Intragroup Financing Agreement**"). Payments under the Intragroup Financing Agreements will be guaranteed under senior Financing Guarantees entered into by the Parent. The Intragroup Financing Agreements and the Financing Guarantees constitute senior and unsecured obligations of the Financing Recipients and the Parent, respectively. The arrangement of payment of principal amount and distribution by each Financing Recipient will be similar to the Liquidation Preference and Dividend payment arrangement under the Preference Shares and the amounts payable under the Intragroup Financing Agreements will at all times be sufficient to cover the Issuer's costs of funding and ensure the Issuer has sufficient distributable reserves to meet its obligations under the Preference Shares. Please refer to "*Description of the Intragroup Financing Agreements and the Financing Guarantees*" for further details.
Issue Price.	100.00 per cent.
Form, Authorised Denomination and Title	The Preference Shares will have a par value of U.S.$0.01 each and will be issued as fully paid-up capital in U.S. dollars while the issuance price of the Preference Shares will be U.S.$1,000 each. The Preference Shares will be issued in registered form and issued and transferable only in minimum amounts of U.S.$200,000 (or 200 Preference Shares) and integral multiples of U.S.$1,000 (or 1 Preference Share) in excess thereof.
Issue Date	27 June 2025.
Maturity Date	There is no maturity date.
Use of Proceeds	See "*Use of Proceeds*".

Status of the Preference Shares	The Preference Shares will constitute direct, unsecured and subordinated obligations of the Issuer which rank *pari passu* and without any preference or priority of payment among themselves. Upon the Winding-Up of the Issuer, the rights and claims in respect of the Preference Shareholders shall rank: (a) junior to holders of all general unsubordinated liabilities of the Issuer; (b) equally in all respects with each other and without preference or priority of payment among themselves and with the holders of all Parity Obligations of the Issuer; and (c) in priority to the holders of all Junior Obligations of the Issuer.
Dividend	Subject to Condition 4 of the Terms and Conditions of the Preference Shares, the Preference Shares will accrue Dividends on its Liquidation Preference from and including the Issue Date at the applicable Dividend Rate in accordance with Condition 4 of the Terms and Conditions of the Preference Shares. Subject to Condition 4 of the Terms and Conditions of the Preference Shares, Dividends shall be payable on the Preference Shares semi-annually in arrear in equal instalments on 27 June and 27 December of each year.
Dividend Rate	The Dividend Rate applicable to the Preference Shares shall be: (a) from, and including the Issue Date, to, but excluding, 27 June 2028 (the "**First Reset Date**"), 4.795 per cent. per annum, subject to any increase pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares; and (b) (i) from, and including the First Reset Date, to, but excluding, the Reset Date falling immediately after the First Reset Date, and (ii) from, and including, each Reset Date thereafter to, but excluding, the immediately following Reset Date, the Relevant Reset Dividend Rate. No Relevant Reset Dividend Rate shall be affected by any Step-up Event occurring before the First Reset Date or otherwise, as provided in Condition 4.7 of the Terms and Conditions of the Preference Shares.
Increase or Decrease in Dividend Rate following occurrence of certain events	Any increase or decrease in Dividend Rate pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares shall apply to the Initial Dividend Rate only. No Relevant Reset Dividend Rate shall be affected by any Step-up Event. Prior to the First Reset Date, upon the occurrence of a Change of Control Event, a Breach of Covenants Event or a Relevant Indebtedness Default Event, unless (I) an irrevocable notice to redeem the Preference Shares (and in the case of a Breach of Covenants Event in respect of Condition 8.3 of the Terms and Conditions of the Preference Shares, an irrevocable notice to redeem at least a Relevant Percentage of the Preference Shares) has been given to Preference Shareholders by the Issuer pursuant to Condition 6 of the Terms and Conditions of the Preference Shares by the 30th day following the occurrence of the relevant Step-up Event; or

(II) in the case of a Step-up Event other than a Change of Control Event or a Breach of Covenants Event in respect of Condition 4.6(v)(B) of the Terms and Conditions of the Preference Shares, such Step-up Event is remedied by the 30th day following the occurrence of such Step-up Event; or

(III) in the case of a Change of Control Event, the circumstance constituting the relevant Change of Control Event ceases to continue by the 30th day following the occurrence of such Change of Control Event; or

(IV) in the case of a Breach of Covenants Event in respect of Condition 4.6(v)(B), the Issuer gives a notice by the 30th day following the occurrence of such Breach of Covenants Event to the Preference Shareholders (in accordance with Condition 12 of the Terms and Conditions of the Preference Shares), and to the Trustee and the Principal Paying Agent in writing, that it will satisfy any outstanding Arrears of Dividend and Additional Dividend Amount (in whole and not in part) on the next Dividend Payment Date following the occurrence of such Breach of Covenants Event (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Dividend and Additional Dividend Amount, on the payment date specified in such notice),

the Initial Dividend Rate will increase by the Step-up Rate with effect from (x) the next Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date) or (y) if the date on which the relevant Step-up Event occurs is prior to the most recent preceding Dividend Payment Date, such Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date), **provided that** the maximum aggregate increase in the Initial Dividend Rate pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares shall not exceed the Step-up Rate, as further described in *"Terms and Conditions of the Preference Shares – Dividends – Increase or Decrease in Dividend Rate following occurrence of certain events*".

Optional Deferral. . . . . The Issuer (a) may, at its sole discretion, elect to defer (in whole or in part) unless a Compulsory Dividend Payment Event has occurred and (b) in the case where any condition set out in Condition 4.4 of the Terms and Conditions of the Preference Shares is not satisfied in respect of any relevant Dividend Period, shall compulsorily defer in whole, any Dividend which is otherwise scheduled to be paid on a Dividend Payment Date to the next Dividend Payment Date by giving notice substantially in the form set out in the Trust Deed to the Preference Shareholders (in accordance with Condition 12 of the Terms and Conditions of the Preference Shares) and the Trustee and the Principal Paying Agent in writing not more than 15 Payment Business Days nor less than five Payment Business Days prior to a scheduled Dividend Payment Date.

The Issuer will undertake that prior to any relevant Dividend Payment Date, the Issuer will not take any action that will constitute a Compulsory Dividend Payment Event unless such action will not result in a compulsory deferral under Condition 4.6(i) of the Terms and Conditions of the Preference Shares by the time of such relevant Dividend Payment Date.

Any partial payment of any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) by the Issuer shall be shared by the Preference Shareholders of all outstanding Preference Shares on a *pro rata* basis.

Compulsory Dividend Payment Event . . . . . "**Compulsory Dividend Payment Event**" means circumstances in which during the three-month period ending on the day before the relevant scheduled Dividend Payment Date either or both of the following have occurred:

(a) the Issuer has declared or paid any discretionary dividends or discretionary distributions or made any other discretionary payment, or has procured that such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Issuer; or

(b) the Issuer has at its discretion redeemed, reduced, cancelled, bought-back or otherwise acquired for any consideration any Parity Obligations or Junior Obligations of the Issuer prior to its stated maturity.

No Obligation to Pay . . . The Issuer shall have no obligation to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) on any Dividend Payment Date if it validly elects to defer or compulsorily defers such Dividend in accordance with Condition 4.6(i) of the Terms and Conditions of the Preference Shares.

Cumulative Deferral. . . . Any Dividend deferred pursuant to the Terms and Conditions of the Preference Shares shall constitute "**Arrears of Dividend**". The Issuer may at its sole discretion elect to defer further (in whole or in part), or shall compulsorily defer in whole, in each case in the circumstances set out in Condition 4.6(i) of the Terms and Conditions of the Preference Shares, any Arrears of Dividend by complying with the notice requirement applicable to any deferral of an accrued Dividend. The Issuer is not subject to any limit as to the number of times Dividends and Arrears of Dividend can or shall be deferred pursuant to Condition 4.6 of the Terms and Conditions of the Preference Shares except that Condition 4.6(v) of the Terms and Conditions of the Preference Shares shall be complied with until all outstanding Arrears of Dividend and Additional Dividend Amount have been paid in full.

Each amount of Arrears of Dividend shall accrue Dividends as if it constituted the Liquidation Preference of the Preference Shares at the prevailing Dividend Rate and the amount of such Dividends (the "**Additional Dividend Amount**") with respect to Arrears of Dividend shall be due and payable pursuant to Condition 4.6 of the Terms and Conditions of the Preference Shares and shall be calculated by applying the applicable Dividend Rate to the amount of the Arrears of Dividend and otherwise *mutatis mutandis* as provided in Condition 4 of the Terms and Conditions of the Preference Shares. The Additional Dividend Amount accrued up to any Dividend Payment Date shall be added (for the purpose of calculating the Additional Dividend Amount accruing thereafter) to the amount of Arrears of Dividend remaining unpaid on such Dividend Payment Date so that it will itself become Arrears of Dividend.

Satisfaction of Arrears of Dividend by Payment . The Issuer:

(a) may satisfy any Arrears of Dividend and Additional Dividend Amount (in whole or in part) at any time by giving notice of such election to the Preference Shareholders (in accordance with Condition 12 of the Terms and Conditions of the Preference Shares), and to the Trustee and the Principal Paying Agent in writing not more than 15 Payment Business Days nor less than five Payment Business Days prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Dividend and all Additional Dividend Amount, on the payment date specified in such notice); and

(b) in any event shall satisfy any outstanding Arrears of Dividend and Additional Dividend Amount (in whole but not in part) on the earliest of:

(i) the date of redemption of the Preference Shares in accordance with the redemption events set out in Condition 6 of the Terms and Conditions of the Preference Shares;

(ii) the next Dividend Payment Date following the occurrence of a breach of Condition 4.6(v)(A) of the Terms and Conditions of the Preference Shares by the Issuer or the occurrence of a Compulsory Dividend Payment Event; and

(iii) a Winding-Up of the Issuer or the Parent.

Restrictions in the case of Deferral . . . . . Pursuant to Condition 4.6(v) of the Terms and Conditions of the Preference Shares, if, on any Dividend Payment Date, payment of Dividends scheduled to be made on such date is not made in full, the Issuer shall not:

(a) declare or pay any discretionary dividends or discretionary distributions or make any other discretionary payment, and will procure that no such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Issuer; or

(b) at its discretion redeem, reduce, cancel, buy back or otherwise acquire for any consideration any Parity Obligations or Junior Obligations of the Issuer prior to its stated maturity,

in each case, unless and until the Issuer has satisfied in full all outstanding Arrears of Dividends and Additional Dividend Amount.

If, on any Dividend Payment Date, payment of Dividends scheduled to be made on such date is not made in full, the Parent shall not:

(a) declare or pay any discretionary dividends or discretionary distributions or make any other discretionary payment, and will procure that no such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Parent (except (I) in relation to Parity Obligations of the Parent, on a *pro rata* basis, or (II) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Parent); or

(b) at its discretion redeem, reduce, cancel, buy back or otherwise acquire for any consideration any Parity Obligations or Junior Obligations of the Parent prior to its stated maturity (except (I) in relation to Parity Obligations of the Parent, on a *pro rata* basis, (II) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Parent or (III) as a result of the exchange or conversion of its Parity Obligations for its Junior Obligations), in each case, unless and until the Issuer has satisfied in full all outstanding Arrears of Dividends and Additional Dividend Amount.

Redemption at the Option of the Issuer . . . . . The Preference Shares may be redeemed at the option of the Issuer in whole or in part, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, on the First Call Date or on any Dividend Payment Date after the First Call Date.

Redemption for Taxation Reasons	The Preference Shares may be redeemed at the option of the Issuer in whole, but not in part, at any time, upon giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**"), at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the Tax Redemption Date, if the Issuer satisfies the Trustee immediately prior to the giving of such Tax Redemption Notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 7 of the Terms and Conditions of the Preference Shares as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the PRC or, in any such case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 23 June 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it (a "**Gross-Up Event**"), **provided that** no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Preference Shares then due.
Redemption for Accounting Reasons . .	The Preference Shares may be redeemed at the option of the Issuer in whole, but not in part, at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption if, immediately before giving such notice, the Issuer satisfies the Trustee that as a result of any changes or amendments to, or a change or amendment to any interpretation of: (a) PRC GAAP or any other generally accepted accounting standards that may be adopted by the Issuer for the purposes of preparing its consolidated financial statements (the "**Issuer Accounting Standards**"); (b) PRC GAAP or any other generally accepted accounting standards that may be adopted by SPIC International Finance (Hong Kong) Company Limited ("**SPIC International Finance Hong Kong**") for the purposes of preparing its consolidated financial statements (the "**Issuer Parent Accounting Standards**"); or (c) PRC GAAP or any other generally accepted accounting standards that may be adopted by the Parent for the purposes of preparing its consolidated financial statements (the "**Parent Accounting Standards**" and each of the Parent Accounting Standards, the Issuer Accounting Standards and the Issuer Parent Accounting Standards is referred to as a "**Relevant Accounting Standard**"),

the Preference Shares must not or must no longer be recorded as "**equity**" of the Issuer, SPIC International Finance Hong Kong or the Parent pursuant to the applicable Relevant Accounting Standard (each, an "**Equity Disqualification Event**").

Redemption for Change of Control Event. . . . .

The Preference Shares may be redeemed at the option of the Issuer in whole, but not in part, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, at (i) 101 per cent. of the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time before the First Call Date; or (ii) the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time on or after the First Call Date, if a Change of Control Event occurs.

A "**Change of Control Event**" means the occurrence of one or more of the following events:

(a) (x) SASAC and (y) any other person or persons (whether singly or in combination) directly or indirectly Controlled by the central government of the PRC (such person or persons and SASAC, the "**PRC Government Persons**" and each, a "**PRC Government Person**") together cease to directly or indirectly hold or own at least 50.1 per cent. of the issued ordinary share capital of the Parent;

(b) the Parent ceases to directly or indirectly hold or own 100 per cent. of the outstanding Ordinary Shares of the Issuer; or

(c) the Parent consolidates with or merges into or sells or transfers all or substantially all of the Parent's assets to any other person or persons, acting together, except (x) where such person(s) is/are Controlled by the PRC Government Person(s); or (y) where the Parent is the surviving entity after the consolidation or merger.

Redemption on the occurrence of a Breach of Covenants Event. . .

The Preference Shares may be redeemed at the option of the Issuer in whole or in part, at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption upon the occurrence of a Breach of Covenants Event.

Redemption on the occurrence of a Relevant Indebtedness Default Event	The Preference Shares may be redeemed at the option of the Issuer in whole or in part, at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption upon the occurrence of a Relevant Indebtedness Default Event.
Redemption for Minimum Outstanding Amount . .	The Preference Shares may be redeemed at the option of the Issuer in whole or in part, at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12 of the Terms and Conditions of the Preference Shares, and the Trustee and the Principal Paying Agent in writing, at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption if prior to the date fixed for redemption at least 80 per cent. in aggregate Liquidation Preference of the Preference Shares has already been redeemed.
Taxation	All payments of Dividends, Liquidation Preference and/or any other amounts in respect of the Preference Shares (including any Arrears of Dividend or any Additional Dividend Amount) shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or the PRC or, in any such case, any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by the law of the Cayman Islands or the PRC. In that event, the Issuer shall pay such additional amounts (the "**Additional Tax Amounts**") as will result in the receipt by the Preference Shareholders of such amounts as would have been received by them if no such withholding or deduction had been required, **provided, however, that** no such Additional Tax Amounts shall be payable in respect of any Preference Shares in the circumstances described in Condition 7 of the Terms and Conditions of the Preference Shares.
Enforcement Event.	If default is made in the payment of any amount of the Liquidation Preference or Dividends (including any Arrears of Dividend and any Additional Dividend Amount) in respect of the Preference Shares on the due date of payment thereof and such failure continues for a period of 14 days or more (each, an "**Enforcement Event**"), then in order to enforce the obligations of the Issuer, the Trustee at its sole and absolute discretion may and, if so requested by Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the Preference Shares then issued and outstanding, shall (subject to the Trustee in any such case having been indemnified and/or provided with security and/or pre-funded to its satisfaction) institute proceedings for the Winding-Up of the Issuer and/or prove and/or claim in the Winding-Up of the Issuer for such payment.

Winding-Up of the Issuer or the Parent	In the event of a Winding-Up of the Issuer or the Parent (whether or not an Enforcement Event has occurred and is continuing), the Trustee at its sole and absolute discretion may and, if so requested by Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the issued and outstanding Preference Shares, shall (subject to the Trustee in any such case having been indemnified and/or provided with security and/or pre-funded to its satisfaction) give written notice to the Issuer declaring the Liquidation Preference in respect of the Preference Shares to be immediately due and payable, whereupon the Preference Shares shall become immediately due and payable at their Liquidation Preference together with accrued but unpaid Dividends (including any Arrears of Dividend and any Additional Dividend Amount) up to but excluding the date of actual payment without further action or formality.
Enforcement of the Intragroup Financing Agreements and the Financing Guarantees .	The Issuer will pursuant to the Trust Deed grant an irrevocable power of attorney (the "**Power of Attorney**") to the Trustee and its Appointee to, in such manner as the Trustee or the Appointee thinks fit, enforce the Issuer's rights under the Intragroup Financing Agreements and the Financing Guarantees on behalf of the Issuer in the event of (i) a Winding-Up of any Financing Recipient or the Parent; and/or (ii) any amount under any Intragroup Financing Agreement and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Issuer not being paid when due or (as the case may be) within any applicable grace period.
Voting Rights	The Preference Shareholders shall not be entitled to convene, attend or vote at any Shareholders' meeting, except as set forth below or as otherwise from time to time required by law. For so long as any Preference Share remains outstanding, the Preference Shareholders will be entitled to attend the Shareholders' meeting and will be entitled to one vote for each issued and outstanding Preference Share and vote together with other Preference Shareholders as a separate class from the Ordinary Shareholders, in respect of the following matters: (a) any modification, amendment or revocation of the rights and/or privileges attached to the Preference Shares in the Terms and Conditions of the Preference Shares, the Articles of Association or the Keepwell Deed; (b) any other matter relating to the Issuer or the Ordinary Shares that is materially prejudicial to the interests of the Preference Shareholders; (c) the convening of proceedings for the administration, voluntary liquidation, dissolution, reorganisation, division, merger, amalgamation, consolidation or corporate reconstruction of the Issuer; (d) the convening of proceedings for the dissolution, reconstruction, amalgamation, reorganisation, merger or consolidation of the Parent or any Financing Recipient that would otherwise constitute a Winding-Up of the Parent or such Financing Recipient under the Terms and Conditions of the Preference Shares or the Intragroup Financing Agreements, as the case may be;

(e) the amending, supplementing, varying or waiving of any provision of the Intragroup Financing Agreements, the exercising of any right to rescind, cancel or terminate the Intragroup Financing Agreements, the transfer or assigning of any right under the Intragroup Financing Agreements or waiving or consenting to any breach or proposed breach of any provision of the Intragroup Financing Agreements, except for any such action by the Issuer that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(f) the amending, supplementing, varying or waiving of any provision of the Financing Guarantees, the exercising of any right to rescind, cancel or terminate the Financing Guarantees, the transfer or assigning of any right under the Financing Guarantees or waiving or consenting to any breach or proposed breach of any provision of the Financing Guarantees, except for any such action by the Issuer that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(g) the use of any amounts received by the Issuer pursuant to the Intragroup Financing Agreements or the Financing Guarantees (other than any Surplus) for any purposes other than payment to the Preference Shareholders pursuant to the Terms and Conditions of the Preference Shares or redemption of the Preference Shares in accordance with Condition 6 of the Terms and Conditions of the Preference Shares or to cover all amounts referred to in clause 5.1.6 of the Keepwell Deed; and/or

(h) any consent by the Issuer to the exercise or claim of any right of set-off or counterclaim by the Financing Recipients or the Parent in respect of any amounts due and payable to the Issuer under the Intragroup Financing Agreements or the Financing Guarantees respectively, (each, a ''**Preference Shareholder Matter Resolution**'').

Passing of the Preference Shareholder Matter Resolution shall require (a) more than two-third of votes held by the Preference Shareholders present at the meeting and (b) more than two-third of votes held by the Ordinary Shareholders present at the meeting.

For the avoidance of doubt, a Preference Shareholder Matter Resolution shall not be required for (i) any issuance of Ordinary Shares to the Parent or to any wholly-owned Subsidiary of the Parent; or (ii) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders.

	"**Surplus**" means the excess of (i) any amount of distribution (including any arrears of distribution and any additional distribution amount) received by the Issuer pursuant to the Intragroup Financing Agreements or the Financing Guarantees during a Dividend Period over (ii) any amount of Dividends (including any Arrears of Dividend and any Additional Dividend Amount) scheduled to be due and payable for such Dividend Period together with any amounts sufficient to cover those fees, costs, expenses, taxes and duties referred to in clauses 5.1.6(B) and 5.1.6(C) of the Keepwell Deed incurred from time to time but unpaid, whether due and payable in such Dividend Period or not, **provided that** no such Surplus shall be recognised where the Dividend for such Dividend Period (and any Arrears of Dividend and any Additional Dividend Amount) has been deferred (in whole or in part) and/or otherwise not paid to the Preference Shareholders. The Surplus can be used at the full discretion of the Issuer, including being applied towards payment of distributions to its Ordinary Shareholders, but until the Surplus is used, it shall remain the general funds of the Issuer.
Further Issues	The Issuer may not create and issue further Preference Shares ranking as regards participation in the profits and assets of the Issuer equally in all respects with the Preference Shares without a Preference Shareholder Matter Resolution.
Clearing Systems	The Preference Shares will be represented by beneficial interests in a Global Certificate in registered form, which will be registered in the name of a nominee for, and shall be deposited with, a common depository for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except in the limited circumstances described in the Global Certificate, owners of interests in Preference Shares represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of such Preference Shares. The Preference Shares will not be issuable in bearer form.
Governing Law and Jurisdiction	The Preference Shares and the rights and obligations attached to them are governed by, and shall be construed in accordance with, the laws of the Cayman Islands. The Trust Deed, the Agency Agreement, the Keepwell Deed, the Financing Agreements and the Financing Guarantees, and any non-contractual obligations arising out of or in connection with each of them, shall be governed by and construed in accordance with English law. Exclusive jurisdiction of the Hong Kong courts.
Trustee	China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司).
Principal Paying Agent, Registrar and Transfer Agent.	China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司).

Listing	Application has been made to the SGX-ST for the listing of and quotation for the Preference Shares on the Official List of the SGX- ST. Approval-in-principle for the listing and quotation of the Preference Shares on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Parent, their subsidiaries, their associated companies or the Preference Shares. The Preference Shares will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 for so long as any of the Preference Shares are listed on the SGX-ST. For so long as any of the Preference Shares are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore where the Preference Shares may be presented or surrendered for payment or redemption in the event that a Global Certificate is exchanged for definitive Certificates. In addition, in the event that a Global Certificate is exchanged for definitive Certificates, an announcement of such exchange shall be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the paying agent in Singapore.
Rating.	The Preference Shares are expected to be rated "A3" by Moody's. A credit rating is not a recommendation to buy, sell or hold the Preference Shares and may be subject to revision, qualification, suspension, reduction or withdrawal at any time by the assigning rating agency.
ISIN	XS3096301653.
Common Code.	309630165.
Legal Entity Identifier of the Issuer.	254900KGQD1NFOL10Y84.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The summary audited consolidated financial information of the Parent as at and for the years ended 31 December 2022 and 2023 (before restatement), as set out below, has been derived from the audited financial statements for the year ended 31 December 2023. The summary audited consolidated financial information of the Parent as at and for the year ended 31 December 2023 (restated) and 2024, as set out below, has been derived from the audited financial statement for the year ended 31 December 2024. The Audited Financial Statements have been audited by BDO and were prepared and presented in accordance with PRC GAAP.

The Company has restated its financial statements for the year ended 31 December 2023 primarily due to (1) the implementation of the provisions set out in Interpretation No. 18 of the Accounting Standards for Business Enterprises, which addresses the accounting treatment of quality guarantees that do not constitute separate performance obligations (for further details, please refer to "Changes in Accounting Policies" in Note V(1) of the consolidated financial statements as at and for the year ended 31 December 2024); and (2) prior period error corrections (for more details, please refer to "Significant Prior Period Error Corrections" in Note V(3) of the consolidated financial statements as at and for the year ended 31 December 2024).

Prospective investors should read the summary consolidated financial information below in conjunction with the Company's Audited Financial Statements and the related notes, the English translation of which has been included elsewhere in this Offering Circular. Historical results are not necessarily indicative of results that may be achieved in any future period.

The following table set forth the Company's summary financial information as at the dates and for the years indicated.

CONSOLIDATED BALANCE SHEET OF THE GROUP

	As at 31 December			
	2022	**2023**	**2023**	**2024**
	(audited)	*(audited)*	*(restated)[1]*	*(audited)*
		(RMB in millions)		
Current Assets:				
Monetary funds	35,747.9	34,391.9	34,391.9	48,489.0
Balances with clearing companies	–	–	–	–
Loans to banks and other financial institutions	–	–	–	–
Financial assets held for trading	30,300.8	27,969.6	27,969.6	23,560.6
Financial assets measured at fair value through the current profit or loss	–	–	–	–
Derivative financial assets	1,584.7	356.0	356.0	457.5
Notes receivable	3,790.6	2,844.7	2,844.7	1,796.1
Accounts receivable	102,308.6	133,287.9	130,607.2	164,036.7
Receivables financing	7,853.9	3,415.4	3,415.4	2,767.3
Advances to suppliers	23,952.9	16,531.7	17,692.6	14,784.2
Premiums receivable	–	–	–	–
Reinsurance accounts receivable	–	–	–	–
Reinsurance contract reserves receivable	–	–	–	–
Receivables from the collective funds management	–	–	–	–
Other receivables	35,873.3	42,868.9	42,787.2	29,391.6
Including: dividends receivable	1,187.8	1,994.3	1,994.3	1,929.2
Financial assets purchased under resale agreements	3.7	–	–	1.0
Inventories	22,273.8	25,157.4	26,009.4	27,811.9
Including: raw materials	14,264.5	15,151.6	16,002.6	19,244.5
Stock commodities (finished goods)	3,138.7	4,630.0	4,630.0	3,571.0
Contract assets	14,025.9	20,349.9	20,364.2	29,635.3
Insurance contract assets	–	–	–	–
Outward reinsurance contract assets	–	–	–	–
Assets held for sale	2,506.9	1,284.3	1,284.3	–
Non-current assets maturing within one year	1,314.3	1,132.6	1,131.9	1,294.9
Other current assets	30,489.6	32,458.6	32,452.5	30,549.0
Total current assets	**312,026.9**	**342,048.7**	**341,306.9**	**374,575.0**

	As at 31 December			
	2022	2023	2023	2024
	(audited)	*(audited)*	*(restated)[1]*	*(audited)*
		(RMB in millions)		
Non-current assets:				
Loans and advances to customers	767.2	1,451.3	1,451.3	990.4
Creditor's right investments	1,819.3	1,250.3	1,250.3	6,766.2
Available-for-sale financial assets	–	–	–	–
Other creditor's right investments	668.9	3,128.1	3,128.1	–
Held-to-maturity investments	–	–	–	–
Long-term receivables	10,874.1	11,809.6	11,809.6	10,506.0
Long-term equity investments	70,853.4	78,151.9	78,341.4	86,823.7
Other equity instrument investments	14,296.5	15,323.4	15,323.4	13,575.6
Other non-current financial assets	2,152.1	1,605.9	1,605.9	1,479.3
Investment properties	3,254.8	3,404.2	3,404.2	2,829.7
Fixed assets	841,395.4	900,218.8	900,227.2	1,005,213.6
Including: original cost of fixed assets	1,275,759.3	1,394,317.8	1,394,337.0	1,564,843.4
Accumulated depreciation	413,961.6	470,085.6	470,096.4	530,431.4
Provision for impairment of fixed assets	20,589.1	24,109.5	24,109.5	29,317.9
Construction in progress	184,168.7	234,005.1	232,974.8	208,602.5
Productive biological assets	–	–	–	–
Oil and gas assets	–	–	–	–
Right-of-use assets	18,848.9	17,857.1	17,857.1	20,341.8
Intangible assets	55,266.6	65,636.1	65,691.7	68,570.6
Development expenses	9,303.2	11,263.1	11,238.6	12,873.2
Goodwill	7,609.8	7,624.2	7,624.2	6,699.3
Long-term deferred expenses	4,504.5	5,993.4	5,993.0	4,444.4
Deferred income tax assets	4,272.3	5,033.8	5,044.9	4,674.8
Other non-current assets	41,882.6	47,671.8	46,731.8	48,082.9
Including: special reserve materials	–	–	–	–
Total non-current assets	**1,271,938.5**	**1,411,428.2**	**1,409,697.7**	**1,502,474.0**
Total assets	**1,583,965.4**	**1,753,477.0**	**1,751,004.6**	**1,877,049.0**
Current liabilities:				
Short-term borrowings	167,496.7	193,091.0	189,127.9	204,288.5
Borrowings from central bank	–	–	–	–
Loans from banks and other financial institutions	–	5,000.0	5,000.0	–
Financial liabilities held for trading	–	–	–	–
Financial liabilities measured at fair value through the current profit or loss	–	–	–	–
Derivative financial liabilities	15.0	34.1	34.1	151.7
Notes payable	10,141.3	8,274.0	8,274.0	6,757.0
Accounts payable	89,151.5	102,424.2	102,583.0	101,093.3
Advances from customers	865.5	825.6	825.6	259.2
Contract liabilities	12,954.9	14,618.4	14,617.8	17,503.9
Funds from sales of financial assets under repurchase agreement	–	–	–	–
Absorption of deposits and interbank deposit	4,571.7	6,492.9	6,492.9	5,191.5
Receivings from vicariously traded securities	–	–	–	–
Receivings from vicariously sold securities	–	–	–	–
Advance premiums	–	–	–	–
Employee compensation payable	3,385.2	4,669.3	4,669.6	4,375.5
Including: accrued payroll	1,749.1	2,631.3	2,631.7	2,470.8
Welfare payable	1.7	0.6	0.6	0.6
Including: employee bonus and welfare fund	–	–	–	–
Taxes and surcharges payable	7,679.6	7,183.3	7,175.5	7,734.0
Including: taxes payable	6,880.5	6,403.8	6,396.0	7,146.4
Other payables	32,742.7	43,097.3	44,101.9	35,406.7
Including: dividends payable	791.3	1,654.8	1,654.8	2,270.8
Handling charges and commissions payable	–	–	–	–
Reinsurance accounts payable	–	–	–	–
Liabilities held for sale	12.6	83.8	83.8	–
Non-current liabilities maturing within one year	100,665.4	113,282.8	114,972.8	138,788.6
Other current liabilities	37,044.7	22,071.4	21,216.2	20,718.4
Total current liabilities	**466,726.8**	**521,148.0**	**519,175.0**	**542,268.3**

	As at 31 December			
	2022	2023	2023	2024
	(audited)	*(audited)*	*(restated)*[1]	*(audited)*
		(RMB in millions)		
Non-current liabilities:				
Reserves for insurance contracts	–	–	–	–
Long-term borrowings	454,852.9	523,185.7	526,059.2	588,558.8
Bonds payable	111,843.6	88,839.8	88,839.8	75,176.2
Including: preferred stock	–	–	–	–
Perpetual bonds	–	–	–	–
Insurance contract liabilities	–	–	–	–
Outward reinsurance contract liabilities	–	–	–	–
Lease liabilities	16,221.4	13,701.2	13,701.2	15,815.6
Long-term payables	43,405.8	39,268.2	39,214.7	47,256.0
Long-term employee compensation payable	149.3	346.2	346.2	424.3
Estimated liabilities	1,598.8	1,729.2	1,729.2	2,658.3
Deferred income	7,487.3	7,162.5	7,162.5	6,790.0
Deferred income tax liabilities	3,781.5	3,992.1	3,986.0	3,996.8
Other non-current liabilities	2,542.1	3,684.6	3,684.6	4,709.4
Including: special reserve funds	–	–	–	–
Total non-current liabilities	**641,882.6**	**681,909.4**	**684,723.4**	**745,385.4**
Total liabilities	**1,108,609.4**	**1,203,057.5**	**1,203,898.4**	**1,287,653.7**
Owners' equity (or shareholders' equity):				
Paid-in capital (or share capital)	35,000.0	35,000.0	35,000.0	35,000.0
State-owned capital	35,000.0	35,000.0	35,000.0	35,000.0
State-owned legal person's capital	–	–	–	–
Collective capital	–	–	–	–
Private capital	–	–	–	–
Foreign capital	–	–	–	–
Less: investment returned	–	–	–	–
Net paid-in capital (or share capital)	35,000.0	35,000.0	35,000.0	35,000
Other equity instruments	127,700.0	150,500.0	150,500.0	145,700.0
Including: preferred stock	–	–	–	–
Perpetual bonds	127,700.0	150,500.0	150,500.0	145,700.0
Capital reserves	30,595.7	34,316.3	34,258.7	37,131.6
Less: treasury stock	–	–	–	–
Other comprehensive income	173.8	845.2	839.9	(965.7)
Including: foreign currency translation differences	(1,067.2)	(873.1)	(873.1)	(3,410.8)
Special reserves	385.9	770.9	770.9	1,096.8
Surplus reserves	–	–	–	1,529.5
Including: statutory reserve funds	–	–	–	1,529.5
Discretionary reserve funds	–	–	–	–
Reserve funds	–	–	–	–
Enterprise expansion funds	–	–	–	–
Profit capitalised on return of investments	–	–	–	–
General risk reserves	–	–	–	–
Retained earnings	(7,707.9)	(80.4)	(2,184.1)	6,077.0
Total equity attributable to owners (or shareholders) of the company	186,147.5	221,352.0	219,185.4	225,569.1
Minority equity	289,208.6	329,067.5	327,920.7	363,826.2
Total owners' equity (or shareholders' equity)	**475,356.1**	**550,419.5**	**547,106.2**	**589,395.4**
Total liabilities and owners' equity (or shareholders' equity)	**1,583,965.4**	**1,753,477.0**	**1,751,004.6**	**1,877,049.0**

Note:

(1) The Parent has restated certain financial information as at and for the year ended 31 December 2023 due to prior period error corrections, please refer to "*Significant Prior Period Error Corrections*" in Note V(3) of the consolidated financial statements as at and for the year ended 31 December 2024.

CONSOLIDATED INCOME STATEMENT OF THE GROUP

	For the year ended 31 December			
	2022	2023	2023	2024
	(audited)	*(audited)*	*(restated)[1]*	*(audited)*
		(RMB in millions)		
Total operating income	360,592.1	385,709.5	385,612.5	395,467.9
Including: operating income	360,592.1	385,709.5	385,612.5	395,467.9
Interest income	–	–	–	–
Insurance service revenue	–	–	–	–
Premiums earned	–	–	–	–
Revenue from handling charges and commissions	–	–	–	–
Total operating costs	**341,618.3**	**352,092.0**	**352,107.1**	**353,842.5**
Including: operating costs	286,640.1	297,174.7	297,241.1	300,537.6
Interest expenses	–	–	–	–
Handling charges and commission expenses	–	–	–	–
Insurance service expenses	–	–	–	–
Amortisation of reinsurance premiums	–	–	–	–
Less: Amortised insurance service expenses	–	–	–	–
Insured financial loss	–	–	–	–
Less: Financial income from outward reinsurance	–	–	–	–
Surrender value	–	–	–	–
Net amount of compensation payout	–	–	–	–
Net provisions for policy reserves	–	–	–	–
Policy dividend payment	–	–	–	–
Reinsurance costs	–	–	–	–
Taxes and surcharges	5,765.2	6,219.3	6,219.5	6,848.6
Selling and distribution expenses	943.9	1,111.5	1,055.2	984.4
General and administrative expenses	11,147.2	14,494.6	14,495.5	14,165.1
Research and development expenses	4,267.9	4,851.4	4,851.4	4,646.8
Financial expenses	32,853.9	28,240.6	28,244.4	26,659.9
Including: interest expenses	31,728.9	27,907.6	27,917.3	26,380.6
Interest income	686.9	962.2	975.7	1,114.5
Net losses from foreign exchange	1,230.7	635.9	635.9	416.7
Others				
Plus: other income	2,307.9	3,276.6	3,257.2	3,115.4
Investment income	11,325.4	9,413.8	9,553.4	17,997.3
Including: income from investment in associates and joint ventures	5,278.8	6,565.8	6,700.9	6,626.7
Gains from derecognition of financial assets measured at amortised cost	(117.7)	(122.5)	(120.0)	(92.4)
Gains from foreign exchange	(9.4)	7.0	7.0	(5.7)
Gains from net exposure hedging	–	–	–	–
Gains from changes in fair value	1,324.1	159.7	159.7	(386.4)
Losses from credit impairment	(2,201.4)	(194.8)	(194.9)	(4,644.5)
Losses from asset impairment	(5,735.4)	(6,423.8)	(6,423.8)	(8,188.1)
Gains from disposal of assets	343.9	336.2	336.2	116.3
Operating profits	**26,328.8**	**40,192.1**	**40,200.2**	**49,629.8**
Plus: non-operating income	1,829.7	1,797.1	1,797.1	1,938.6
Including: government grants	217.8	153.6	153.6	196.3
Less: non-operating expenses	956.8	1,333.5	1,333.5	1,828.2
Total profits	**27,201.8**	**40,655.7**	**40,663.8**	**49,740.2**
Less: income tax expenses	8,075.1	7,590.0	7,579.2	11,926.1
Net profit	**19,126.6**	**33,065.6**	**33,084.6**	**37,814.1**
(I) Classified by ownership:				
Net profit attributable to owners of the Company	4,857.8	11,439.0	11,460.8	15,295.5
Minority interest income	14,268.8	21,626.7	21,623.8	22,518.6
(II) Classified by operating sustainability:				
Net profit from continued operation	19,126.6	33,065.6	33,084.6	37,814.1
Net profit of discontinued operation	–	–	–	–
Other comprehensive income, net of tax	**1,269.0**	**560.1**	**564.9**	**(3,059.5)**
Other comprehensive income, net of tax, attributable to owners of the Company	1,137.4	459.2	462.4	(2,179.6)
(I) Other comprehensive income that cannot be reclassified into profit or loss	(574.8)	(86.7)	(86.8)	918.2
1. Changes in remeasurement of the defined benefit plan	–	–	–	–

	For the year ended 31 December			
	2022	2023	2023	2024
	(audited)	*(audited)*	*(restated)[1]*	*(audited)*
		(RMB in millions)		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method	(23.8)	(35.9)	(35.9)	31.1
3. Changes in fair value of other equity instrument investments	(551.0)	(50.8)	(50.8)	887.1
4. Changes in the fair value of the Company's own credit risk	–	–	–	–
5. Changes in the insurance contract finance that cannot be transferred to profit or loss	–	–	–	–
6. Others	–	–	–	–
(II) Other comprehensive income that will be reclassified into profit or Loss	1,712.2	545.9	549.1	(3,097.8)
1. Other comprehensive income that can be transferred into profit or loss under the equity method	(52.2)	376.1	379.7	(64.8)
2. Changes in fair value of other creditor's right investments	–	–	–	–
3. Profit or loss from changes in fair value of available-for-sale financial assets	–	–	–	–
4. Amount of financial assets reclassified and included in other comprehensive income	–	–	–	–
5. Profit or loss arising from reclassification of held-to-maturity investments as available-for-sale financial assets	–	–	–	–
6. Provision for credit impairment of other creditor's right investments	–	–	–	–
7. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)	550.8	(80.0)	(80.0)	(510.0)
8. Differences arising from translation of foreign-currency financial statements	1,249.8	194.1	194.1	(2,537.8)
9. Changes in the insurance contract finance that can be transferred to profit or loss	–	–	–	–
10. Changes in the outward reinsurance contract finance that can be transferred to profit or loss	–	–	–	–
11. Others	(36.2)	55.7	55.4	14.9
Other comprehensive income, net of tax, attributable to minority shareholders	131.7	101.0	102.5	(880.0)
Total comprehensive income	**20,395.7**	**33,625.8**	**33,649.5**	**34,754.5**
Total comprehensive income attributable to owners of the Company	5,995.2	11,898.1	11,923.2	13,115.9
Total comprehensive income attributable to minority shareholders	14,400.5	21,727.6	21,726.3	21,638.6
Earnings per share:				
Basic earnings per share	–	–	–	–
Diluted earnings per share	–	–	–	–

Note:

(1) The Parent has restated certain financial information as at and for the year ended 31 December 2023 due to (a) prior period error corrections, please refer to "*Significant Prior Period Error Corrections*" in Note V(3) of the consolidated financial statements as at and for the year ended 31 December 2024; and (b) the implementation of the provisions set out in Interpretation No. 18 of the Accounting Standards for Business Enterprises, which addresses the accounting treatment of quality guarantees that do not constitute separate performance obligations, please refer to "*Changes in Accounting Policies*" in Note V(1) of the consolidated financial statements as at and for the year ended 31 December 2024.

CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP

	For the year ended 31 December		
	2022	2023	2024
	(audited)	*(audited)*	*(audited)*
		(RMB in millions)	
Cash flows from operating activities:			
Cash received from sale of goods and rendering of services	361,880.4	399,338.9	383,842.7
Net increase in deposits from customers and due from banks and other financial institutions	4,974.2	2,893.4	(1,447.2)
Net increase in borrowings from central bank	–	–	–
Net increase in loans from other financial institutions	–	–	–
Cash received from receiving insurance premium of original insurance contract	–	–	–
Net cash received from outward reinsurance contracts	–	–	–
Cash received from receiving insurance premiums of original insurance contracts	–	–	–
Net cash received from reinsurance business	–	–	–
Net increase in deposits and investments from policyholders	–	–	–
Net increase received from disposal of financial assets measured at fair value through current profit or loss	(5,898.3)	(2,571.3)	5,729.0
Cash received from interest, handling charges and commissions	1,548.9	1,424.5	1,625.7
Net increase in loans from banks and other financial institutions	–	5,000.0	(4,000.0)
Net capital increase in repurchase business	–	–	–
Net cash from receivings from vicariously traded securities	–	–	–
Refunds of taxes and surcharges	15,539.5	4,646.2	3,293.7
Cash received from other operating activities	27,235.2	28,748.8	41,407.0
Sub-total of cash inflows from operating activities	405,279.8	439,480.6	430,451.0
Cash paid for purchase of goods and receipt of services	238,661.7	253,497.9	221,908.2
Net increase in loans and advances to customers	(1,458.5)	(2,179.7)	(735.9)
Net increase in deposits in the central bank, other banks and financial institutions	739.7	(130.8)	301.9
Cash paid for original insurance contract claims	–	–	–
Net cash paid for outward reinsurance contracts	–	–	–
Net increase in the loan on policy	–	–	–
Cash paid for original insurance contract claims	–	–	–
Net increase in loans to banks and other financial institutions	–	–	–
Cash paid for interests, handling charges and commissions	688.1	830.5	1,021.3
Cash paid for policy dividends	–	–	–
Cash paid to and on behalf of employees	38,001.2	41,939.1	46.277.5
Cash paid for taxes and surcharges	31,303.2	34,176.6	38,907.3
Cash paid for other operating activities	28,320.6	39,318.1	43,444.5
Sub-total of cash outflows from operating activities	336,255.9	367,451.8	351,124.8
Net cash flows from operating activities	**69,023.9**	**72,028.8**	**79,326.2**
Cash flows from investing activities:			
Cash received from disinvestment	50,947.4	42,175.7	20,323.8
Cash from investment income	7,204.4	3,936.6	4,867.7
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	654.8	847.4	256.1
Net cash received from disposal of subsidiaries and other business units	2,136.5	1,622.0	6,111.3
Cash received from other investing activities	6,250.3	8,503.9	4,672.6
Sub-total of cash inflows from investing activities	67,193.3	57,085.6	36,231.5
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	118,218.5	150,174.7	130,875.2
Cash paid for investments	60,455.2	37,682.7	38,897.6
Net increase in pledge loans	–	–	–
Net cash paid to acquire subsidiaries and other business units	3,201.6	5,963.6	3,386.7
Cash paid for other investing activities	27,146.1	6,993.0	4,357.7
Sub-total of cash outflows from investing activities	209,021.3	200,813.9	177,517.2
Net cash flows from investing activities	**(141,828.0)**	**(143,728.3)**	**(141,285.7)**

	For the year ended 31 December		
	2022	2023	2024
	(audited)	*(audited)*	*(audited)*
		(RMB in millions)	
Cash flows from financing activities:			
Cash received from investors	139,985.4	44,392.2	52,013.8
Including: cash received by subsidiaries from investments by minority shareholders	73,542.4	40,536.3	46,022.9
Cash received from borrowings	655,284.8	593,693.1	615,445.5
Cash received from other financing activities	19,282.6	17,815.6	17,339.1
Sub-total of cash inflows from financing activities	814,552.8	655,900.9	684,798.3
Cash paid for debt repayments	601,138.3	503,211.7	510,616.9
Cash paid for distribution of dividends and profits or payment of interest	46,340.8	41,643.8	46,899.8
Including: dividends and profits paid to minority shareholders by subsidiaries	6,855.8	12,698.3	4,256.5
Cash paid for other financing activities	83,923.4	40,397.3	51,390.4
Sub-total of cash outflows from financing activities	731,402.5	585,252.8	608,907.1
Net cash flows from financing activities	**83,150.2**	**70,648.1**	**75,891.2**
Effect of fluctuation in exchange rate on cash and cash equivalents	280.2	202.5	(883.8)
Net increase in cash and cash equivalents	10,626.3	(848.9)	13,047.9
Plus: beginning balance of cash and cash equivalents	19,377.6	30,003.9	29,155.0
Ending balance of cash and cash equivalents	30,003.9	29,155.0	42,202.9

RISK FACTORS

Prior to making any investment decision, prospective investors should consider carefully all of the information contained in this Offering Circular, including the risks and uncertainties described below. The business, financial condition or results of operations of the Group could be materially and adversely affected by any of these risks. The Group believes that the following factors may affect its ability to fulfil its obligations under the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees. Additional risks and uncertainties not presently known to the Group or which the Group currently deems immaterial may also have an adverse effect on an investment in the Preference Shares. All of these factors are contingencies which may or may not occur and the Group is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Group believes may be material for the purpose of assessing the market risks associated with the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees are described below. The Group believes that the factors described below represent the principal risks inherent in investing in the Preference Shares, but the inability of the Group to pay liquidation preference, pay dividend (if any) or other amounts or fulfil other obligations on or in connection with the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees may occur for other reasons and the Group does not represent that the statements below regarding the risks of holding the Preference Shares are exhaustive.

RISKS RELATING TO THE GROUP'S BUSINESS AND THE POWER INDUSTRY

Fluctuations in global and Chinese economic and market conditions could materially and adversely affect the business activities, financial condition and results of operations of the Group.

The Group's business, results of operations and financial condition are materially affected by economic conditions in China and globally. The outlook for the world economy and financial markets remains uncertain. The Russo-Ukrainian conflict and the conflict in Israel and Gaza have led to significant volatility in the global markets. The extent and duration of such conflicts, resulting sanctions and future market disruptions are impossible to predict, but could be significant and may have a material adverse effect on the region, including a significant negative impact on the economy and the markets for certain securities and commodities, such as oil and natural gas, as well as certain foods including grain, and on global economies. In Europe, several countries continue to face difficulties surrounding sovereign debt. In the Middle East, Eastern Europe and Africa, political unrest in various countries has resulted in economic instability and uncertainty. In early 2023, the global financial markets have experienced further turmoil with the collapse of certain financial institutions, which has resulted in tightened credit standards, reduced capital investment and higher uncertainty in the global macroeconomic environment.

The Group's results of operations may be adversely affected by changes in general economic conditions in China. A large majority of the Group's revenue is derived from power sales in the PRC. The Group relies on domestic demand for electric power to achieve revenue growth. Domestic demand for electric power is materially affected by industrial development, growth of private consumption and overall economic growth in the PRC. The power generation sector in China is significantly influenced by China's economic conditions and the economic measures undertaken by the PRC Government. In recent years, China's economic growth has become more moderate as compared to its previous growth rate due to weakened exports as well as recent developments surrounding the trade-war with the United States. The trade tensions between the United States and China have been marked by a series of escalating tariffs and retaliatory measures. Beginning in March 2018, the U.S. imposed tariffs on steel and aluminum imports from China, followed by a 25 per cent. tariff on U.S.$34 billion worth of Chinese goods in July 2018. China responded with similar tariffs on U.S. products. Although a partial trade deal was signed in January 2020, which included some tariff rollbacks, the tensions continued to escalate. In April 2025, the United States imposed additional tariffs on Chinese imports, reaching 125 per cent., while China retaliated with tariffs of up to 84 per cent. on U.S. goods. Although both countries issued a

joint statement on 12 May 2025 to reduce tariffs to 10 per cent. and 30 per cent. respectively, the long-term trajectory of trade relations remains uncertain and could significantly affect the global economic landscape and the Group's operations. In addition, recent sovereign credit rating actions have further highlighted concerns about China's economic outlook. In December 2023, Moody's revised its outlook on China's long-term foreign-currency issuer default rating from "stable" to "negative", citing expectations of rising economy-wide debt amid slowing potential growth. In April 2025, Fitch downgraded China's long-term foreign-currency issuer default rating from "A+" to "A" with a stable outlook, reflecting concerns over weakening public finances and a rapidly rising public debt trajectory. These developments have already led to adverse rating actions on several PRC issuers, including government-owned entities and their subsidiaries. There can be no assurance that further adverse rating developments will not occur, which could negatively impact the Group's own credit profile and financing costs.

Although the PRC Government has recently taken several measures and actions with the aim of increasing investors' confidence in the PRC economy, there can be no assurance that those measures will be effective. In addition, recent macroeconomic events have had or could result in an adverse effect on the global and the PRC economy, such as the Russo-Ukrainian conflict and Israel and Gaza conflict. If the PRC's economic growth slows down or if the PRC economy experiences a recession, the growth of power demand may also slow down or stop, and the Group's business prospects may be materially and adversely affected.

Historically, the Group's results of operations and business growth have benefited from the economic growth and industrialisation in China, which have led to increased business prosperity across the power generation sector. Demand for the Group's electricity could be affected by numerous factors, many of which are beyond its control, including but not limited to:

- an economic downturn in China or any regional market in China;
- economic policies and initiatives undertaken by the PRC Government; and
- changes in the PRC or regional business or regulatory environment affecting the power generation sector.

The PRC Government has, from time to time, adjusted its monetary, fiscal and other policies and measures to ensure stable economic growth and to reduce overcapacity in certain industries or markets. As a result, the global as well as China's economy and the particular industry in which the Group operates or which it serves may grow at a pace slower than expected or even experience a downturn. Any adverse change in the global and Chinese economic conditions or government policies could have a material adverse effect on the overall economic growth and the level of investment and expenditure, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's plans for overseas business development and investment may be subject to unforeseen risks.

In accordance with the Group's business development strategy, the Group is acquiring or investing in projects in countries and regions outside China. For example, in 2017, the Company's subsidiary UHE São Simão won the bid for the 30-year concession right of the São Simão Hydropower Station in Brazil. As the Group expands into other regions, the Group will be subject to additional risks that could materially and adversely affect the Group's results of operations. These risks include, but are not limited to:

- unsettled political conditions, war, civil unrest and hostilities in countries and regions where the Group operate or intend to invest;

- breach of contract by the central or local government or the Group's main business partners in the countries and regions where the Group's overseas business is located or the Group intends to invest;
- undeveloped legal systems or changes in government policies;
- political and economic instability in foreign markets, including high inflation and primary deficit;
- natural disasters;
- fluctuations in market demand;
- fluctuations and changes in foreign exchange rates;
- PRC regulations and approval processes related to overseas investments; and
- governmental actions such as expropriation of assets, changes in general legislative or regulatory environment, exchange controls, cancellation of contract rights, and changes in global trade policies such as trade restrictions and embargoes imposed by any country.

The Group cannot predict the effect that current conditions affecting various foreign economies or future changes in economic or political conditions abroad could have on the feasibility and costs of the projects the Group intend to invest in or acquire. Any of the above factors may have a material and adverse effect on the Group's overseas expansion plans and, consequently, the Group's business, prospects, financial condition and results of operations.

The Group operates in a capital-intensive business, and a significant increase in capital costs could have a material adverse effect on the Group.

The Group operates in a capital-intensive industry. Developing, acquiring or investing in new power projects, and developing or expanding existing power plants require substantial capital, and the capital investment required therefor generally varies based on the cost of the necessary fixed assets.

The Group's net cash flows from the investment activities amounted to RMB141,828 million, RMB143,728.3 million and RMB141,285.7 million, for the years ended 31 December 2022, 2023 and 2024, respectively. The Group's plans to develop its operations will involve a large scale of investment in the next few years, which could expose the Group to a significant risk of capital expenditure. The price of such equipment and/or civil construction works may increase if the market demand for such equipment or works is greater than the available supply, or if the prices of key component commodities and raw materials used in constructing such equipment increase. Other factors affecting the amount of capital investment required include, among others, construction costs and finance expenses. A significant increase in the costs of developing and constructing the Group's energy facilities could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group expects to finance its capital expenditures principally with cash flow from operating activities, its existing cash resources and financing from other external sources. The Group's ability to obtain external financing in the future is, however, subject to a variety of uncertainties, including (i) obtaining the necessary government approvals to raise financing for projects; (ii) the Group's future financial condition, operating results and cash flows; (iii) the general condition of the global and domestic financial markets and changes in government monetary policies with respect to bank interest rates and lending policies; and (iv) credit availability from banks or other lenders, investor confidence in the Group and the continued success of the Group's power plants. In the event that the Group's current resources are not sufficient for its needs, the Group may have to seek additional financing, including equity or debt financing. There is no assurance that the Group will be able to raise the financing required for its planned capital expenditures on acceptable terms or at all. If the Group were unable to

raise such financing, it may have to reduce its planned capital expenditures and delay or abandon its expansion plan, which in turn could have a material adverse effect on its business or results of operations.

The Group's borrowing levels, significant interest payment obligations and net current liabilities could limit the funds available to the Group for various business purposes.

Due to the rapid expansion of its business in recent years, the Group has relied on both long-term and short-term borrowings to fund a portion of its capital requirements, and expects to continue to do so in the future. As at 31 December 2022, 2023 and 2024, the Group had long-term and short-term borrowings of RMB622,349.6 million, RMB716,276.6 million (for 2023 before restatement), RMB715,187.1 million (restated for 2023), and RMB792,847.3 million, respectively, current liabilities of RMB466,726.8 million, RMB521,148.0 million and RMB542,268.3 million, respectively, and debt-to-assets ratio of 70.0 per cent., 68.6 per cent. and 68.6 per cent, respectively.

The Group may continue to have net current liabilities in the future. The degree to which the Group is leveraged and the high level of net current liabilities could constrain its operational flexibilities and have significant consequences, including (i) limiting the Group's ability to repay its outstanding debt; (ii) requiring a substantial portion of the Group's cash flows from operations to be used for servicing its debt, thereby reducing the cash flow for working capital, capital expenditure or other general corporate uses; (iii) making the Group more vulnerable to adverse general economic and industry conditions, and increasing its exposure to interest rate fluctuations; (iv) limiting the Group's ability to obtain, and increasing the cost of, additional financing to fund future working capital, capital expenditures or general corporate uses; (v) limiting the Group's flexibility in planning for or reacting to the changes in its businesses and the industry; and (vi) causing the Group to be less competitive compared with its competitors that have less debt.

There is no assurance that the Group will always be able to raise the funding necessary to finance its current liabilities and other debt obligations. The Group's business, prospects and financial condition may be materially and adversely affected if its cash flows and capital resources are insufficient to finance its debt obligations.

The Group's business may be affected by fluctuations in interest rates and the general availability of credit.

The Group is exposed to interest rate risk resulting from fluctuations in interest rates on its debt, and changes in interest rates affect its finance expenses and, ultimately, its results of operations. As the Group relies heavily on external financing to secure investment capital to finance the expansion of its power generation business, the Group is sensitive to the cost of capital in securing these loans. The Group's interest expenses amounted to RMB31,728.9 million, RMB27,907.6 million (for 2023 before restatement), RMB27,917.3 million (restated for 2023), and RMB26,380.6 million for the years ended 31 December 2022, 2023 and 2024, respectively. Any significant increase in interest rates will result in a substantial increase in the Group's interest expenses, which may materially and adversely affect its business, financial condition, results of operations and expansion plans. In the future, the Group may continue to incur substantial indebtedness to finance its business expansion. In incurring indebtedness in the future, the Group may create security interests over its assets or receivables in favour of creditors. If the Group incurs additional debt, the risks that the Group faces as a result of its already substantial indebtedness and leverage ratio could intensify.

Government regulation of on-grid power tariffs and other aspects of the power industry may adversely affect the Group's business.

Similar to electric power companies in other countries, the Group is subject to governmental and electric grid regulations in virtually all aspects of the Group's operations, including the amount and timing of electricity generations, the setting of on-grid tariffs, the performance of scheduled maintenance and

compliance with power grid control and dispatch directives and environment protection. There can be no assurance that these regulations will not change in the future in a manner which could adversely affect the Group's business.

In 2009, the PRC Government started to promote the practise of direct power purchase by large power end-users. Pursuant to the circular jointly issued by the NDRC, the State Electricity Regulatory Commission ("**SERC**") and China National Energy Administration ("**NEA**") in June 2009, the direct power purchase price consists of direct transaction price, on-grid dispatch and distribution price and governmental levies and charges, in which the direct transaction price shall be freely determined through negotiation between the power generation company and the large power end-user. The price of direct power purchase is subject to the demand in the power market, and may increase due to a power supply shortfall. Furthermore, the scale and mode of the transaction are also subject to the structure and level of development of the local economy. For power generation companies engaged in direct power purchase, direct power sales constitute a portion of the total power sales, thus affecting the on-grid power sales of such companies. In the photovoltaic ("**PV**") power sector, the PRC Government began to adjust its policies in 2018. Pursuant to the circular jointly issued by the NDRC, the NEA and the Ministry of Finance ("**MOF**") on 31 May 2018(關於2018年光伏發電有關事項的通知), the PRC Government accelerated the process of reducing subsidies for both PV power station construction and electricity price by restricting the construction of ordinary PV power stations and lowering the benchmark PV power on-grid tariff. In 2018, the PRC Government continued the reform of direct power purchases by large power end-users. Pursuant to the notice jointly issued by NDRC and the NEA on 1 July 2019(關於積極推進風電、光伏發電無補貼平價上網有關工作的通知), the PRC Government adopted multiple policies, including full- amount power on gird, guaranteed purchase, and reducing the power transmission and distribution prices and fees of direct trading, to promote subsidy-free grid parity for wind power and PV power generation. Although a direct power purchase may act as an alternative channel for the Group's power sales, there is uncertainty as to the effect of the practise of direct power purchase over the Group's operating results. The on-grid tariff-setting mechanism is evolving with the reforming of the PRC electric power industry. There is no assurance that it will not change in a manner which could adversely affect the Group's business and results of operations.

If the Group's power plants receive less dispatching than planned generation, the power plants will sell less electricity than planned.

The Group's profitability depends, in part, upon each of the Group's power plants generating electricity at a level sufficient to meet or exceed the planned generation, which in turn will be subject to local demand for electric power and dispatching to the grids by the dispatch centres of the local grid companies.

The dispatch of electric power generated by a power plant is controlled by the dispatch centre of the applicable grid companies pursuant to a dispatch agreement with the Group and to governmental dispatch regulations. In each of the markets in which the Group operates, the Group competes against other power plants for power sales. No assurance can be given that the dispatch centres will dispatch the full amount of the planned generation of the Group's power plants. A reduction by the dispatch centre in the amount of electric power dispatched relative to a power plant's planned generation could have an adverse effect on the profitability of the Group's operations. There can be no assurance that the Group will not encounter such an event in the future.

In August 2007, the General Office of the State Council issued *Notice of the General Office of the State Council on Forwarding the Energy-Saving and Electricity Dispatch Measures (Trial) Formulated by the NDRC and Several Other Departments* (*Guo Ban Fa* [2007] No. 53), which provides that energy saving and electricity dispatch shall consolidate with the development of the power market, in an effort to optimise the power market. In October 2008, the SERC approved the trial implementation of the policy of energy saving and electricity dispatch in certain pilot provinces. The PRC Government has continued

promoting the policy of energy saving and electricity dispatch. There can be no assurance that such implementation will not result in any decrease in the amount of power dispatched by any of the Group's power plants.

The PRC power industry reform may affect the Group's business.

In 2002, the PRC Government announced and began to implement measures to further reform the power industry, with the ultimate goal of creating a more open and fair power market. As part of the reform, five power generation companies, including CPI were created or restructured to take over all the power generation assets originally belonging to the State Power Corporation of China. In addition, two grid companies were created to take over the power transmission and distribution assets originally belonging to the State Power Corporation of China. An independent power supervisory commission, the SERC, was created to regulate the power industry. It is still uncertain as to whether any further reforms are going to be implemented and how they will impact the Group's business.

The PRC Government continued the reform in the power industry, especially on the optimisation and upgrading of power structure and promotion of clean and renewable energy. In January 2025, NDRC and NEA issued a joint notice (*Notice on Deepening the Market-Oriented Reform of New Energy On-Grid Electricity Prices to Promote High-Quality Development of New Energy* 《關於深化新能源上網電價市場化改革促進新能源高質量發展的通知》) on deepening the pricing reform for electricity generated from renewable energy, focusing on market-based pricing mechanisms. This reform will introduce revenue uncertainty as prices become more responsive to supply and demand dynamics, potentially leading to fluctuations in revenue. It is still uncertain as to how the reform will impact the Group's business. The further reform will intensify competition and phase out obsolete facilities, which may adversely affect the Group's business and prospects.

Power plant development, acquisition and construction is a complex and time-consuming process, and failure to conduct such business in an effective and efficient manner may affect the Group's business.

The Group develops, constructs, manages and operates large power plants. The Group's success depends upon the Group's ability to secure all required government approvals, power sales and dispatch agreements, construction contracts, and fuel supply, transportation and electricity transmission arrangements. Delay or failure to secure any of these could increase costs or delay or prevent commercial operation of the affected power plant. No assurances can be given that all the future projects will receive approvals in a timely fashion or at all. In addition, PRC Government approval requirements and procedures for thermal power plant are increasingly stringent, due to national policies and related regulations promoting environmentally friendly energy. There can be no assurance that the Group possesses at all times adequate certificates, authorisations, licences, orders, consents, approvals or permits required by all applicable laws and regulations. A breach of any laws or regulations to which the Group is subject may result in the imposition of fines and penalties or the suspension or closure of the relevant power plant operation.

The Group may also face costs, delays or difficulties in the acquisition of land and associated demolition, resettlement, rehabilitation and compensation issues in the development and construction of its power plants. Local government authorities may choose not to support the development of power project facilities to protect the local environment and community from potential risks. Due to the actual or perceived environmental and other impact of power plants, local residents, environmental activists or other special interest groups may also protest against the development and construction of power plants, and any disputes relating to demolition, relocation and compensation of local residents may result in delays in the resettlement process. There is no assurance that the Group or its affiliates or partners will not fail to manage community relationships appropriately. Opposition from or disputes with local community, political or environmental groups or local government authorities with respect to the development or construction of the Group's power projects could increase development costs, cause delays, interruptions or even cancellations of development plans, adversely affect the Group's reputation and/or hamper its ability to acquire or construct new power plants to grow its business.

The Group has generally acted as, and intends to continue to act as, the general contractor for the construction of the Group's power plants. As with any major infrastructure construction effort, the construction of a power plant involves many risks, including shortages of equipment, material and labour, labour disturbances, accidents, inclement weather, unforeseen engineering, environmental and geological problems, delays and other problems and unanticipated cost increases, any of which could give rise to delays or cost overruns. Construction delays may result in loss of revenue. Failure to complete construction according to specifications may result in liabilities, reduce power plant efficiency, increase operating costs and reduce earnings. No assurance can be given that construction of ongoing future projects will be completed on schedule or within budget.

In addition, from time to time, the Group may acquire existing power plants from other parties. The timing and the likelihood of the completion of any such acquisitions will depend, among other things, on the Group's ability to obtain financing and relevant government approvals and to negotiate relevant agreements for terms acceptable to the Group.

The Group and its operations are required to comply with various regulatory requirements and are subject to inspection by regulatory authorities. Any failure to fully comply with such requirements and any adverse findings resulting from such inspections could materially and adversely affect its business, financial condition, results of operations and reputation.

The Group and its operations are required to comply with various regulatory requirements in the PRC and elsewhere, and the relevant regulatory authorities conduct periodic inspections, examinations and inquiries in respect of its compliance with such requirements. On occasion the Group may fail to comply with certain requirements and guidelines set by the relevant regulatory authorities.

The National Audit Office of the PRC (the "**CNAO**") conducts economic responsibility audit on the Group from time to time and has in the past identified issues relating to financial reporting, internal control or business integrity. While the Group takes measures to address the issues identified in the reports from CNAO and formulates or revises its internal regulations and operating procedures to improve its internal controls and risk management systems, there can be no assurance that there will not be any further investigation or action against the Group, its officers or employees resulting from the findings of the CNAO or other governmental authorities.

The Group was also subject to certain negative findings by an inspection team from the Central Leading Group for Inspection Work (中央巡視工作領導小組)(the "**Inspection Leading Group**"), which is a coordination body set up under the Central Committee of the Communist Party of the PRC for the purpose of conducting party disciplinary inspections nationwide. The inspection team once pointed out a number of deficiencies in the Group's corporate governance systems and then issued a number of recommendations for rectification of these deficiencies to help improve the Group's internal control and corporate governance mechanisms. The Group has addressed these issues through implementing internal controls to prevent the misuse of authority and enhancing senior management's accountabilities and responsiveness. While the Group had taken steps to implement measures to improve its internal control, corporate governance and risk management mechanisms to address these issues identified by the Inspection Leading Group, there is no assurance that there will not be any further investigations or actions against the Group, its officers or employees resulting from the findings of the Inspection Leading Group or other governmental authorities.

There can be no assurance that the remedial actions taken by the Group in response to the investigations by CNAO and the Inspection Leading Group can sufficiently address all deficiencies identified in such investigations. Further, there can be no assurance that the Group's internal control system will effectively prevent similar deficiencies from happening in the future. In either case, the Group's business, financial condition, results of operations and reputation may be materially and adversely affected, and the Group or any of its management, officers or employees may be subject to further investigations and sanctions imposed by the PRC authorities. If sanctions, fines and other penalties are

imposed on the Group for failing to comply with applicable requirements, guidelines or regulations, the Group's business, financial condition, results of operations and its reputation may be materially and adversely affected.

In addition, the Group may not be able to always detect or prevent fraud, corruption or other misconduct committed by its employees, which may have a negative impact on its reputation and business. It is not always possible to deter or prevent employee misconduct, and the precautions taken by the Group to prevent and to detect such activities may not be effective in all cases. In June 2020, a senior officer of a subsidiary of the Group received a notice of investigation from the CSRC on alleged breach of PRC securities law. In November 2021 and March 2022, former employees of a subsidiary of the Group were convicted of accepting bribes. In June 2022, former senior officials of a subsidiary of the Group were convicted of embezzlement relating to futures trading. In December 2022, a former senior official of the Company was convicted of accepting bribes. In June 2024, a former senior official of a branch office of the Company was convicted of accepting bribes. A former director of a subsidiary of the Group is currently under investigation on alleged misconduct. In addition, the former Party Secretary and Chairman of a subsidiary of the Group was convicted of bribery. A deputy director of the Group's strategic planning and development department is currently under disciplinary review and supervisory investigation by the Group's discipline inspection team and the Mentougou District Supervisory Commission in Beijing for suspected serious violations of discipline and law. A member of the Party Committee and Deputy General Manager of a subsidiary of the Group is also under disciplinary review and supervisory investigation by the Group's discipline inspection team and the Changzhi City Supervisory Commission in Shanxi Province. All such above-mentioned cases are however individual cases and have no material adverse effect on the Group as a whole and none of the individuals mentioned above are involved in this offering of the Preference Shares. The Group has addressed these issues through implementing internal controls, including establishing regulatory frameworks, developing rectification plans, and strengthening inspections to prevent employee misconduct and enhancing awareness. While the Group had taken steps to implement measures to improve its internal control, corporate governance and risk management mechanisms to address these issues, there can be no assurance nevertheless that other cases of fraud, corruption or other misconduct of the Group's employees will not occur in future. The Group could suffer from negative publicity, reputational damage, monetary losses or litigation losses as a result of the fraud, corruption or other misconduct of its employees.

The Group could be adversely affected as a result of its operations in certain countries that are subject to evolving sanctions.

The U.S. and other jurisdictions have had or currently have comprehensive or broad economic sanctions (the "**Sanctions**") against and in relation to certain countries. These Sanctions may also include restrictions on dealing with certain designated persons and entities, including persons on the list of the Office of Foreign Assets Control of the U.S. Department of the Treasury of Specially Designated Nationals ("**SDN List**"). The Group has investments, operations and business dealings in countries that have in the past been, or are currently, the subject of Sanctions (the "**Sanctioned Countries**"). The Group has also had business dealings with entities and persons that were listed on the SDN List in the past.

The Group believes that none of its business activities in such Sanctioned Countries has a material adverse effect on the Group. If it were determined that any transaction in which the Group participated violates any Sanctions, the Group could be subject to sanctions or other penalties and its business, results of operations and financial condition may be materially and adversely affected. In addition, the Group may be the subject of negative media or investor attention as a result of its activities or presence in Sanctioned Countries or dealings with entities and persons that have in the past been listed on the SDN List, which may harm the Group's reputation and may have a negative impact on the Group's business, financial condition and results of operations. Furthermore, the Sanctions are evolving and there

can be no guarantee that the Group's present and future investments, operations and business dealings will not be materially and negatively impacted by any changes in the Sanctions or their interpretation, implementation and enforcement.

Historical consolidated financial information of the Parent may not be indicative of its future results of operations.

The historical consolidated financial information of the Parent must be evaluated in light of the impact of any significant changes in its business segments or other extraordinary events that occurred in the periods covered in the financial statements. There is no assurance that such historical financial information will be indicative of what the Parent's results of operations, financial condition or cash flow will be in the future.

The Parent has restated certain financial information as at and for the year ended 31 December 2023 for reasons set out in "*Summary Consolidated Financial Information*" and note V to the financial statements for as at and for the year ended 31 December 2024. Investors much exercise caution when comparing any financial figures after 31 December 2024 against the Parent's historical financial figures prior to 31 December 2024 evaluating the Parent's financial condition and results of the operation.

The operation of power plants involves many risks, and the Group may not have adequate insurance to cover the economic losses if any of the Group's power plants' ordinary operations are interrupted.

The operation of power plants involves many risks and hazards, including breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, labour disturbances, natural disasters, environmental hazards and industrial accidents. The occurrence of material operational problems, including but not limited to the above events, may adversely affect the profitability of a power plant.

The Group's power plants in the PRC currently maintain insurance coverage that is typical in the electric power industry in the PRC and in amounts that the Group believes to be adequate. Such insurance, however, may not provide adequate coverage in certain circumstances. In particular, in accordance with industry practise in the PRC, the Group's power plants in the PRC do not generally maintain business interruption insurance. There is no assurance that such accidents will not occur at the Group's power plants in the future. The occurrence of any such incident, accident or disaster for which the Group is uninsured or inadequately insured may materially and adversely affect the Group's business, financial condition and results of operations.

The Group is exposed to substantial potential risks and liabilities associated with the Group's nuclear power generation business.

The Group engages in nuclear power generation activities. Unlike in other industries, including the non-nuclear power generation industry, a significant quantity of radioactive substances is contained in the nuclear reactors of a nuclear power station, which could present a possible radioactive threat to humans, the environment and society under certain circumstances. In addition, as an important part of the Group's business operations, the Group needs to handle, store, transport and dispose of radioactive materials, such as low and medium-level radioactive waste and spent fuel, and other hazardous materials, including explosive or flammable materials used in the Group's electricity generating activities. Therefore, the Group's business involves certain significant potential risks.

Approximately half of the cost of nuclear fuel generally consists of the cost of natural uranium. The importation and trading of natural uranium is strictly regulated in China. The prices and availability of nuclear fuel are subject to fluctuations due to both domestic and international political and economic considerations which are beyond the Group's control. Factors that might impact the prices and availability of such products and services include increased demand due to worldwide and domestic growth of the nuclear energy sector, product shortages associated with an operating accident in a uranium mine, an internal or external event leading to political instability in a uranium-producing

country and increased regulatory oversight of the production of uranium or the provision of the services mentioned above. If the Group is unable to secure a stable supply of nuclear fuel, the operations of its nuclear power stations may be interrupted or delayed, which may adversely affect the Group's business, operating results and financial position.

The Group is also exposed to other substantial potential risks and liabilities associated with nuclear power generation, including the risks and liabilities which may be caused by one or several of the following factors: (i) ageing, defects, malfunctioning, inappropriate installation, control or operation of various equipment, systems and facilities, (ii) human errors or misconduct, strikes or disputes with the Group's labour force, (iii) external attacks, such as terrorist attacks and other third-party malicious acts, and (iv) natural disasters. Any of the above factors, if occurring individually or collectively, could cause significant disruptions or interruptions to the Group's operations, materially and adversely affect the Group's power generation activities or cause significant extra costs or expenses. These and other factors may also lead to nuclear accidents and other serious consequences, such as death or long-term illness in humans, including the Group's employees and the general public in a large geographic area, and long-term contamination of the environment, which could expose the Group to significant compensation and damages, clean-up costs, legal proceedings and other liabilities.

The Group has taken steps to adhere to high standards of risk control procedures applicable to the preparatory phase, construction phase, operation phase and decommissioning phase of the Group's nuclear power stations, in order to protect the public, the environment and society from the threat of radiation, ensuring the smooth operation of the nuclear power stations, and reducing the possibility of accidents. However, there can be no assurance that these measures will be effective under any circumstances. The Group, in conjunction with the public authorities, has also implemented safety measures aimed at countering external attacks. However, there can be no assurance that the above risks and uncertainties will not affect the safe and reliable operation of the Group's nuclear power stations or lead to any nuclear accident, thus causing harm to humans, the environment and society, and leading to partial or total closure of the Group's nuclear power stations for an extended period of time or resulting in significant liabilities. If any of these risks materialises, it could have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

Disruptions in coal supply and its transportation as well as increases in coal prices may adversely affect the normal operation of the Group's thermal power plants.

The Group's thermal power plants are primarily fuelled by coal. Before 31 December 2012, the Group obtained coal for the Group's power plants through a combination of purchases pursuant to key contracts and purchases in the open market. Effective from 1 January 2013, the NDRC cancelled the key contract regime, abolishing the coal-electricity dual track system. The coal and power companies now enter into contracts independently, and freely negotiate to determine prices. This may affect the ability of the Group to ensure a stable supply of coal for its thermal power plants. There can be no assurance that any disruptions in the supply of coal will not adversely affect the Group's business during certain periods.

Further, the PRC Government continues to promote market-oriented reforms for coal transportation, and has requested the relevant government departments to rationally allocate capacity and maintain relative stability based on the contracts signed by the suppliers and customers and their transport capacity, and has given priority transportation protection to larger medium-sized coal companies that have signed medium to long-term coal contracts. However, there can be no assurance that there will be adequate transportation capacity for all the Group's transportation needs. If lack of transport capacity causes delays or interruptions to the Group's coal transportation, it may adversely affect the Group's operations.

In addition, the Group's results of operations are sensitive to fluctuations in coal prices. The PRC Government has established a coal-electricity price linkage mechanism to allow power generation companies to increase their power tariffs to cope with increases in the price of coal. However, such an increase is allowed only within a specific price fluctuation range according to the Circular of National Development and Reform Commission on the Matters Relating to Improvement of Linkage Mechanism

for Coal and Electricity Price (*Fa Gai Jia Ge* [2015] No. 3169) which became effective on 1 January 2016. Since 2017, the coal price has remained high, which in general increases the cost of power generation for thermal power companies. In 2021, Chinese power generation companies' profit margins were substantially squeezed by a coal price rally. To further regulate the coal-related power transmission and distribution tariff, NDRC issued a notice (namely Notice of the National Development and Reform Commission on Further Deepening the Market-oriented Reform of the On-grid Tariff of Coal-fired Power Generation(國家發展改革委關於進一步深化燃煤發電上網電價市場化改革的通知)) allowing the market trading price of coal-fired power in sales contracts signed between power generation companies and users or distributors to be raised or lowered by up to 20 per cent. of the benchmark on-grid tariff, from the current 10 per cent. and 15 per cent., respectively, effective from 15 October 2021. The 20 per cent. limit for raising prices shall not be applied to energy-intensive users, who are likely to pay a higher price when power is in short supply. There are also no limits on the spot power price. In 2023, NDRC and NEA promulgated Notice on Establishing a Coal Power Capacity Pricing Mechanism (關於建立煤電容量電價機制的通知), according to which the coal power capacity price is determined by recovering a certain proportion of the fixed costs of compliant and operational coal-fired power units. Among them, the fixed costs of coal-fired power units used to calculate the capacity price are subject to a national unified standard of 330 yuan per kilowatt per year; the proportion of fixed costs recovered through the capacity price is determined by comprehensively considering factors such as the needs of the power system in various regions and the situation of the functional transformation of coal power. From 2024 to 2025, the proportion in most places is around 30 per cent., and in some areas where the functional transformation of coal power is faster, the proportion is appropriately higher, around 50 per cent. (for specific levels of coal power capacity prices in each provincial grid, see the attachment). Starting from 2026, the proportion of fixed costs recovered through the capacity price in various regions will be increased to no less than 50 per cent. However, there are still uncertainties concerning how these mechanisms will be implemented. There is no assurance that the Group will be able to adjust the Group's power tariff to pass on increases in the price of coal to the Group's customers.

Further, climate change summits such as the 2023 United Nations Climate Change Conference saw countries including China make certain commitments on lowering or eliminating coal consumption and reducing emissions. The Group will continue to monitor the policies of China and various countries where its coal related businesses are located regarding coal use and consumption and adjust its businesses and environmental impacts accordingly. Given the Group's diversified business in non-coal energy businesses including hydropower, wind power and PV power, the Group believes it is well positioned to adapt to the impacts of reduced coal supply and fluctuations in coal prices and power tariffs caused by global climate change commitments.

The Group's hydropower business is dependent on hydrological conditions.

The Group's hydropower stations are dependent upon hydrological conditions prevailing from time to time in the broad geographic region in which its existing and future hydropower projects are located. There can be no assurance that water flow at the Group's project sites will be consistent with its expectations, or that climatic and environmental conditions will not change significantly from the prevailing conditions at the time its projects were made. Water flow varies each year or season and depends primarily on the levels of precipitation and seasonal changes. If hydrological conditions result in droughts or other conditions that negatively impact the Group's hydropower generation, the Group's hydropower business and results of operations could be materially and adversely affected.

The commercial viability and profitability of the Group's wind farms depend on the PRC government's policies and regulatory framework supporting renewable energy development.

The PRC Government has adopted policies and established a regulatory framework to encourage the development of wind power projects and to increase the proportion of electricity generated from wind power. PRC laws and regulations, such as the Renewable Energy Law, also provide economic incentives to companies engaged in the development of wind power projects. Such incentives include mandatory grid connection and dispatch of 100 per cent. of electricity generation from wind farms, on-grid tariff

premiums (the on-grid tariffs for wind power are generally higher than those for coal power within the same province), and tax benefits, such as a refund of 50 per cent. of the VAT levied on electricity generation from wind power and other tax reduction plans. The on-grid tariff for electricity produced by wind farm projects as determined by the "government guided price" has been replaced by geographically unified tariffs, a form of the "government fixed price", which is more stable and predictable. The new on-grid tariffs continue to be subsidised by on-grid tariff premiums enjoyed by renewable energy projects in general.

The development and profitability of wind power projects in the PRC, including the Group's wind farms, are significantly dependent on policies and regulatory framework that support such development. For the years ended 31 December 2022, 2023 and 2024, the Group received government grants of RMB217.8 million, RMB153.6 million and RMB196.3 million, respectively, part of which represent various energy saving subsidies granted by the PRC Government. There is no assurance that the governmental grants received by the Group will not continue to decrease or the PRC Government will not change or eliminate current incentives and favourable policies currently available to the Group at any time.

On 25 August 2011, the NEA promulgated the Provisional Regulations on Administration of Wind Power Development and Construction (風電開發建設管理暫行辦法) (the "**Provisional Regulations**"). According to the Provisional Regulations, the governmental authorities at the provincial level responsible for the approval of wind power investment and construction of wind power projects should record their annual plans for wind power development and for construction of wind farms with the NEA. If the projects approved are not included in the respective plans filed with the NEA, the projects shall not be entitled to receive dispatch services provided by local grid companies or the tariff surcharge from the national fund for development of renewable resources. The wind power industry generally regards these Provisional Regulations as a sign that the PRC Government authorities intend to put the approval and construction of wind projects under more severe administration and supervision. On 16 February 2012, NEA issued the Notice on Relevant Requirement Concerning Regulating Wind Power Development and Construction Administration (關於規範風電開發建設管理有關要求的通知), pursuant to which local governmental authorities are required to strictly carry out provisions under the Provisional Regulations.

On 11 May 2021, the NEA promulgated the Notice on Relevant Concerning for Wind Power and Photovoltaic Power Construction and Development of Year 2021 (關於2021年風電、光伏發電開發建設有關事項的通知) (the "**2021 Requirement Notice**"). According to the 2021 Requirement Notice, the governmental authorities at the provincial level shall formulate the goal of utilisation for renewable energy subject to the Implementation of the Fourteenth Five-Year Plan for Renewable Energy Development (可再生能源發展"十四五"規劃), which is being formulated and estimated to be promulgated soon.

In addition, as the regulatory framework in the PRC for renewable energy is relatively new and still evolving, the implementation and enforcement of these policies, laws and regulations involve uncertainties and may differ from region to region in the PRC. Any reduction, discontinuation or unfavourable application of the policies and economic incentives for renewable energy could reduce demand for renewable energy which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects. Furthermore, if these favourable policies and incentives were changed or discontinued to the Group's detriment before its wind farms or PV power plants reach the economies of scale necessary to become cost-effective in a non-subsidised market place, the Group could be forced to compete directly against producers of electricity from fossil fuels and other wind farms in the sale of electricity and the setting of tariffs, which could also have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

If the PRC Government adopts new and stricter environmental laws and additional capital expenditure is required for complying with such laws, the operation and financial position of the Group's business operations may be adversely affected and the Group may be required to make more investment in compliance with these environmental laws.

Most of the Group's power plants, as with all coal-fired power plants, discharge pollutants into the environment. The Group is subject to central and local government environmental protection laws and regulations, which currently impose base-level discharge fees for various polluting substances and graduated schedules of fees for the discharge of waste substances. The amount of discharge fees is determined by the local environmental protection authority based on the periodic inspection of the type and volume of pollution discharges. In addition, such environmental protection laws and regulations also set the benchmark for the overall control of the discharge volume of key polluting substances. These laws and regulations impose fines for violations of laws, regulations or decrees and provide for the possible closure by the central government or local government of any power plant which fails to comply with orders requiring it to cease or cure certain activities causing environmental damage. In 2011, the PRC Government promulgated new and more stringent standards on the discharge of polluting substances by thermal power plants, which also require thermal power plants to equip all units with denitrification facilities.

The Group's coal mining operations also produce gaseous emissions, waste water and solid waste materials. Accordingly, the Group is subject to extensive and increasingly stringent environmental protection laws and regulations that impose fees for the discharge of pollutants and waste substances, require the establishment of reserves for reclamation and rehabilitation, and impose fines for serious environmental violations. Under the Law of Land Administration of the PRC promulgated on 25 June 1986 and amended on 28 August 2004 and 26 August 2019, and the Land Rehabilitation Regulations issued by the State Council on 22 February 2011 and effective on 1 March 2011, coal producers must undertake measures to restore the mining site to its original state within a prescribed time frame if mining activities result in damage to arable land, grassland or forest. The rehabilitated land must meet rehabilitation standards, as required by law. A coal producer's failure to comply with this requirement or its failure to return the mining site to its original state will result in the imposition of fines, rehabilitation fees and/or rejection of applications for land use rights by the local bureau of land and resources.

For example, one of the listed subsidiaries of the Group, Inner Mongolia Power Investment Energy Co., Ltd. ("**Power Investment Energy**"), entered into an ecological environment damage compensation agreement ("**Compensation Agreement**") in 2019, under which it paid an indemnity to Tongliao Municipal People's Government of Inner Mongolia due to the ecological environment damage caused during the coal mining operation. In accordance with the Compensation Agreement, Power Investment Energy also undertook to rehabilitate the grassland where its western and northern opencut coal mines were located on. The Group has completed the payment in relation to the Compensation Agreement. Further, in September 2020, National Energy Administration received public reports on environmental issues in one of the Group's subsidiaries. Further to this, the Group initiated restoration of the destroyed vegetation around the relevant wind generators. The Group has also been subject to environmental-related penalties, including damage to forest land in relation to a project in Chongqing and procedural improprieties that resulted in penalties imposed prior to the approval of land use in relation to a project in Inner Mongolia. Although the Group believes the current cases of environmental-related violations does not have an adverse impact on the Group's business, financial condition, results of operations and prospects, there is no guarantee this will be the case in future.

The Group attaches great importance to the environmental impact of the Group's business operations. The Group has implemented various measure of pollution evaluation, supervision and control on its business operations, especially on its coal-fired power generation and coal mining operations. The Group believes that the Group's current environmental protection systems and facilities are adequate for the Group to comply with applicable central government and local government environmental protection laws and regulations. Besides, the Group will require all its members who run the coal business to

comply with the Guiding Opinions on Cancelling Mining Geological Environment Governance Restoration Deposit and Establishing Mining Geological Environment Governance Restoration Fund (Caijian [2017] No. 638) to maintain the reserve fund of environmental governance and make the relevant investment plans. However, the PRC Government may impose new, stricter laws and regulations on environmental protection. Such stringent standards, together with the increase in discharge fees, will result in the increase of environmental protection expenditure and operating costs of power plants and mining operations such as the Group's, and may have an adverse impact on the Group's operating results.

The PRC is a party to the Framework Convention on Climate Change ("**Climate Change Convention**"), which is intended to limit or capture emissions of "greenhouse" gases, such as carbon dioxide. Ceilings on such emissions could limit the production of electricity from fossil fuels, particularly coal, or increase the costs of such production. In November 2016, the Paris Agreement under the Climate Change Convention came into force. The PRC has ratified the Paris Agreement and has committed to, among others, lower carbon dioxide emissions and achieve the peaking of carbon dioxide emissions around 2030. The PRC has also committed to increasing the share of non-fossil fuels in its primary energy consumption. Should the PRC Government implement measures to achieve such commitments to reduce carbon dioxide emissions and reduce its reliance on the production of electricity from coal and other fossil fuels, the Group's business prospects could be adversely affected.

The Group is subject to risks relating to environmental, social and governance ("ESG") matters that could materially adversely affect our reputation, business, financial condition and results of operation.

The Group is subject to a variety of risks, including reputational risk, associated with ESG matters. Adverse incidents with respect to ESG activities could impact the Group's reputation and relationships with investors, all of which could materially adversely affect the Group's business and results of operations. For example, the Group may be subject to allegations of greenwashing (for example, over-stating the credentials or environmental benefits of its projects, or not delivering on commitments made). The Group's expectations, estimates and aspirational statements regarding ESG matters, including the potential environmental impacts of the Group's projects and initiatives, involve known and unknown risks, uncertainties and other factors beyond its control that could cause the actual results to be different from such expectations, estimates and aspirational statements. As a result, there can be no assurance that the Group's ESG initiatives, including the use of proceeds from the Preference Shares and any further issuances of sustainable securities, will not be subject to heightened scrutiny or public commentary in the future. Such scrutiny or public commentary could materially adversely affect the Group's reputation, business, financial condition and results of operations and, in particular, could create legal and reputational risks.

The Group is subject to regulatory risks relating to ecological and environmental protection inspections, which could materially adversely affect our reputation, business, financial condition and results of operations.

The Group may be exposed to various risks, including reputational and compliance risks, arising from ecological and environmental protection inspections. If the Group is found to have deficiencies in its environmental protection practices or fails to adequately respond to regulatory requirements, its public image, investor relationships and business operations could be materially adversely affected. For example, in May 2025, the Eighth Central Ecological and Environmental Protection Inspection Team（中央生態環境保護督察組）commenced a one-month inspection of the Group, focusing on areas such as green and low-carbon transformation, pollution prevention, compliance with environmental laws and regulations, and implementation of ecological civilization reforms. While the Group intends to fully cooperate with such inspections and implement necessary rectifications, there can be no assurance that it will not be subject to further regulatory scrutiny, public commentary or legal liabilities in the future.

The Group's expectations and statements regarding its environmental protection efforts involve known and unknown risks, uncertainties and other factors beyond its control. As a result, the Group's environmental initiatives may be subject to heightened regulatory, which could materially adversely affect its reputation, business, financial condition and results of operations, and may in particular give rise to legal and reputational risks.

Work safety of the Group's power generation business primarily depends on the safe operation of its power equipment.

The Group's work safety of its power generation business primarily depends on the safe and reliable operation of its power equipment. Improper operation or maintenance of its power equipment may lead to operational accidents. The Group's ongoing power generation projects involve long construction periods and complexities. Any production or construction accidents may disrupt the Group's production and operations, delaying project completion. Furthermore, the Group's expansion into coal mining operations to meets its operational needs of its thermal power plants presents inherent safety concerns. The PRC Government has implemented measures to regulate work safety of the power industry. Should the national coal safety regulations become more stringent and the penalties may increase, the Group's investment in safety production will increase which may materially and adversely affect the Group's profitability.

Accidents at nuclear power generation facilities in any country or region, regardless of the causes of such accidents, may lead the competent authorities to substantially tighten nuclear power station operating requirements or to refuse to authorise the construction or commencement of operations of new stations or to reject proposed extensions of the operating life of existing stations.

Accidents at nuclear power generation facilities (whether the Group's facilities or any other nuclear power generation facilities in other countries or regions), especially those that result in serious radioactive contamination or irradiation, regardless of the causes of such accidents, may turn public opinion or the opinion of specific interest groups against nuclear power or lead the competent authorities to take various actions, including but not limited to: (i) substantially tightening power station operating requirements (such as the requirements for more extensive or more expensive insurance coverage or more stringent safety standards) or requesting the modification of power generating facilities or operational procedures, (ii) ordering a temporary suspension or permanent termination or decommissioning of nuclear facilities in operation ahead of schedule, (iii) suspending or cancelling all the ongoing nuclear power station development projects, (iv) refusing to approve the construction or entering into operation of new power stations, (v) rejecting proposals for extending the operating life of existing power stations, (vi) contemplating a full cessation of the use of nuclear power to generate electricity or (vii) amending the relevant laws or regulations. The relevant authorities in the PRC may take such or similar decisions in the future, which may have a material and adverse effect on the Group's operations and/or the Group's ability to obtain financing or expand its nuclear power business. If the public in other countries or regions is against nuclear power generation, or if their governments take such or similar measures, the Group's overseas expansion plan may be affected.

The businesses or projects the Group develops, acquires or invests in the future may not be as profitable as it expects, or at all, and may subject the Group to additional risks and liabilities.

The businesses that the Group develops, acquires or invests in may not be as profitable as it expects, or at all. Acquisitions or investments that the Group carries out in the future may cause it to incur liabilities, or result in the impairment of goodwill or other intangible assets or other related expenses. Business expansion carried out through acquisitions and investments could also expose the Group to successor liability and litigation resulting from the actions of the company it has acquired or in which it made an investment before or after the acquisition or investment. The due diligence that the Group conducts in connection with an acquisition or investment may not be sufficient to discover unknown liabilities, and any contractual guarantees or indemnities that the Group receives from the sellers of the companies it has acquired or invested in may not be sufficient to protect it from, or compensate it for, actual liabilities. Any material liability associated with an acquisition and investment could adversely

affect the Group's reputation and reduce the benefits of the acquisition and investment. Any of the events mentioned above could have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

Natural disasters, epidemics and other acts of God, may materially and adversely affect the Group's business, results of operations and financial condition.

The Group's business may be affected by natural disasters, epidemics and other acts of God which are beyond the Group's control. Outbreak of epidemics such as Middle East Respiratory Syndrome (MERS), Severe Acute Respiratory Syndrome (SARS), H5N1 avian flu, human swine flu (also known as Influenza A (H1N1)), H7N9, Zika Virus Disease or COVID-19 may have a material adverse impact on the economic and social condition in the affected regions.

The Group's business operations are also subject to risks arising from natural disasters, such as typhoons, floods and earthquakes. The Group takes precautions in the design, construction and operation of power plants, but there can be no assurance that natural disasters or other circumstances such as system failure, equipment malfunction, risks currently unknown or human errors, will not result in any accident or business interruption. Safety measures were incorporated into the design of the Group's facilities and sites, and the Group has taken protective measures. Nonetheless, like any safety measures intended to counter an external threat, there can be no assurance that these will prove fully effective in all cases.

If an accident were to occur at one or more of the Group's facilities, whether caused by natural disasters or other reason, the Group's business may be interrupted, and the Group may also be liable for casualties, property loss, environmental contamination or other damages caused or may be subject to investigations, legal proceedings and claims in relation to such accident. Accidents caused by any natural disasters or other factors may result in various serious damages, and other parties may attempt to make the Group liable for such events for the reason that the protective measures taken by the Group are not sufficient, which may have a material and adverse effect on the Group's business, results of operations and financial condition.

The Group depends on key management personnel and professional technicians.

The Group's success is built substantially upon the continual efforts and service of its experienced management team and specialised technical personnel. There can be no assurance that the Group will be able to retain its key management personnel or technical staff. If any of the Group's key management personnel stops working in his or her present position, or if any of them fails to perform their obligations under their employment agreements, the Group may not be able to find a suitable replacement. In addition, since the operation of certain power plants, such as a nuclear power station or PV power station, is very complex, the Group is greatly dependent on the specialised services provided by its operational team whose members have been specially trained for a long time, especially the operational team members in key positions. If the Group fails to retain its senior management or operations team, its business may be adversely affected. The Group's future growth and success will also depend to a large extent on its ability to retain or recruit suitable and qualified individuals to strengthen its management, operational, technical and research teams. There can be no assurance that the Group will be able to cultivate, recruit and retain the key personnel that the Group needs to achieve its business objectives, and if the Group is unable to do so that may lead to material and adverse impacts on the Group's business, financial condition and results of operations.

The Group's operations depend on its research and development capabilities, which may not always produce positive results.

The Group's ability to improve its power generating capabilities and to undertake high-profile projects depend largely on its research and development capabilities. However, research and development programmes require considerable human resources, time and capital investment, and the benefits of any

such investment may not yield immediate tangible benefits. There can be no assurance that the Group's research and development efforts will be effective. Even if such efforts are successful, the Group may be unable to apply such new technologies to products in satisfactory ways.

If the Group is unable to maintain or enhance its research and development capabilities, the Group may be disadvantaged against its competitors both domestically and overseas, thereby adversely affecting its businesses, financial condition, results of operations and future development. The Group is often engaged to undertake large-scale, complicated projects that require it to develop or adopt new technology and construction methods, which could put a strain on its research and development resources. The use of new technology and construction methods may also result in experimental failures, increased costs and unstable conditions, which may adversely affect the profitability of some of the Group's projects.

Assumptions applied to the Group's investment analyses and feasibility studies may not be accurate, and thus the Group's actual return on investments, operational results, and overall growth may be materially and adversely affected.

In performing investment analysis and feasibility studies for the Group's investment and development targets, the Group considers factors such as: (i) demand for power and growth potential in the areas where the power projects are located, (ii) increase in power generation capacity in the locality, (iii) the average tariff of power projects of similar types and capacity, (iv) the quality of transmission systems to the local power grids, (v) facilities and technology at the power projects and (vi) the ability to retain existing debt financing for the project or obtain new financing. In the PRC, with the rapid development of the clean energy industry in recent years and the uncertainty regarding the rate of future economic growth, there is some increased risk of power projects being built based on inaccurate or incomplete data, such as on demand, tariff and financing. As a result, the assumptions we use to perform the Group's internal investment analyses and feasibility studies may not be accurate or complete. If any one of the Group's observations or assumptions, or a combination thereof, proves to be inaccurate, then the Group's estimated return on investments, operational results and the Group's overall growth may be materially and adversely affected.

Failure to renew the Group's power purchase agreements ("PPAs") could result in a reduction or complete loss of revenue from the affected power projects, which would have a materially adverse effect on the Group's business, revenue and results of operations.

The Group may enter into master and/or detailed PPAs with the grid companies to which the Group's power projects are connected. If the Group is unable to renegotiate and renew a PPA or master PPA with the grid companies when their original terms expire, there is no assurance that it would be able to obtain alternative customers to replace that power grid and purchase the power generated by the Group's project, as there may be only a very limited number of grids to each power project and no or limited neighbouring industrial sites ready to take up the power.

The generation of wind power depends heavily on suitable wind conditions. If wind conditions are unfavourable or below the Group's estimates, the Group's power generation, and therefore the Group's revenue, may be substantially below the Group's expectations.

The electricity and revenue generated by a wind power project are highly dependent on climatic conditions, particularly wind conditions, which vary across seasons and regions and are difficult to predict. Turbines will only begin to operate when the wind speed reaches a certain minimum velocity, and must be disconnected when the wind speed exceeds a certain maximum velocity to avoid damage. If wind speed falls outside the operating ranges, which vary by turbine model and manufacturer, the amount of electricity the Group generates will decrease or cease. There can be no assurance that the wind conditions at any given wind site will always fall within such ranges. The Group bases its investment decisions for each wind power project on the findings of feasibility studies conducted onsite before starting construction. However, actual climatic conditions at a wind site, particularly wind

conditions, may not conform to the findings of these feasibility studies, and, therefore, the Group's wind power projects may not meet anticipated generation levels, which could adversely affect the Group's forecasted profitability.

There can be no assurance that actual climatic conditions at any project site will conform to the Group's assumptions during the project planning phase. As a result, it cannot be guaranteed that the Group's wind farms will meet their anticipated electricity output. The Group's wind farms have natural seasonal variation that the Group tracks historically. In the Group's wind farms in northern China, the seasons with the highest average wind speed are spring and autumn, whereas summer generally has the lowest average wind speed. In contrast, in the Group's coastal wind farms, summer is the windiest season, generally allowing for an increase in power generation. If seasonal variations and fluctuations in the wind conditions in the regions in which the Group currently operates do not conform to the Group's historical observations or do not meet the Group's assumptions, unexpected fluctuations in the electricity output of the Group's wind farms may occur. Similarly, extreme wind or weather conditions could reduce the Group's operational efficiency and power generation, which could materially and adversely affect the Group's business, financial condition and results of operations.

The Group may fail to keep pace with technological changes in the rapidly evolving renewable energy industry.

The technologies used in the renewable energy industry are evolving rapidly, and in order to remain competitive and expand the Group's business, the Group must be able to respond to these technological changes. The Group may be unable to update its technologies swiftly or regularly, possibly rendering the Group's operations less competitive. Failure to respond to current and future technological changes in the renewable energy industry in an effective and timely manner may have a material adverse effect on the Group's business, financial condition or results of operations.

The Group's business benefits from certain preferential tax treatment and other government incentives. Expiration of, or changes to, these incentives could adversely affect the Group's operating results.

Under the Enterprise Income Tax Law ("**EIT Law**", which took effect on 1 January 2008 and which was amended on 24 February 2017), a uniform 25 per cent. EIT rate is generally applied to all types of enterprises, except where a specific preferential rate applies. PRC tax laws and regulations provide certain preferential tax treatments to different enterprises, industries and locations. Some of the Group's subsidiaries enjoyed, or are currently enjoying, preferential tax treatments applicable to enterprises that are (i) located in areas under the Western Development Programme of the PRC, (ii) High-New Technology Enterprises and (iii) engaged in public infrastructure projects. Some of the Group's subsidiaries are entitled to VAT refunds for their revenue from the sale of electricity or heat generated from incineration plants or wind farms and revenue from the sale of heat to residential customers. These preferential tax treatments will expire in accordance with the applicable PRC laws and regulations and are also subject to changes as may be required by PRC laws and regulations. The Group also receives government grants and subsidies for its research activities.

The Group's effective income tax rate fluctuates as the preferential tax treatment for its various subsidiaries commences and expires at different times. Any change or elimination of such preferential tax treatments may materially and adversely affect the Group's results of operations and financial condition. There can be no assurance that the current favourable policies or the various incentives available to the Group will not be withdrawn or revoked by the PRC Government. If the favourable government policies and incentives are reduced or are no longer available in the future, the Group's results of operations in the future may be materially and adversely affected.

The Group is large and complicated, and may be restructured, and there is no assurance that its efforts to further integrate all its business and coordinate among different subsidiaries will be successful.

As at 31 December 2024, the Group had over thousands of consolidated subsidiaries located across the PRC and other jurisdictions. The Group has a portfolio of businesses, which exposes it to challenges in managing its ancillary business segments. The Group's management may experience difficulty ensuring that sufficient attention and support is provided to each of its business segments, and may also not possess the necessary experience or be able to focus on what drives each business segment. In addition, the large scale and scope of the Group's operations make central coordination of activities a challenging task. There may be overlap in the operating activities of certain of its subsidiaries in terms of geography, product type and/or business scope. The Group may be subject to restructuring pursuant to the reform of state-owned enterprises by SASAC, which may result in SASAC requiring the Group to acquire or divest certain of its subsidiaries or merge with other state-owned enterprises, and there can be no assurance that the Group will receive fair compensation, or any compensation at all, as a result of such restructuring activities.

The Group intends to maintain the independent operation of its subsidiaries, which may result in certain subsidiaries competing directly in certain areas. While the Group is of the view that such competition amongst some of its subsidiaries would not have a material adverse impact on its overall business operation and market position, the effect of such internal competition on its financial results is uncertain.

Fluctuations in exchange rates could have an adverse effect on the Group's results of operations.

A substantial portion of the Group's revenues and cost of sales is denominated in Renminbi. However, as the Group conducts part of its businesses overseas, and the Group has made and expects to continue to make equity and other investments in overseas projects, the Group's foreign exchange-denominated assets and liabilities are expected to increase as a result as the Group further expands its overseas businesses. The Group is therefore subject to significant risks associated with foreign currency exchange fluctuations.

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in China's political and economic conditions. The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China (the "**PBOC**"). On 21 July 2005, the PRC Government changed its policy of pegging the value of the Renminbi to the U.S. dollar. Under the new policy, the Renminbi is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. The PBOC then enlarged the floating band for the trading prices in the interbank spot exchange market of Renminbi against the U.S. dollar several times. On 11 August 2015, the PBOC announced that, to improve the central parity quotations of Renminbi against the U.S. dollar, market-makers were authorised to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign exchange as well as changes in major international currency exchange rates. On 11 December 2015, the China Foreign Exchange Trade System ("**CFETS**"), an organisation under the PBOC, published the CFETS Renminbi exchange rate index for the first time, which weighs Renminbi based on 13 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. Following the announcement by the PBOC on 11 August 2015, the Renminbi depreciated significantly against the U.S. dollar. Since then, the Renminbi has experienced further fluctuation in value against the U.S. dollar. On 5 August 2019, PBOC set the Renminbi's daily reference rate above 7 per U.S. dollar for the first time in over a decade amidst an uncertain trade and global economic climate. The PRC Government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

These changes in policy have resulted in fluctuations of the Renminbi against the U.S. dollar. There can be no assurance that such exchange rate will remain stable against the U.S. dollar or other foreign currencies in the market. While the international reaction of the Renminbi revaluation has generally been positive, there remains significant international pressure on the PRC Government to adopt an even more flexible currency policy, which could result in further and more significant depreciation of the Renminbi against the U.S. dollar or other foreign currencies. Further depreciation of the Renminbi against these currencies may lead to an increase in the costs of the Group's overseas operations. Fluctuations in exchange rates may adversely affect the value, translated or converted into U.S. dollars or Euro, of the Group's net assets, earnings and any declared dividends.

The Group's auditors may subject to penalties by relevant PRC authorities from time to time.

BDO, the Group's independent auditor, is a registered accounting firm in the PRC supervised by relevant PRC regulatory agencies, including the MOF and CSRC.

During the past few years, regulatory authorities, including the CSRC and its local branches, have issued administrative decisions against BDO in connection with its work for various companies. These decisions, and the companies or individuals involved (including employees, accountants, and other personnels), are entirely unrelated to the Group and will not be involved in the offering or issuance of the Preference Shares. The decisions involved confiscation of revenue, temporary suspension of certain business, requirements to rectify any audit irregularities and fines for both the audit firm and the partners involved in the relevant audit work. BDO has confirmed that they have taken the required rectification measures and made the required written report to the relevant regulatory authorities. As at the date of this Offering Circular, BDO has not been suspended with respect to any part of its business. If BDO is found to be deficient in performing its audit tasks for other companies, it could affect investors' confidence in companies and financial statements audited by it.

There is no assurance that there will not be new investigations or administrative measures taken by relevant regulatory authorities or potential litigation proceedings initiated against BDO in the future, nor can there be any assurance that further negative news about BDO would not have a material and adverse effect on the Group. Prospective investors should consider these factors prior to making any investment decision.

PRC economic, political and social conditions as well as government policies could adversely affect the Group's business.

The PRC economy may differ from the economies of other countries in many respects, including government involvement, level of development, economic growth rate, control of foreign exchange, and allocation of resources. The PRC economy has been transitioning from a planned economy to a more market-oriented economy. In recent years, the PRC Government has implemented measures emphasising market forces for economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises. However, the PRC Government continues to play a significant role in regulating industrial development, the allocation of resources, production, pricing and management, and there can be no assurance that the PRC Government will continue to pursue a policy of economic reform or that any such reforms will not have an adverse effect on the Group's business.

The Group's operations and financial results could also be materially and adversely affected by changes in political, economic and social conditions or the relevant policies of the PRC Government, such as changes in laws and regulations (or the interpretation thereof). For example, the PRC Government may decide to change its current policies with respect to power pooling, and the Group's power plants and projects which are currently not subject to power pooling may become subject to power pooling. The power pooling process typically results in lower selling prices than the tariffs received from the power dispatched as part of the planned output, and as such, this could have adverse impact on the Group's results of operations. The Group's operating results and financial condition may also be materially and adversely affected by other changes in taxation, changes in on-grid tariff-setting mechanisms for the

Group's power plants and projects, changes in the usage and costs of state-controlled transportation services, and changes in state policies affecting the power and coal industries. The Group's operations and financial results, as well as its ability to satisfy its obligations under the Preference Shares, could also be materially and adversely affected by changes in measures which might be introduced to control inflation, changes in the rate or method of taxation, the imposition of additional restrictions on currency conversion and the imposition of additional import restrictions.

The Group's business operations could also be materially and adversely affected by PRC laws and regulations. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, the PRC Government has been developing a comprehensive system of commercial laws, and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organisation and governance, commerce, taxation and trade. However, as these laws and regulations are relatively new, and due to the limited volume of judicial interpretation and the lack of precedential force of published cases, interpretation and enforcement of these laws and regulations may vary from case to case. In particular, the PRC power generation industry is a highly regulated industry. Many aspects of the Group's business, such as the connection and dispatch of power generation and the setting of on-grid and retail tariffs are subject to negotiation with the PRC Government and the relevant government authority's approval. As the PRC legal system develops together with the PRC power generation industry, there is no assurance that changes in such laws and regulations, or in their interpretation or enforcement, will not have a material adverse effect on the Group's business operations.

Furthermore, the administration of PRC laws and regulations may be subject to a certain degree of discretion by the executive authorities. This has resulted in the outcome of dispute resolutions not being predictable. In addition, it may be difficult to obtain a swift enforcement of laws in the PRC, or the enforcement of judgements by a court of another jurisdiction. These uncertainties relating to the interpretation and implementation of PRC laws and regulations may adversely affect the legal protections and remedies that are available to the Group in its operations and to holders of the Preference Shares.

Turmoil in the financial markets could increase the Group's cost of borrowing and impede access to or increase the cost of financing its operations and investments.

The availability of credit to entities operating within emerging markets, including the Group, is significantly influenced by levels of investor confidence in such markets as a whole. Any factors that may affect market confidence could affect the costs or availability of funding for entities within emerging markets. Historically, challenging market conditions in emerging markets have resulted in reduced liquidity, widening of credit spreads, lack of price transparency in credit markets, a reduction in available financing and a tightening of credit terms. For example, in 2023, China's stock markets experienced significant turmoil and disruption. Throughout July 2023 and early late January 2024, the Shanghai Composite Index experienced significant declines and many PRC-listed companies were subject to trading suspensions on major stock exchanges. The PRC Government responded by cutting interest rates, suspending initial public offerings and starting investigations into market manipulation in an effort to stabilise the market. Due to its increasing financial reliance upon China, Hong Kong's stock markets experienced a similar fluctuation during that period, and the Hang Seng Index had a record-breaking slump in a single day. As the Company has two principal subsidiaries whose shares are listed on the Shanghai Stock Exchange, three principal subsidiaries whose shares are listed on the Shenzhen Stock Exchange and one principal subsidiary whose shares are listed on the Hong Kong Stock Exchange, significant fluctuations in these financial markets could increase the costs of financing activities, and therefore cause substantial adverse effects on the business operations and investments of the listed companies individually and the Group as a whole.

Additional process and/or procedures may be required to effect service of legal process, enforce foreign judgements or bring original actions in the PRC based on other foreign laws against the Group.

The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgements of courts in the United States, the United Kingdom, Japan and many other countries. Therefore, additional process and/or procedures may be required for investors to effect service of process upon those persons in the PRC or to enforce against them in the PRC any judgements obtained from non-PRC courts. In addition, recognition and enforcement in the PRC of judgements of a court of any other jurisdiction in relation to any matter not subject to a binding arbitration provision may require various process, procedures and/or steps to achieve.

The Terms and Conditions of the Preference Shares are governed by the laws of the Cayman Islands and the Trust Deed, the Agency Agreement, the Keepwell Deed, the Financing Agreements and the Financing Guarantees are governed by English law, and parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts.

The Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region（關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排）(the "**2019 Arrangement**") has been implemented in Hong Kong by the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645), which came into operation on 29 January 2024. In the Mainland, the Supreme People's Court promulgated a judicial interpretation to implement the 2019 Arrangement on 25 January 2024 (the "**Judicial Interpretation**").

Under the 2019 Arrangement, where the Hong Kong court has given a legally effective judgment in a civil and commercial matter, any party concerned may apply to the relevant People's Court of the Mainland for recognition and enforcement of the judgment, subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement and the Judicial Interpretation. The recognition and enforcement of a Hong Kong court judgment could be refused if the relevant People's Court of the Mainland considers that the enforcement of such judgment is contrary to the basic principles of law of the Mainland or the social and public interests of the Mainland. While it is expected that the relevant PRC court will recognise and enforce a judgment given by a Hong Kong court in relation to transaction documents governed by Cayman Islands law and English law, there can be no assurance that such courts will do so for all such judgments as there is no established practice in this area.

RISKS RELATING TO THE PREFERENCE SHARES, THE KEEPWELL DEED, THE INTRAGROUP FINANCING AGREEMENTS AND THE FINANCING GUARANTEES

The Issuer is a newly incorporated special purpose vehicle and will have no business or assets other than those related to the Preference Shares, the Intragroup Financing Agreements and the Financing Guarantees.

The Issuer is a newly incorporated entity. The Issuer intends to provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients pursuant to the Intragroup Financing Agreements. The Issuer will not carry on any business activity and not incur or have outstanding any indebtedness for moneys borrowed or raised (whether senior or subordinated), other than (a) borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into the Intragroup Financing Agreements and the Financing Guarantees and any other activities reasonably incidental thereto; and (b) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders. For the avoidance of doubt, the aforesaid restrictions do not prevent the Issuer from conducting any corporate administrative activity such as maintaining its registered office, making internal or governmental registrations and/or filings (including maintaining and updating its register of director(s) and register of member(s)), opening and operating

bank accounts and/or engaging any service provider in connection with the foregoing. Accordingly, the Issuer's ability to make payments on the Preference Shares will depend on receipt of distributions and principal payments under the Intragroup Financing Agreements from the Financing Recipients and will depend on receipt of amounts under the Financing Guarantees from the Company and will be dependent on the Group's financial condition and results of operation, in particular those of the Financing Recipients and the Company.

The Keepwell Deed is not a guarantee in respect of payments of Dividend, Arrears of Dividend, Additional Dividend Amount, Liquidation Preference or any amounts under the Preference Shares and Holders will have no recourse to the Keepwell Deed or directly to the Company in the event of failure to pay on the part of the Issuer.

Concurrent with the issue of the Preference Shares, the Company will execute the Keepwell Deed in which the Company will provide certain undertakings in respect of the Issuer, the Preference Shares, each Financing and the Financing Guarantees, including to ensure that the Issuer has sufficient liquidity and distributable reserves for timely payment by the Issuer of any amounts due and payable under or in respect of the Preference Shares in accordance with the Terms and Conditions of the Preference Shares, the Articles of Association, the Trust Deed and the Agency Agreement. However, the Company will not guarantee payment of Dividends or other amounts payable under the Preference Shares, and Holders will have no direct recourse against the Company pursuant to the Keepwell Deed with respect to payment of amounts due under the Preference Shares. In addition, the obligations under the Keepwell Deed may not give rise to a debt claim against the Company or an order for specific performance in the event of any insolvency proceedings in relation to the Company, but may only give rise to a claim in damages. Such a claim in damages will be subject to proof of a breach of the Keepwell Deed, and proof of loss to the Issuer as a result of such breach. In addition, such a claim in damages may not, depending on the specific circumstances of the breach, equal the amount of the debt and will not be the same as a claim for enforcing a guarantee, and may result in nominal damages only. Where the Company is insolvent or in liquidation, additional complexities and uncertainties may arise in any proceedings for the enforcement of the Keepwell Deed. In addition, even if the Company intends to perform its obligations under the Keepwell Deed, such performance may be subject to obtaining prior consent, approvals, registration and/or filings from relevant PRC governmental authorities. Although the Company is required to obtain any required consents and approvals in order to fulfil its obligations under the Keepwell Deed, there is no assurance that such consents or approvals will be obtained in a timely manner or at all.

An active trading market for the Preference Shares may not develop.

There can be no assurance as to the liquidity of the Preference Shares or that an active trading market will develop or as to liquidity or sustainability of any such market, the ability of holders to sell their Preference Shares or the price at which holders will be able to sell their Preference Shares. If the Preference Shares are allocated to a limited group of investors, and a limited number of investors hold a significant proportion of the Preference Shares, liquidity will be restricted and the development of a liquid trading market for the Preference Shares will be affected. If a market does develop, it may not be liquid and the Preference Shares could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Group's operations and the market for similar preference shares. The Joint Lead Managers are not obligated to make a market in the Preference Shares and any such market making, if commenced, may be discontinued at any time at the discretion of the Joint Lead Managers. Therefore, investors may not be able to sell their Preference Shares easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In addition, Preference Shareholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market. Such lack of liquidity may result in investors suffering losses on the Preference Shares in secondary resales even if there is no decline in the performance of the assets of the Group. It is not possible to predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid

market for the Preference Shares and instruments similar to the Preference Shares at that time. Although application will be made for the listing of the Preference Shares on the SGX-ST, no assurance can be given as to the liquidity of, or trading market for, the Preference Shares. In addition, the Preference Shares are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Preference Shares in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

The liquidity and price of the Preference Shares following this offering may be volatile.

If an active trading market for the Preference Shares were to develop, the price and trading volume of the Preference Shares may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group, proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies, changes in the power industry and competition and general economic conditions could cause the price of the Preference Shares to change. Any such developments may result in large and sudden changes in the volume and price at which the Preference Shares will trade. There can be no assurance that these developments will not occur in the future.

The Preference Shares may not be a suitable investment for all investors.

Each potential investor in any Preference Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees, the merits and risks of investing in the Preference Shares and the information contained or incorporated by reference in this Offering Circular;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Preference Shares and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Preference Shares, or where the currency for principal or dividend payments is different from the potential investor's currency;

- understand thoroughly the terms of the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities.

The Preference Shares may not be a suitable investment for all investors seeking exposure to green, social or sustainable assets.

The Parent has developed its green finance framework as summarised in the section entitled "*Green Finance Framework*". Investors should refer to the Framework which the Group may publish from time to time and any public reporting by the Group or on its behalf in respect of the application of the proceeds of the Preference Shares for further information. Other than information on the Framework disclosed under the section entitled "*Green Finance Framework*", any framework (including the

Framework), certification or second party opinion and/or public reporting will not be incorporated by reference in and shall not form part of this Offering Circular and none of the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them makes any representation as to the suitability or contents thereof. The Group cannot guarantee that it will be able to comply with the Framework and it will not lead to any default or breach or enforcement event under the Terms and Conditions of the Preference Shares if the Group fails to comply with the Framework. Such failure may affect the value of the Preference Shares and/or may have consequences for certain investors with portfolio mandates to invest in green assets. Therefore, the Preference Shares may not be a suitable investment for all investors seeking exposure to green, social or sustainable assets.

The market consensus on what precise attributes are required for a particular project to be defined as "green", "social" or "sustainable" continues to develop and evolve, and different organisations may develop definitions or labels that are different from, and may be incompatible with, those set by other organisations, and therefore no assurance can be provided to potential investors that the Eligible Green Projects (as defined in the Framework) will continue to meet the relevant eligibility criteria or meet all investor expectations regarding environmental impact. Although applicable green, social or sustainable projects are expected to be selected in accordance with the categories recognised in various principles described in the Framework and are expected to be developed in accordance with applicable legislation and standards, there can be no guarantee that adverse social and/or environmental developments will not occur during the design, construction, commissioning and/or operation of any such Eligible Green Projects. In addition, where any negative impacts are insufficiently mitigated, green, social or sustainable projects may become controversial, and/or may be criticised by activist groups or other stakeholders.

In connection with the issue of the Preference Shares, the Group has engaged Moody's to provide a second-party opinion (the "**Second-Party Opinion**") on the Framework to review and confirm its alignment with, amongst others, the Green Bond Principles 2021 as administered by the International Capital Market Association. The Second-Party Opinion is not incorporated into and shall not form part of this Offering Circular. The Second-Party Opinion may not reflect the potential impact of all risks related to the Preference Shares, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Preference Shares. The Second-Party Opinion is not a recommendation to buy, sell or hold securities and is only current as at its date of issue and is subject to certain disclaimers set out therein, and may be updated, suspended or withdrawn at any time. Currently, the providers of second-party opinions and certifications and validations are not subject to any regulatory regime or oversight. The Second-Party Opinion is for information purposes only and none of the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them accepts any form of liability for the substance of the Second-Party Opinion and/or any liability for loss arising from the use of the Second-Party Opinion and/or information provided in them.

No assurance can be provided with respect to the suitability or reliability that the Preference Shares will conform to the Framework. None of the independent assurance provider, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them has undertaken, or is responsible for, any assessment of the eligibility of projects within the definition of Eligible Green Projects or the monitoring of the use of proceeds from the offering of the Preference Shares. Each potential investor of the Preference Shares should determine for itself the relevance of the information contained in this Offering Circular regarding the use of proceeds and its purchase of the Preference Shares should be based upon such investigation as it deems necessary.

The Issuer intends to provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients pursuant to the Intragroup Financing Agreements and the Group intends to use an equivalent amount of the issuance proceeds for the purposes of financing or refinancing of existing or future Eligible Green Projects in accordance with the Framework. However, although the Issuer and Parent have agreed to certain reporting and use of proceeds obligations in connection with certain environmental criteria, its failure to comply with such obligations does not constitute a breach or an event of default under the Preference Shares. A withdrawal of the Second-Party Opinion or any failure to use the gross proceeds in connection with such Eligible Green Projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain investors with environmental and/or social concerns with respect to the Preference Shares, may affect the value and/or trading price of the Preference Shares, and/or may have consequences for certain investors with portfolio mandates to invest in green projects. In the event that the Preference Shares are included in any dedicated ''green'', ''environmental'', ''sustainable'' or other equivalently-labelled index, no representation or assurance is given by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates.

The Parent's obligations under the Financing Guarantees will be structurally subordinated to all existing and future indebtedness and other liabilities of each of the Parent's existing and future subsidiaries, and effectively subordinated to the Parent's secured debt to the extent of the value of the collateral securing such indebtedness.

The Issuer was established by the Parent for the purpose of undertaking borrowing activities such as the issuance of the Preference Shares and other activities reasonably incidental thereto. The Issuer does not expect to have any material assets other than each Financing and the Financing Guarantees and its ability to make payments under the Preference Shares will depend on its receipt of timely payments from the Financing Recipients under the Intragroup Financing Agreements or the Parent under the Financing Guarantees.

The Financing Guarantees will be structurally subordinated to any debt and other liabilities and commitments, including trade payables and lease obligations, of the Parent's existing and future subsidiaries, whether or not secured. The Parent's obligations under the Financing Guarantees will not be guaranteed by any of the Parent's subsidiaries, and the Parent's ability to make payments under the Financing Guarantees depends partly on the receipt of dividends, distributions, interest or advances from its subsidiaries. The ability of such subsidiaries to pay dividends to the Parent is subject to various restrictions under applicable laws. The Parent's subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Financing Guarantees or make any funds available therefore, whether by dividends, loans or other payments. The Parent's right to receive assets of any of the Parent's subsidiaries, upon that subsidiary's liquidation or reorganisation, will be effectively subordinated to the claim of that subsidiary's creditors (except to the extent that the Parent are creditors of that subsidiary). Consequently, the Financing Guarantees will be effectively subordinated to all liabilities, including trade payables and lease obligations, of any of the Parent's subsidiaries and any subsidiaries that the Parent may in the future acquire or establish. The outstanding indebtedness of the subsidiaries of the Parent may also contain covenants restricting the ability of such subsidiaries to pay dividends in certain circumstances for so long as such indebtedness remains outstanding. Moreover, the Parent's percentage interests in its subsidiaries and joint ventures could be reduced in the future.

Each Financing Guarantee will constitute direct unconditional, unsecured and unsubordinated obligations of the Company, and the obligations of the Company under each Financing Guarantee will, save for such exceptions as may be provided by applicable legislation, (i) rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Company, present and future and (ii) be

effectively subordinated to all of the Parent's present and future secured indebtedness to the extent of the value of the collateral securing such obligations. Accordingly, claims of secured lenders, whether senior or junior, with respect to assets securing their loans will be prior with respect to those assets. In the event of the Parent's bankruptcy, insolvency, liquidation, reorganisation, dissolution or other winding up, these assets will be available to pay obligations on the Financing Guarantees only after all other debt secured by these assets has been repaid in full. Any remaining assets will be available to the Issuer, being the Financing Provider under the Intragroup Financing Agreements rateably with all of the Parent's other unsecured and unsubordinated creditors, including trade creditors. If there are no sufficient assets remaining to pay all these creditors, then all or a portion of the Liquidation Preference of the Preference Shares then outstanding would remain unpaid.

The Preference Shares and the Financing Guarantees are unsecured obligations.

The Preference Shares and the Financing Guarantees are unsecured obligations of the Issuer and the Parent, respectively. The repayment of the Preference Shares and payment under the Financing Guarantees may be adversely affected if:

- the Issuer or the Parent enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;

- there is a default in payment under the Issuer's or the Parent's future secured indebtedness or other unsecured indebtedness; or

- there is an acceleration of any of the Issuer's or the Parent's indebtedness.

If any of these events were to occur, the Issuer's or the Parent's assets may not be sufficient to pay amounts due on the Preference Shares or under the Financing Guarantees, as the case may be.

There is uncertainty with respect to PRC tax laws and certain withholding taxes and value-added tax may be applicable.

Under the Enterprise Income Tax Law ("**EIT Law**", which took effect on 1 January 2008 and was amended on 24 February 2017 and 29 December 2018) and the implementation rules which took effect on 20 January 2025, enterprises established outside the PRC whose "*de facto* management bodies" are located in China are considered "resident enterprises" for PRC tax purposes. The implementation rules define the term "*de facto* management body" as a management body that exercises full and substantial control and management over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation specified certain criteria for the determination of the "*de facto* management bodies" for foreign enterprises that are controlled by PRC enterprises, which may be relevant for the tax authorities to determine whether the Issuer is a PRC resident enterprise for tax purposes. However, there is no clear standard published by the tax authorities for making such a determination.

The Issuer takes the position that the Issuer is not a PRC resident enterprise for tax purposes. However, there is no assurance that PRC tax authorities will agree with the Group's position. If the Issuer is deemed to be a PRC resident enterprise for EIT purposes, the Issuer would be subject to the PRC enterprise income tax at the rate of 25 per cent. on its worldwide taxable income. Furthermore, the Issuer may be obligated to withhold PRC income tax of up to 10 per cent. on payments of Dividends and other amounts on the Preference Shares to investors that are not resident enterprises in countries with tax treaties between the PRC and those countries which exempt or reduce such withholding tax, because the Dividends and other amounts may be regarded as being derived from sources within the PRC. In addition, if the Issuer fails to do so, it may be subject to fines and other penalties. Similarly, any gain realised by such non-resident enterprise investors from the transfer of the Preference Shares may be regarded as being derived from sources within the PRC and may accordingly be subject to a 10 per cent. PRC withholding tax.

Furthermore, if the Issuer is treated as a PRC resident enterprise, the Dividends the Issuer pays in respect of the Preference Shares, and the gain any investor may realise from the transfer of the Preference Shares, may be treated as income derived from sources within the PRC and may be subject to PRC tax (including withholding tax in the case of Dividend). If the Issuer is required under the EIT Law to withhold PRC income tax from Dividend payments made to the Issuer's foreign shareholders who are "non-resident enterprises", the Issuer will be required to pay such additional amounts as will result in receipt by a holder of the Preference Shares of such amounts as would have been received by the holder had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing Dividend payments on the Preference Shares, and could have a material adverse effect on its ability to pay Dividends on, and repay the Liquidation Preference of, the Preference Shares, as well as its profitability and cash flow. It is unclear whether, if the Issuer is considered a PRC "resident enterprise", holders of the Preference Shares might be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or areas.

On 23 March 2016, MOF and the State Administration of Taxation issued the Circular of Full Implementation of Replacing Business Tax with Value-Added Tax Reform (*Caishui* [2016] No. 36) ("**Circular 36**"), which introduced a new value-added tax ("**VAT**") from 1 May 2016. VAT is applicable where entities or individuals provide services within the PRC. If the Issuer is treated as a PRC resident enterprise, the Issuer will be obligated to withhold VAT of 6 per cent. and certain surcharges (as described below) on VAT for payments of Dividend and certain other amounts on the Preference Shares paid to Preference Shareholders that are non-resident enterprises or individuals. VAT is unlikely to be applicable to any transfer of Preference Shares between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Preference Shares, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Preference Shares is located inside the PRC. The interpretation and enforcement of such laws and regulations involve uncertainties.

If a Preference Shareholder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax on Dividend or gains on the transfer of the Preference Shares, the value of the relevant Preference Shareholder's investment in the Preference Shares may be materially and adversely affected.

If the Parent or any of its subsidiaries, including the Issuer, is unable to comply with the restrictions and covenants in their respective debt agreements (if any), there could be a default under the terms of these agreements, which could cause repayment of the relevant debt to be accelerated.

If the Parent or any of its subsidiaries, including the Issuer, is unable to comply with the restrictions and covenants in their respective current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Parent or any of its subsidiaries, including the Issuer, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, those debt agreements contain or may contain cross-acceleration or cross-default provisions. As a result, the default by the Parent or any of its subsidiaries under one debt agreement may cause the acceleration of repayment of debt, or result in a default under its other debt agreements, or result in increases in the Dividend Rate of the Preference Shares. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows of the Parent or any of its subsidiaries to repay in full all of their respective indebtedness, or that they would be able to find alternative financing. Even if the Parent and its subsidiaries could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Parent and/or its subsidiaries.

There are restrictions on the voting rights of Holders.

Preference Shareholders shall not be entitled to convene, attend or vote at any Shareholders' meeting, other than when the business of the Shareholders' meeting is to consider any Preference Shareholder Matter Resolution or as otherwise from time to time required by law, in which case the Preference Shareholders will be entitled to attend the Shareholders' meeting and vote only upon such Preference Shareholder Matter Resolution, and the Preference Shareholders will be entitled to one vote in respect of each issued and outstanding Preference Share and vote together with other Preference Shareholders as a separate class from the Ordinary Shareholders.

The ratings assigned to the Preference Shares may be lowered or withdrawn in the future.

The Preference Shares are expected to be assigned a rating of "A3" by Moody's. The ratings represent the opinions of the rating agency and its assessment of the ability of the Issuer and the Parent to perform their respective obligations under the Preference Shares and the Financing Guarantees and credit risks in determining the likelihood that payments will be made when due under the Preference Shares. A rating is not a recommendation to buy, sell or hold the Preference Shares and may be subject to revision, suspension or withdrawal at any time. The Group cannot assure investors that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgement circumstances in the future so warrant. In addition, credit rating agencies may change their methodology for assigning ratings at any time. None of the Issuer, the Parent, the Trustee or the Agents has any obligation to inform holders of the Preference Shares of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Preference Shares may adversely affect the market price of the Preference Shares and the Issuer's or the Parent's ability to access the debt capital markets.

The Preference Shares are perpetual and investors have no right to require redemption.

The Preference Shares are perpetual and have no maturity date. The Issuer is under no obligation to redeem the Preference Shares at any time and the Preference Shares can only be disposed of by sale. The Preference Shares are not redeemable at the option of the Preference Shareholders, and the Preference Shareholders have no right to request the Issuer to redeem the Preference Shares. Preference Shareholders who wish to sell their Preference Shares may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Preference Shares.

Preference Shareholders may not receive Dividend payments if the Issuer elects to defer Dividend payments under the Terms and Conditions of the Preference Shares.

The Issuer may, at its sole discretion and subject to certain conditions, elect to defer any scheduled Dividend on the Preference Shares for any period of time. The Issuer is not subject to any limits as to the number of times Dividends and Arrears of Dividend can be or shall be deferred pursuant to the Terms and Conditions of the Preference Shares, subject to compliance with certain restrictions and notwithstanding any increase in the Dividend Rate which may be provided for under the Terms and Conditions of the Preference Shares. Although, following a deferral, Arrears of Dividends are cumulative, subject to the Terms and Conditions of the Preference Shares, the Issuer may defer their payment for an indefinite period of time by delivering the relevant deferral notices to the Preference Shareholders. Any such deferral of Dividend shall not constitute a default for any purpose. Each of the Issuer and the Parent is subject to certain restrictions in relation to the payment of discretionary dividends on its Parity Obligations or Junior Obligations (both terms as defined in the Terms and Conditions of the Preference Shares), the discretionary redemption and repurchase of its Parity Obligations or Junior Obligations until any outstanding Arrears of Dividend and Additional Dividend Amount are satisfied or save in certain specified situations as further described in the Terms and Conditions of the Preference Shares. Such restrictions on discretionary payments act as the main deterrent against deferral of Dividend on the Preference Shares. However, the effectiveness of such restrictions as a deterrent against deferral of Dividends may be limited.

Any deferral of Dividends will likely have an adverse effect on the market price of the Preference Shares. In addition, as a result of the Dividend deferral provision of the Preference Shares, the market price of the Preference Shares may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Group's financial condition.

The Preference Shares may be redeemed at the Issuer's option on the First Call Date or any Call Date thereafter or the occurrence of certain other events.

The Preference Shares are redeemable at the option of the Issuer on the First Call Date and on every Call Date thereafter at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption.

In addition, the Issuer also has the right to redeem the Preference Shares upon the occurrence of (i) a Gross-up Event, (ii) an Equity Disqualification Event, (iii) a Change of Control Event, (iv) a Breach of Covenants Event or (v) a Relevant Indebtedness Default Event (each term as defined in the Terms and Conditions of the Preference Shares). The Preference Shares may also be redeemed at the option of the Issuer if prior to the date fixed for redemption at least 80 per cent. in aggregate Liquidation Preference of the Preference Shares has already been redeemed. The date on which the Issuer elects to redeem the Preference Shares may not accord with the preference of individual Preference Shareholders. This may be disadvantageous to the Preference Shareholders in light of market conditions or the individual circumstances of the Preference Shareholders. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective dividend or distribution rate at the same level as that of the Preference Shares.

There are limited remedies for non-payment under the Preference Shares and the Intragroup Financing Agreements.

Any scheduled Dividend will not be due if the Issuer elects to defer that Dividend pursuant to the Terms and Conditions of the Preference Shares. Notwithstanding any of the provisions relating to non-payment defaults, the right of Preference Shareholders and the Trustee to institute proceedings for winding-up of the Issuer is limited to circumstances where payment in respect of the Preference Shares has become due and remains unpaid. The only remedy against the Issuer available to the Trustee or any Preference Shareholder for recovery of amounts in respect of the Preference Shares following the occurrence of a payment default after any sum becomes due and unpaid in respect of the Preference Shares will be instituting winding-up proceedings of the Issuer and/or proving and/or claiming in winding-up proceedings in respect of the Issuer.

Notwithstanding any of the provisions relating to non-payment defaults in the Intragroup Financing Agreements, the right of the Financing Provider to institute proceedings for winding-up of any Financing Recipient is limited to circumstances where payment in respect of the relevant Financing has become due. In the case of any distribution under the relevant Intragroup Financing Agreement, such distribution will not be due if such Financing Recipient has elected to defer that distribution (including any arrears of distribution or additional distribution amount) in accordance with the relevant Intragroup Financing Agreement. The only remedy against the Financing Recipients available to the Financing Provider for recovery of amounts in respect of an Intragroup Financing Agreement following the occurrence of a payment default after any sum becomes due and unpaid in respect of such Intragroup Financing Agreement will be instituting winding-up proceedings of the relevant Financing Recipient and/or proving and/or claiming in winding-up proceedings in respect of the any Financing Recipient.

Although the Financing Provider will have rights under the Intragroup Financing Agreements and the Financing Guarantees against the Financing Recipients and the Parent respectively, the Preference Shareholders do not have direct recourse to the Financing Recipients or the Parent under any Financing or the Financing Guarantees. However, upon (i) the Winding-Up of any Financing Recipient or the Parent and/or (ii) any amount under any Financing and/or any Financing Guarantee payable by any

Financing Recipient or the Parent to the Financing Provider not being paid when due or (as the case may be) within any applicable grace period, the Preference Shareholders and the Trustee may through the Financing Provider enforce rights under the Intragroup Financing Agreements and Financing Guarantees on behalf of the Financing Provider to receive payments due to the Financing Provider under the Intragroup Financing Agreements and the Financing Guarantees. Please refer to "*Description of the Intragroup Financing Agreements and the Financing Guarantees*" for further details.

The Preference Shares confer Preference Shareholders with limited rights upon the occurrence of a Change of Control Event, a Breach of Covenants Event or a Relevant Indebtedness Default Event.

The Preference Shares confer Preference Shareholders with limited rights upon the occurrence of a Change of Control Event, a Breach of Covenants Event or a Relevant Indebtedness Default Event. The Issuer may, at any time, on giving irrevocable notice to the Trustee, the Agents and Preference Shareholders, redeem the Preference Shares if any of such events occurs. The Issuer is, however, not obliged to redeem the Preference Shares upon the occurrence of any of such events under the Preference Shares. If the Issuer elects not to redeem the Preference Shares upon the occurrence of such events, the Dividend Rate will increase by a certain percentage per annum pursuant to Condition 4.7 of the Terms and Conditions of the Preference Shares, subject to any such increase in Dividend Rate shall apply to the Initial Dividend Rate only.

The Dividend Rate will be reset on the First Reset Date and each Reset Date, which may affect the market value of the Preference Shares.

The Preference Shares will accrue dividends at the Initial Dividend Rate from and including the Issue Date to but excluding the First Reset Date. During the period from and including the First Reset Date and each Reset Date thereafter to but excluding the next Reset Date, the annual Dividend Rate for the Preference Shares will be reset to a rate per annum being the sum of (a) the 3-year US Treasury Rate in relation to that Reset Period (as defined in the Terms and Conditions of the Preference Shares), (b) the initial spread of 1.004 per cent. per annum, and (c) the step-up margin of 3.00 per cent. per annum. The Relevant Reset Dividend Rate could be less than the Initial Dividend Rate and this could have an adverse effect on the market value of the Preference Shares.

The Financing Guarantees given by the Parent needs to be registered with SAFE before they can be considered enforceable under PRC law, and there may be logistical hurdles for cross-border payments under the Financing Guarantees if such registration is not completed within the prescribed timeframe.

The Parent, as a PRC-incorporated company giving guarantees to its foreign incorporated subsidiaries, is required to complete the Cross-Border Security Registration with respect to the Financing Guarantees with SAFE within the required period after the execution of each Financing Guarantee pursuant to the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees（跨境擔保外匯管理規定）promulgated by SAFE on 12 May 2014 which came into effect on 1 June 2014 (the "**Cross-Border Security Registration Provisions**").

There is no assurance that the Parent will be able to complete the registration of the Financing Guarantees with SAFE within the prescribed timeframe or at all. Although registration of the Financing Guarantees with SAFE shall not constitute a key condition for the Financing Guarantees to take effect in accordance with the Cross-Border Security Registration Provisions, SAFE may impose penalties on the Parent if the Parent fails to complete the Cross-Border Security Registration, and pursuant to the Provisional Measures on Administration of Foreign Debt（外債管理暫行辦法）promulgated by MOF, the NDRC and SAFE on 8 January 2003 which came into effect on 1 March 2003 and was amended on 1 September 2022, failure by a domestic entity to register a foreign debt contract will render the contract not legally binding and unenforceable. Further, there may be hurdles at the time of remittance of funds (if any cross-border payment is to be made by the Parent under the Financing Guarantees) as domestic banks may require evidence of the Cross-Border Security Registration in connection with the Financing

Guarantees in order to effect such remittance. Prior to the performance or discharge of its obligations under the Financing Guarantees, the Parent is also required to complete a verification process with banks for each remittance under the Financing Guarantees.

The interpretation of the Cross-Border Security Registration Provisions and the Provisional Measures on Administration of Foreign Debt may involve significant uncertainty and may adversely affect the practical enforceability of the Financing Guarantees given by the Parent in the PRC. In addition, the administration of the Cross-Border Security Registration Provisions and Provisional Measures on Administration of Foreign Debt may be subject to a certain degree of executive and policy discretion by SAFE.

The interpretation of the NDRC Administrative Measures may involve some uncertainty, which may adversely affect the enforceability and/or effective performance of the Preference Shares.

According to the NDRC Administrative Measures, domestic enterprises and their overseas controlled entities shall procure the registration of any debt securities or medium to long term loans issued or incurred outside the PRC with the NDRC prior to the issue of the debt securities or drawings under the loans, and notify the particulars of the relevant issues or drawings within a prescribed timeframe after the issuance of the securities or the drawings under the loans. The Parent has received the NDRC Certificate on 11 June 2025.

The interpretation of the NDRC Administrative Measures may involve significant uncertainty, which may adversely affect the enforceability and/or effective performance of the Preference Shares. The NDRC Administrative Measures set forth certain legal liabilities and disciplinary measures which would be imposed on enterprises and intermediaries if they fail to comply with relevant requirements. If an enterprise does not comply with the post-issuance and filing obligations (such as post-issuance filing, pre-issuance approval expiration filing, periodical filing and major event filing, etc.) with respect to the securities within the timeframe as provided under the NDRC Administrative Measures, the NDRC may impose sanctions or other disciplinary measures such as investigation and public warnings on such enterprise and its principle responsible person, which may have a material adverse impact to its business, financial condition or results of operations. Furthermore, conducts in violation the NDRC Administrative Measures committed by enterprises will be published on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統). In the worst case scenario, such non-compliance with the post-issuance notification requirement under the NDRC Administrative Measures may result in it being unlawful for the Issuer to perform or comply with any of its obligations under the Preference Shares.

In addition, the administration of the NDRC Administrative Measures may be subject to a certain degree of executive and policy discretion by the NDRC. There is also a risk that the registration approval with the NDRC may be revoked or amended in the future or that future changes in PRC laws and regulations may have a negative impact on the performance or validity and enforceability of the Preference Shares in the PRC. Potential investors of the Preference Shares are advised to exercise due caution when making their investment decisions.

The insolvency laws of the Cayman Islands and the PRC and other local insolvency laws may differ from those of another jurisdiction with which the holders of the Preference Shares are familiar.

As the Issuer and the Parent are incorporated under the laws of the Cayman Islands and the PRC, respectively, any insolvency proceeding relating to the Issuer or the Parent would likely involve Cayman Islands or PRC insolvency laws, respectively, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the holders of the Preference Shares are familiar.

The Trustee may request the Preference Shareholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances, including, without limitation, instituting proceedings against the Issuer and the Parent and/or taking steps and/or actions pursuant to Condition 9 of the Terms and Conditions of the Preference Shares, the Trustee may, at its sole and absolute discretion, request the Preference Shareholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it institutes proceedings and/or takes steps and/or actions on behalf of the Preference Shareholders. The Trustee shall not be obliged to institute such proceedings and/or to take such steps and/or actions if not first indemnified and/or secured and/or prefunded to its satisfaction.

Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such proceedings can be instituted and/or such steps and/or actions can be taken. The Trustee may not be able to institute proceedings and/or to take steps and/or actions, notwithstanding the provision of an indemnity and/or security and/or prefunding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Preference Shares, and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable laws and regulations, it will be for the holders of the Preference Shares to institute such proceedings and/or to take such steps and/or actions directly.

Decisions that may be made on behalf of all holders of the Preference Shares may be adverse to the interests of individual holders of the Preference Shares, and modifications and waivers may be made in respect of the Terms and Conditions of the Preference Shares, the Trust Deed or the Agency Agreement by the Trustee.

The Terms and Conditions of the Preference Shares contain provisions for calling meetings of holders of the Preference Shares to consider Preference Shareholder Matter Resolutions. Passing of the Preference Shareholder Matter Resolution shall require more than two-third of votes held by the Ordinary Shareholders present at the meeting and more than two-third of votes held by the Preference Shareholders present at the meeting. These provisions permit defined majorities to bind all holders of the Preference Shares including holders who did not attend and vote at the meeting and holders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of holders of the Preference Shares may be adverse to the interests of the individual Preference Shareholders.

The Trust Deed provides that the Trustee may (but shall not be obliged to) agree, without the consent of the Preference Shareholders, except for a Preference Shareholder Matter Resolution, to (i) any modification of any of the Terms and Conditions of the Preference Shares or any of the provisions of the Trust Deed or the Agency Agreement that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or is to comply with any mandatory provision of applicable law, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the Terms and Conditions of the Preference Shares or any of the provisions of the Trust Deed or the Agency Agreement that is in the opinion of the Trustee not materially prejudicial to the interests of the Preference Shareholders. Any such modification, authorisation or waiver shall be binding on the Preference Shareholders and, unless the Trustee otherwise agrees, such modification, authorisation or waiver shall be notified by the Issuer to the Preference Shareholders as soon as practicable.

The Preference Shares will be represented by a Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s).

The Preference Shares will be represented by a Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream (each a "**Clearing System**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Preference Shares. The Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Preference Shares are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Preference Shares are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Preference Shares by making payments to the relevant Clearing System for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the Clearing System(s) to receive payments under the Preference Shares. Neither the Issuer nor the Parent has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Preference Shares. Instead, such holders will be permitted to act only to the extent that they are enabled by the Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Certificate will not have a direct right under the Global Certificate to take enforcement action against the Issuer or the Parent in the event of a default under the Preference Shares represented by the Global Certificate but will have to rely upon their rights under the Trust Deed.

TERMS AND CONDITIONS OF THE PREFERENCE SHARES

The following, subject to modification and other than the words in italics, is the text of the terms and conditions of the Preference Shares which will appear on the reverse of each of the definitive certificates evidencing the Preference Shares.

1 GENERAL

The U.S.$1,000,000,000 Preference Shares (the "**Preference Shares**") are issued on 27 June 2025 (the "**Issue Date**") pursuant to the memorandum and articles of association of SPIC Preferred Company No.5 Ltd. 国家电投优先股有限公司5号 (the "**Issuer**") (as amended from time to time, the "**Articles of Association**") and were authorised by the sole director of the Issuer on 17 June 2025 and approved by the sole shareholder of the Issuer on 17 June 2025. These terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Articles of Association.

The Issuer and China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司)(the "**Trustee**", which expression shall, whenever the context so admits, include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for itself and the Preference Shareholders (as defined below) have entered into a trust deed (as amended, restated, replaced and/or supplemented from time to time, the "**Trust Deed**") dated 27 June 2025. An agency agreement (as amended, restated, replaced and/or supplemented from time to time, the "**Agency Agreement**") dated 27 June 2025 has also been entered into in relation to the Preference Shares between the Issuer, the Trustee, China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司) as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent appointed from time to time in connection with the Preference Shares), transfer agent (the "**Transfer Agent**", which expression shall include any additional or successor transfer agent appointed from time to time in connection with the Preference Shares), registrar (the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Preference Shares) and calculation agent (the "**Calculation Agent**", which expression shall include any successor calculation agent appointed from time to time in connection with the Preference Shares) and the other agents named in it.

Copies of the Trust Deed, the Agency Agreement, Keepwell Deed and (subject to the same having been provided to the Trustee by the Parent) the Parent's consolidated financial statements for the years ended 31 December 2023 and 2024 and the Articles of Association are available (i) for inspection at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), from Monday to Friday (excluding public holidays)) at the principal place of business of the Trustee (being as at the Issue Date at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) and (ii) electronically from the Principal Paying Agent, in each case following prior written request and proof of holding and identity of the Preference Shares satisfactory to the Trustee or the Principal Paying Agent, as the case may be. "**Agents**" means the Principal Paying Agent, the Registrar, the Transfer Agent, the Calculation Agent and any other agent or agents appointed from time to time pursuant to the Agency Agreement with respect to the Preference Shares.

The registered holders of the Preference Shares (the "**Preference Shareholders**" or, in relation to the Preference Shares, the "**Holders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Articles of Association, these Conditions and the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

The Issuer has entered into intragroup senior financing agreements with State Power Investment Corporation Limited (the "**Parent**") and certain subsidiaries of the Parent (each such subsidiary, a "**Financing Recipient**") on or around the Issue Date (each, an "**Intragroup Financing Agreement**"), pursuant to which the Issuer as financing provider (the "**Financing Provider**") will, subject to, and in accordance with, the provisions of the Intragroup Financing Agreements, provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients (each, a "**Financing**"). The due payment of all sums expressed to be payable by the Financing Recipients to the Financing Provider from time to time under the Intragroup Financing Agreements will be unconditionally and irrevocably guaranteed by the Parent subject to, and in accordance with, the provisions of the deeds of senior guarantee entered into between the Issuer and the Parent on or around the Issue Date in respect of each Financing (each, a "**Financing Guarantee**").

The Parent intends to assist the Issuer in meeting its obligations under the Preference Shares and has entered into a keepwell deed on or around the Issue Date (the "**Keepwell Deed**") with the Issuer and the Trustee, whereby the Parent has provided certain undertakings in respect of the Issuer, the Preference Shares, the Intragroup Financing Agreements and the Financing Guarantees.

The Keepwell Deed does not constitute a direct or indirect guarantee by the Parent of the Issuer's obligations under the Preference Shares and may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Parent.

2 FORM AND TRANSFER

2.1 Form and Title

The Preference Shares will have a par value of U.S.$0.01 each and will be issued as fully paid-up capital in U.S. dollars while the issuance price of the Preference Shares will be U.S.$1,000 each (the "**Liquidation Preference**"). The Preference Shares will be issued in registered form and issued and transferable only in minimum amounts of U.S.$200,000 (or 200 Preference Shares) and integral multiples of U.S.$1,000 (or 1 Preference Share) in excess thereof (each an "**Authorised Denomination**"). The Preference Shares are represented by registered certificates ("**Certificates**") and each Certificate shall represent the entire holding of Preference Shares by the same Holder.

Title to the Preference Shares will, subject to and in accordance with these Conditions and the Articles of Association, be freely transferable and pass by transfer and registration in a register of Preference Shareholders (the "**Register**") that the Issuer shall procure to be kept and maintained by the Registrar outside the United Kingdom and Hong Kong at all times. Except as ordered by a court of competent jurisdiction or as otherwise required by law, the Holder of any Preference Share will be treated as its absolute owner for all purposes, and no person will be liable for so treating the Holder.

2.2 Transfers of Interests in Preference Shares

Registration of transfer of the Preference Shares will be effected by or on behalf of the Issuer or the Registrar but upon payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer or the Registrar may require) by the relevant Holder in respect of any taxes or other governmental, regulatory or administrative charges which may be charged in relation to such transfer. Transfers of Preference Shares and entries on the Register will be made in accordance with the Articles of Association.

Transfers of interests in the Preference Shares represented by a Global Certificate will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and operating procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants.

2.3 Closed Periods

No Preference Shareholder may require the transfer of a Preference Share to be registered:

(a) during the period of 30 days prior to a Shareholders' meeting; or

(b) during the period of five days ending on the record date for the determination of entitlement for any distribution of Dividend or the period of five days ending on the due date for the redemption of that Preference Share.

2.4 Global Certificate

The Preference Shares will initially be represented by a global certificate (the "**Global Certificate**") which will be registered in the name of a nominee of, and deposited with, a common depositary for, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, the records maintained by Euroclear, Clearstream and any other alternative clearing system selected by the Issuer and approved by the Trustee, the Principal Paying Agent and the Registrar through which interests in the Preference Shares are held (the "**Alternative Clearing System**"). Except in the limited circumstances set out in the Global Certificate, individual Certificates for the Preference Shares will not be issued in exchange for beneficial interest in the Global Certificate. While the Preference Shares are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear, Clearstream or any Alternative Clearing System, the Preference Shares will be recorded, transferred and/or converted on the basis of their Authorised Denomination and not the number of Preference Shares. The Preference Shares are not issuable in bearer form.

In addition, for so long as the Preference Shares are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear, Clearstream or any Alternative Clearing System, certain provisions of these Conditions will be modified to reflect the rules, procedures and practices of Euroclear, Clearstream and any Alternative Clearing System as further described in such Global Certificate.

3 STATUS AND SUBORDINATION OF THE PREFERENCE SHARES

3.1 Status of the Preference Shares

The Preference Shares constitute direct, unsecured and subordinated obligations of the Issuer which rank *pari passu* and without any preference or priority of payment among themselves.

The rights and restrictions attaching to the Preference Shares shall be set out in the Articles of Association. In the event of any inconsistencies between these Conditions and the Articles of Association, the provisions of the Articles of Association shall prevail.

3.2 Ranking upon Winding-Up of the Issuer

Upon the Winding-Up of the Issuer, the rights and claims in respect of the Preference Shareholders shall rank:

(a) junior to holders of all general unsubordinated liabilities of the Issuer;

(b) equally in all respects with each other and without preference or priority of payment among themselves and with the holders of all Parity Obligations of the Issuer; and

(c) in priority to the holders of all Junior Obligations of the Issuer.

On such Winding-Up of the Issuer, the Preference Shareholders shall be entitled to an amount in respect of each Preference Share which will be equal to the Liquidation Preference together with any accrued but unpaid Dividends (including any Arrears of Dividend and any Additional Dividend Amount).

If there are insufficient remaining assets upon such Winding-Up of the Issuer to cover the amounts payable in full on the Preference Shares and all Parity Obligations of the Issuer, the Preference Shareholders and the holders of such Parity Obligations will share rateably in the distribution of such remaining assets (if any) of the Issuer in proportion to the full amounts to which they are respectively entitled.

After payment of the full amounts to which the Preference Shareholders are entitled on a Winding-Up of the Issuer, such Preference Shareholders will have no right or claim to any of the Issuer's remaining assets.

3.3 Set-off

Subject to applicable laws and regulations, no Holder may exercise, claim or plead any right of set-off, counterclaim, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Preference Shares, and each Holder shall, by virtue of being a Holder of the Preference Shares, be deemed to have waived all such rights of set-off, counterclaim, deduction, withholding or retention against the Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with the Preference Shares is discharged by set-off, counterclaim, deduction, withholding or retention, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its liquidation, the liquidator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

4 DIVIDENDS

Subject as provided in this Condition 4, each Preference Share will accrue dividends and/or distributions (the "**Dividends**") on its Liquidation Preference from and including the Issue Date and shall entitle the Holder thereof to receive Dividends which are due but unpaid.

4.1 Dividend Rate

The rate of Dividend (the "**Dividend Rate**") applicable to the Preference Shares shall be:

(a) from, and including the Issue Date, to, but excluding, 27 June 2028 (the "**First Reset Date**"), 4.795 per cent. per annum (the "**Initial Dividend Rate**"), subject to any increase pursuant to Condition 4.7; and

(b) (i) from, and including the First Reset Date, to, but excluding, the Reset Date falling immediately after the First Reset Date, and (ii) from, and including, each Reset Date thereafter to, but excluding, the immediately following Reset Date, the Relevant Reset Dividend Rate. No Relevant Reset Dividend Rate shall be affected by any Step-up Event occurring before the First Reset Date or otherwise, as provided in Condition 4.7.

4.2 Dividend Payment Date

Subject as provided in this Condition 4, each Dividend will be payable, semi-annually in arrear in equal instalments on 27 June and 27 December in each year (each, a "**Dividend Payment Date**"). The period beginning on and including the Issue Date and ending on but excluding the next succeeding Dividend Payment Date and each successive period beginning on and including a Dividend Payment Date and ending on but excluding the next succeeding Dividend Payment Date is called a "**Dividend Period**".

Subject as provided in this Condition 4, the amount of Dividend payable per Liquidation Preference (of each Preference Share in the amount of U.S.$1,000) on each Dividend Payment Date in respect of the period from, and including the Issue Date, to, but excluding the First Reset Date shall be U.S.$23.975.

4.3 Calculation of Dividend Amount

When Dividends are required to be calculated in respect of a period that is not a full Dividend Period, the Dividends payable for such period for each Preference Share shall be equal to the product of the applicable Dividend Rate, the Liquidation Preference of such Preference Share and the relevant day-count fraction, rounding the resulting figure to the nearest U.S. cent (half a U.S. cent being rounded upwards). For the purposes of these Conditions, the relevant day-count fraction means (i) the number of days in the relevant period divided by (ii) 360 (with the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed).

So long as the Preference Shares are represented by a Global Certificate which is held on behalf of Euroclear, Clearstream or any Alternative Clearing System, the Dividend in respect of the Preference Shares shall be calculated based on the aggregate Liquidation Preference of the Preference Shares represented by the Global Certificate.

4.4 Conditions to Distribution of Dividends

Notwithstanding any other provision in this Condition 4, the payment of any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) on any Dividend Payment Date shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay such Dividend (including any Arrears of Dividend and any Additional Dividend Amount). The Preference Shareholders and the Trustee shall be entitled to rely conclusively as to such compliance by the Issuer with its Articles of Association and applicable laws and regulations in respect of the payment of any Dividend, without liability or further investigation.

Following payment by the Issuer of the applicable Dividends (including any Arrears of Dividend and any Additional Dividend Amount) at the applicable Dividend Rate on such Dividend Payment Date as set forth in this Condition 4, the Preference Shareholders shall not be entitled to receive any additional distribution of residual profits of the Issuer together with the Ordinary Shareholders.

4.5 Dividend Accrual of Preference Shares

Each Preference Share will cease to accrue Dividends from the due date for redemption unless, upon due presentation of the Certificate representing such Preference Share, payment of the full amount due in respect of such Preference Share is improperly withheld or refused. In such event, the Dividend on such Preference Share shall, subject as provided in this Condition 4, continue to accrue, at the then applicable Dividend Rate, up to but excluding whichever is the earlier of (a) the date on which all sums due in respect of any Preference

Share are received by or on behalf of the relevant Preference Shareholder; and (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Preference Shareholders that it has received all sums due in respect of the Preference Shares up to such seventh day (except to the extent that there is a failure in the subsequent payment to the relevant Preference Shareholders under these Conditions). The Preference Shares shall be treated as having been redeemed only after all amounts payable on redemption of the Preference Shares have been paid in full.

4.6 Dividend Deferral of Preference Shares

(i) **Optional and Compulsory Deferral**

The Issuer (a) may, at its sole discretion, elect to defer (in whole or in part) unless a Compulsory Dividend Payment Event has occurred (an "**Optional Deferral Event**") and (b) in the case where any condition set out in Condition 4.4 is not satisfied in respect of any relevant Dividend Period, shall compulsorily defer in whole, any Dividend which is otherwise scheduled to be paid on a Dividend Payment Date to the next Dividend Payment Date by giving notice substantially in the form set out in the Trust Deed (a "**Deferral Notice**") to the Preference Shareholders (in accordance with Condition 12) and the Trustee and Principal Paying Agent in writing not more than 15 Payment Business Days nor less than five Payment Business Days prior to a scheduled Dividend Payment Date.

The Issuer undertakes that prior to any relevant Dividend Payment Date, the Issuer will not take any action that will constitute a Compulsory Dividend Payment Event unless such action will not result in a compulsory deferral under this Condition 4.6(i) by the time of such relevant Dividend Payment Date.

Any partial payment of any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) by the Issuer shall be shared by the Holders of all issued and outstanding Preference Shares on a *pro rata* basis.

(ii) **No obligation to pay**

The Issuer shall have no obligation to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) on any Dividend Payment Date if it validly elects to defer or compulsorily defers such Dividend in accordance with Condition 4.6(i). Such deferral in accordance with these Conditions will not constitute a default for any purpose by the Issuer.

(iii) **Requirements as to Notice**

In the case of an Optional Deferral Event, together with a Deferral Notice, the Issuer shall deliver to the Preference Shareholders, the Trustee and the Principal Paying Agent a certificate substantially in the form set out in the Trust Deed, signed by any Authorised Signatory of the Issuer confirming that no Compulsory Dividend Payment Event has occurred. Each of the Preference Shareholders, the Trustee and the Principal Paying Agent shall be entitled to accept and rely upon such certificate without investigation or verification as sufficient evidence of the occurrence of an Optional Deferral Event and such certificate shall be conclusive and binding on the Preference Shareholders, the Trustee and the Principal Paying Agent.

(iv) **Cumulative Deferral**

Any Dividend deferred pursuant to this Condition 4.6 shall constitute "**Arrears of Dividend**". The Issuer may at its sole discretion elect to defer further (in whole or in part), or shall compulsorily defer in whole, in each case in the circumstances set out in

Condition 4.6(i), any Arrears of Dividend by complying with the foregoing notice requirement applicable to any deferral of an accrued Dividend. The Issuer is not subject to any limit as to the number of times Dividends and Arrears of Dividends can or shall be deferred pursuant to this Condition 4.6 except that Condition 4.6(v) shall be complied with until all outstanding Arrears of Dividend and Additional Dividend Amount have been paid in full.

Each amount of Arrears of Dividend shall accrue Dividends as if it constituted the Liquidation Preference of the Preference Shares at the prevailing Dividend Rate and the amount of such Dividends (the "**Additional Dividend Amount**") with respect to Arrears of Dividends shall be due and payable pursuant to this Condition 4.6 and shall be calculated by applying the applicable Dividend Rate to the amount of the Arrears of Dividend and otherwise mutatis mutandis as provided in the foregoing provisions of this Condition 4. The Additional Dividend Amount accrued up to any Dividend Payment Date shall be added (for the purpose of calculating the Additional Dividend Amount accruing thereafter) to the amount of Arrears of Dividend remaining unpaid on such Dividend Payment Date so that it will itself become Arrears of Dividend.

(v) **Restrictions in the case of Deferral**

(A) If, on any Dividend Payment Date, payment of Dividends scheduled to be made on such date is not made in full, the Issuer shall not:

(a) declare or pay any discretionary dividends or discretionary distributions or make any other discretionary payment, and will procure that no such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Issuer; or

(b) at its discretion redeem, reduce, cancel, buy back or otherwise acquire for any consideration any Parity Obligations or Junior Obligations of the Issuer prior to its stated maturity,

in each case, unless and until the Issuer has satisfied in full all outstanding Arrears of Dividends and Additional Dividend Amount.

(B) If, on any Dividend Payment Date, payment of Dividends scheduled to be made on such date is not made in full, the Parent shall not:

(a) declare or pay any discretionary dividends or discretionary distributions or make any other discretionary payment, and will procure that no such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Parent (except (I) in relation to Parity Obligations of the Parent, on a *pro rata* basis, or (II) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Parent); or

(b) at its discretion redeem, reduce, cancel, buy back or otherwise acquire for any consideration any Parity Obligations or Junior Obligations of the Parent prior to its stated maturity (except (I) in relation to Parity Obligations of the Parent, on a *pro rata* basis, (II) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Parent or (III) as a result of the exchange or conversion of its Parity Obligations for its Junior Obligations),

in each case, unless and until the Issuer has satisfied in full all outstanding Arrears of Dividends and Additional Dividend Amount.

For the avoidance of doubt, this Condition 4.6(v) does not restrict the Parent from paying any amounts under the Financing Guarantees.

(vi) **Satisfaction of Arrears of Dividend by payment**

The Issuer:

(a) may satisfy any Arrears of Dividend and Additional Dividend Amount (in whole or in part) at any time by giving notice of such election to the Preference Shareholders (in accordance with Condition 12), and to the Trustee and the Principal Paying Agent in writing not more than 15 Payment Business Days nor less than five Payment Business Days prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Dividend and all Additional Dividend Amount, on the payment date specified in such notice); and

(b) in any event shall satisfy any outstanding Arrears of Dividend and Additional Dividend Amount (in whole and not in part) on the earliest of:

(A) the date of redemption of the Preference Shares in accordance with the redemption events set out in Condition 6;

(B) the next Dividend Payment Date following the occurrence of a breach of Condition 4.6(v)(A) by the Issuer or the occurrence of a Compulsory Dividend Payment Event; and

(C) a Winding-Up of the Issuer or the Parent.

(vii) **No default**

Notwithstanding any other provision in these Conditions, the Trust Deed or in the Articles of Association, the deferral of any Dividend payment in accordance with this Condition 4.6 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the Issuer under the Preference Shares or for any other purpose.

4.7 Increase or Decrease in Dividend Rate following occurrence of certain events

Any increase or decrease in Dividend Rate pursuant to this Condition 4.7 shall apply to the Initial Dividend Rate only. No Relevant Reset Dividend Rate shall be affected by any Step-up Event.

(i) **Increase in Dividend Rate**

Prior to the First Reset Date, upon the occurrence of:

(a) a Change of Control Event;

(b) a Breach of Covenants Event; or

(c) a Relevant Indebtedness Default Event (each a "**Step-up Event**"),

unless

(i) an irrevocable notice to redeem the Preference Shares (and in the case of a Breach of Covenants Event in respect of Condition 8.3, an irrevocable notice to redeem at least a Relevant Percentage of the Preference Shares) has been given to Preference Shareholders by the Issuer pursuant to Condition 6 by the 30th day following the occurrence of the relevant Step-up Event; or

(ii) in the case of a Step-up Event other than a Change of Control Event or a Breach of Covenants Event in respect of Condition 4.6(v)(B), such Step-up Event is remedied by the 30th day following the occurrence of such Step-up Event; or

(iii) in the case of a Change of Control Event, the circumstance constituting the relevant Change of Control Event ceases to continue by the 30th day following the occurrence of such Change of Control Event; or

(iv) in the case of a Breach of Covenants Event in respect of Condition 4.6(v)(B), the Issuer gives a notice by the 30th day following the occurrence of such Breach of Covenants Event to the Preference Shareholders (in accordance with Condition 12), and to the Trustee and the Principal Paying Agent in writing, that it will satisfy any outstanding Arrears of Dividend and Additional Dividend Amount (in whole and not in part) on the next Dividend Payment Date following the occurrence of such Breach of Covenants Event (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Dividend and Additional Dividend Amount, on the payment date specified in such notice),

the Initial Dividend Rate will increase by the Step-up Rate with effect from

(x) the next Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date); or

(y) if the date on which the relevant Step-up Event occurs is prior to the most recent preceding Dividend Payment Date, such Dividend Payment Date (provided that such Dividend Payment Date falls on a date prior to the First Reset Date),

provided that the maximum aggregate increase in the Initial Dividend Rate pursuant to this Condition 4.7 shall not exceed the Step-up Rate.

Any increase in the Dividend Rate pursuant to this Condition 4.7 shall be notified by the Issuer to the Preference Shareholders (in accordance with Condition 12) and to the Trustee and the Principal Paying Agent in writing no later than, as the case may be, (aa) the 60th day following the occurrence of the Change of Control Event, (bb) the 30th day following the occurrence of a Breach of Covenants Event, or (cc) the 30th day following the occurrence of a Relevant Indebtedness Default Event.

(ii) **Decrease in Dividend Rate**

Prior to the First Reset Date, if following an increase in the Dividend Rate after a Step-up Event pursuant to Condition 4.7(i):

(A) in the case of a Step-up Event other than a Change of Control Event or a Breach of Covenants Event in respect of Condition 4.6(v)(B), such Step-up Event is cured; or

(B) in the case of a Change of Control Event, the circumstance specified in the definition of "**Change of Control Event**" ceases to continue; or

(C) in the case of a Breach of Covenants Event in respect of Condition 4.6(v)(B), the Issuer has satisfied in full all outstanding Arrears of Dividends and Additional Dividend Amount,

upon notice of such facts being given to the Preference Shareholders (in accordance with Condition 12) and to the Trustee and the Principal Paying Agent in writing, the Dividend Rate shall be decreased by the Step-up Rate with effect from (and including) the Dividend Payment Date immediately following the date falling 30 days after the date on which the Trustee receives evidence to its satisfaction (acting on the instructions of Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the issued and outstanding Preference Shares) of the cure or ceasing to continue of such Step-up Event, provided that the maximum aggregate decrease in the Dividend Rate pursuant to this Condition 4.7 shall not exceed the Step-up Rate.

4.8 Determination and notification of Relevant Reset Dividend Rate

The Calculation Agent will cause the applicable Relevant Reset Dividend Rate determined by it to be notified as soon as reasonably practicable to the Issuer, the Preference Shareholders, the Trustee and the Principal Paying Agent, and in any event no later than the fourth Calculation Business Day after such determination by the Calculation Agent. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4.8 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Principal Paying Agent, the Trustee and the Preference Shareholders and no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes unless caused directly by the fraud, gross negligence or wilful default of the Calculation Agent.

5 PAYMENTS

5.1 Method of Payment

(i) Payments of Dividend (including any Arrears of Dividend and any Additional Dividend Amount) or Liquidation Preference in respect of the Preference Shares shall be made (subject to the surrender of the relevant Certificate at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Preference Shares represented by such Certificate) in the manner provided in Condition 5.1(ii).

(ii) Payments of Dividend (including any Arrears of Dividend and any Additional Dividend Amount) or Liquidation Preference in respect of the Preference Shares will be paid to the Preference Shareholders shown on the Register at the close of business on the fifth Payment Business Day before the due date for such payment (the "**Record Date**"). Payments of any amounts on each Preference Share will be made by bank transfer to a U.S. dollar account maintained by the Holder with a bank, details of which appear on the Register at the close of business on the Record Date.

(iii) Payment instructions (for value on the due date, or if that is not a Payment Business Day, for value on the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if it is not a Payment Business Day, the immediately following Payment Business Day) or, in the case of payments where the relevant Certificate has not been surrendered at the specified office of the relevant

Transfer Agent or of the Registrar as required by these Conditions, on a Payment Business Day on which such office is open for business and on which the relevant Certificate is surrendered.

For so long as the Preference Shares are represented by a Global Certificate, all payments in respect of the Preference Shares will be (i) made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date, which shall be on the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January and (ii) effected in accordance with the rules and procedures of the relevant clearing system.

5.2 Delay in Payment

The Preference Shareholders shall not be entitled to any Dividend or other payment for any delay after the due date in receiving the amount due on a Preference Share if the due date is not a Payment Business Day or if the Holder is late in presenting or surrendering its Certificate (if required to do so).

5.3 Payments Subject to Applicable Laws

All payments on the Preference Shares are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Internal Revenue Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Preference Shareholders in respect of such payments.

6 REDEMPTION

6.1 No Maturity Date

The Preference Shares are perpetual and have no maturity date. The Issuer will only have the right to redeem the Preference Shares as described in this Condition 6.

The Preference Shares are not redeemable at the option of the Preference Shareholders, and no Preference Shareholder may request the Issuer to redeem any Preference Shares or request the Issuer to buy back any Preference Shares held by it.

6.2 Redemption at the option of the Issuer

On the First Call Date or on any Dividend Payment Date after the First Call Date (each, a "**Call Date**"), the Issuer may, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole or in part the issued and outstanding Preference Shares at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption. Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

On the expiry of any such redemption notice as is referred to in this Condition 6.2, the Issuer shall be bound to redeem the Preference Shares on the relevant Call Date in accordance with this Condition 6.2.

6.3 Redemption for Taxation Reasons

The Issuer may, upon giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole, but not in part, the Preference Shares on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**") at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the Tax Redemption Date, if the Issuer satisfies the Trustee immediately prior to the giving of such Tax Redemption Notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the PRC or, in any such case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 23 June 2025, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it (a "**Gross-Up Event**"), provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Preference Shares then due. Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Prior to the publication of any Tax Redemption Notice pursuant to this Condition 6.3, the Issuer shall deliver to the Trustee (a) a certificate signed by an Authorised Signatory of the Issuer stating that the obligation referred to in (i) above of this Condition 6.3 cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change in or amendment to laws or regulations or change in the application or official interpretation thereof, and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above in (i) and (ii) of this Condition 6.3, in which event the same shall be conclusive and binding on the Preference Shareholders. The Trustee shall be protected and shall have no liability to any Preference Shareholder or any other person for so accepting and relying on any such certificate and opinion.

On the Tax Redemption Date, the Issuer shall redeem the Preference Shares in accordance with this Condition 6.3.

6.4 Redemption for Accounting Reasons

The Issuer may at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole, but not in part, the Preference Shares at the Liquidation Preference of each Preference Share, together with any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption if, immediately before giving such notice, the Issuer satisfies the Trustee that as a result of any changes or amendments to, or a change or amendment to any interpretation of:

(a) PRC GAAP or any other generally accepted accounting standards that may be adopted by the Issuer for the purposes of preparing its consolidated financial statements (the "**Issuer Accounting Standards**");

(b) PRC GAAP or any other generally accepted accounting standards that may be adopted by SPIC International Finance (Hong Kong) Company Limited ("**SPIC International Finance Hong Kong**") for the purposes of preparing its consolidated financial statements (the "**Issuer Parent Accounting Standards**"); or

(c) PRC GAAP or any other generally accepted accounting standards that may be adopted by the Parent for the purposes of preparing its consolidated financial statements (the "**Parent Accounting Standards**" and each of the Parent Accounting Standards, the Issuer Accounting Standards and the Issuer Parent Accounting Standards is referred to as a "**Relevant Accounting Standard**"),

the Preference Shares must not or must no longer be recorded as "**equity**" of the Issuer, SPIC International Finance Hong Kong or the Parent pursuant to the applicable Relevant Accounting Standard (each, an "**Equity Disqualification Event**"). Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Prior to the giving of any notice of redemption pursuant to this Condition 6.4, the Issuer shall deliver or procure that there is delivered to the Trustee:

(A) a certificate in English, signed by an Authorised Signatory of the Issuer, stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that an Equity Disqualification Event has occurred; and

(B) an opinion, in form and substance satisfactory to the Trustee, of the independent auditors of the Issuer, SPIC International Finance Hong Kong or the Parent, as the case may be, stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to, or the relevant change or amendment to the relevant interpretation of, the applicable Relevant Accounting Standard, as the case may be, is due to take effect,

provided, however that no notice of redemption may be given under this Condition 6.4 earlier than 90 days prior to the date on which the relevant change or amendment to, or the relevant change or amendment to the relevant interpretation of, the applicable Relevant Accounting Standard, as the case may be, is due to take effect in relation to the Issuer, SPIC International Finance Hong Kong or the Parent, as the case may be.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (A) and (B) of this Condition 6.4, in which event the same shall be conclusive and binding on the Preference Shareholders. The Trustee shall be protected and shall have no liability to any Preference Shareholder or any other person for so accepting and relying on any such certificate and opinion.

Upon the expiry of any such notice as is referred to in this Condition 6.4, the Issuer shall be bound to redeem the Preference Shares in accordance with this Condition 6.4.

6.5 Redemption for a Change of Control Event

The Issuer may at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole, but not in part, the Preference Shares at:

(i) 101 per cent. of the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time before the First Call Date; or

(ii) the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption, at any time on or after the First Call Date,

if a Change of Control Event occurs.

Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Prior to the giving of any notice of redemption pursuant to this Condition 6.5, the Issuer shall deliver or procure that there is delivered to the Trustee a certificate in English, signed by an Authorised Signatory of the Issuer, stating that the circumstances referred to above in this Condition 6.5 prevail and setting out the details of such circumstances.

The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, in which event it shall be conclusive and binding on the Preference Shareholders. The Trustee shall be protected and shall have no liability to any Preference Shareholder or any other person for so accepting and relying on any such certificate and opinion.

Upon the expiry of any such notice as is referred to in this Condition 6.5, the Issuer shall be bound to redeem the Preference Shares in accordance with this Condition 6.5.

6.6 Redemption on the occurrence of a Breach of Covenants Event

The Issuer may at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole or in part the Preference Shares at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption upon the occurrence of a Breach of Covenants Event. Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Upon the expiry of any such notice as is referred to in this Condition 6.6, the Issuer shall be bound to redeem the Preference Shares in accordance with this Condition 6.6.

6.7 Redemption on the occurrence of a Relevant Indebtedness Default Event

The Issuer may at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole or in part the Preference Shares at the

Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption upon the occurrence of a Relevant Indebtedness Default Event. Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Upon the expiry of any such notice as is referred to in this Condition 6.7, the Issuer shall be bound to redeem the Preference Shares in accordance with this Condition 6.7.

6.8 Redemption for minimum outstanding amount

The Issuer may at any time, upon giving not less than 30 nor more than 60 days' notice to the Preference Shareholders in accordance with Condition 12, and the Trustee and the Principal Paying Agent in writing, redeem in whole or in part the Preference Shares at the Liquidation Preference of each Preference Share plus any Dividends (including any Arrears of Dividend and any Additional Dividend Amount) accrued but unpaid to but excluding the date fixed for redemption if prior to the date fixed for redemption at least 80 per cent. in aggregate Liquidation Preference of the Preference Shares has already been redeemed. Such redemption shall be made pursuant to the Articles of Association and applicable laws and regulations of the Cayman Islands, including the Issuer having sufficient distributable reserves out of the funds of the Issuer lawfully available to pay any Dividend (including any Arrears of Dividend and any Additional Dividend Amount).

Upon the expiry of any such notice as is referred to in this Condition 6.8, the Issuer shall be bound to redeem the Preference Shares in accordance with this Condition 6.8.

6.9 No other redemption

The Issuer shall not be entitled to redeem the Preference Shares and the Issuer shall not have any obligation to make any payment of the Liquidation Preference in respect of the Preference Shares otherwise than as provided in these Conditions.

6.10 Purchase

Any purchase of Preference Shares by the Issuer, the Parent, the Financing Recipients or their respective Subsidiaries shall be subject to applicable laws and regulations and made at any price in the open market or otherwise. The Preference Shares so purchased, while held by or on behalf of the Issuer, the Parent, the Financing Recipients or any such Subsidiary, shall not entitle the Holder to vote at any meetings of the Shareholders and shall not be deemed to be outstanding for, among other things, the purposes of calculating quorums at meetings of the Shareholders or for the purposes of Conditions 9 and 11.

Subject to applicable laws and regulations, all Certificates representing Preference Shares purchased by or on behalf of the Issuer, the Parent, the Financing Recipients or any of their respective Subsidiaries may be held, reissued, resold or surrendered for cancellation to the Registrar and, upon surrender thereof, all such Preference Shares shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Preference Shares shall be discharged immediately upon cancellation of the relevant Certificates.

6.11 Cancellation

Upon surrender, in accordance with the relevant redemption notice as referred to in this Condition 6, of the Certificates for any Preference Shares so redeemed, such Preference Shares shall be redeemed by the Company at the relevant redemption price and thereafter cancelled in accordance with relevant law.

7 TAXATION

All payments of Dividends, Liquidation Preference and/or any other amounts in respect of the Preference Shares (including any Arrears of Dividend or any Additional Dividend Amount) shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or the PRC or, in any such case, any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by the law of the Cayman Islands or the PRC. In that event, the Issuer shall pay such additional amounts (the "**Additional Tax Amounts**") as will result in the receipt by the Preference Shareholders of such amounts as would have been received by them if no such withholding or deduction had been required, provided, however, that no such Additional Tax Amounts shall be payable in respect of any Preference Shares:

(a) to a Preference Shareholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Preference Share by reason of its having some connection with the Cayman Islands or the PRC other than the mere holding of such Preference Share or where the withholding or deduction could be avoided by the Preference Shareholder making a declaration of non-residence or other similar claim for exemption to the appropriate authority; or

(b) in respect of which the Certificate representing it is surrendered for payment more than 30 days after the Relevant Date, except to the extent that the Preference Shareholder would have been entitled to such Additional Tax Amounts if it had surrendered such Certificate on the last day of such period of 30 days (as if such last day were a Payment Business Day).

For the avoidance of doubt, the Issuer's obligation to pay any Additional Tax Amounts will not apply to (a) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, duty, assessment or other governmental charge or (b) any tax, duty, assessment or other governmental charge that is payable otherwise than by deduction or withholding from payments of Dividend on (including any Arrears of Dividend and any Additional Dividend Amount) or Liquidation Preference of the Preference Shares; provided that the Issuer shall pay all stamp or other taxes, duties, assessments or other governmental charges, if any, that may be imposed by the Cayman Islands or the PRC or any political subdivision thereof or any taxing authority thereof or therein as a consequence of the issuance of the Preference Shares.

Any reference to Dividend or Liquidation Preference with respect to the Preference Shares will be deemed to include any Arrears of Dividend and any Additional Tax Amounts payable by the Issuer in respect of such Dividend or Liquidation Preference as described above in this Condition 7.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, charges, assessments, governmental charges, withholding or other payment referred to in this Condition 7 or otherwise in connection with the Preference Shares or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Holder or any third party to pay such tax, duty, charges, assessments, governmental charges, withholding or other payment in any jurisdiction or be responsible to provide any notice or information in relation to the Preference Shares in connection with payment of such tax, duty, charges, assessments, governmental charges, withholding or other payment imposed by or in any jurisdiction, including without limitation any notice or information that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Preference Shares without deduction or withholding for or on account of any tax, duty, charges, assessments, governmental charges, withholding or other payment imposed by or in any jurisdiction.

8 UNDERTAKINGS

8.1 Undertakings relating to the Issuer

For so long as any Preference Share remains outstanding, the Issuer hereby undertakes to the Preference Shareholders and the Trustee that it shall:

(i) not carry on any business activity and not incur or have outstanding any Indebtedness, other than (a) borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into the Intragroup Financing Agreements and the Financing Guarantees and any other activities reasonably incidental thereto; and (b) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders. For the avoidance of doubt, this provision does not prevent the Issuer from conducting any corporate administrative activity such as maintaining its registered office, making internal or governmental registrations and/or filings (including maintaining and updating its register of director(s) and register of member(s)), opening and operating bank accounts and/or engaging any service provider in connection with the foregoing;

(ii) not create and issue further preference shares ranking as regards participation in the profits and assets of the Issuer equally in all respects with or senior to the Preference Shares; and

(iii) ensure that all liabilities owed by the Issuer to the Parent and/or other Subsidiaries of the Parent rank or are expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders.

Each of the Issuer and the Parent has in the Keepwell Deed provided certain other undertakings relating to the Issuer, the Intragroup Financing Agreements and the Financing Guarantees.

8.2 Undertakings relating to NDRC

The Issuer undertakes to the Preference Shareholders and the Trustee to file or cause to be filed with the National Development and Reform Commission of the PRC (the "**NDRC**") the requisite information and documents in respect of the issuance of the Preference Shares within the prescribed time frame and in accordance with the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號))(the "**NDRC Administrative Measures**") issued by the NDRC on 5 January 2023 which came into effect on 10 February 2023 and any implementation rules as issued by the NDRC from time to time (the "**Post-Issuance Filing**") and shall comply with any related filing and/or reporting requirement under the NDRC Administrative Measures.

The Issuer shall, within 10 PRC Business Days after submission of the Post-Issuance Filing, provide the Trustee with (i) a certificate in English in substantially the form set out in the Trust Deed signed by an Authorised Signatory of the Issuer or the Parent confirming the submission of the Post-Issuance Filing and (ii) copies of the relevant documents evidencing the Post-Issuance Filing (if any), each certified in English as being a true and complete copy of the original by an Authorised Signatory of the Issuer or the Parent (together, the "**NDRC Filing Documents**").

The Trustee may rely conclusively on the NDRC Filing Documents and shall have no obligation or duty to monitor or ensure or to assist with the Post-Issuance Filing within the prescribed time frame or to verify the accuracy, completeness, content, validity and/or genuineness of any documents in relation to or in connection with the Post-Issuance Filing or to translate or procure that any NDRC Filing Document is translated into English or to give notice to the Preference Shareholders confirming the completion of the Post-Issuance Filing, and shall not be liable to Preference Shareholders or any other person for not doing so.

8.3 Undertakings relating to SAFE Registration

The Parent has undertaken in the Financing Guarantees to file or cause to be filed with the State Administration of Foreign Exchange of the PRC or its local branch ("**SAFE**") the Financing Guarantees within the prescribed timeframe after execution of each Financing Guarantee in accordance with the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees(跨境擔保外匯管理規定)promulgated by SAFE on 12 May 2014 which came into effect on 1 June 2014 (the "**Cross-Border Security Registration**"). The Parent shall use all reasonable endeavours to complete or procure to be completed the Cross-Border Security Registration in respect of each Financing Guarantee and obtain a registration certificate from SAFE (or any other document evidencing the completion of registration issued by SAFE) in respect of each Financing Guarantee on or before the Registration Deadline and shall comply with all applicable PRC laws and regulations in relation to the Financing Guarantees.

The Parent shall, on or before the Registration Deadline, provide the Trustee with (i) a certificate in English substantially in the form set out in the Trust Deed signed by an Authorised Signatory of the Parent confirming the completion of the Cross-Border Security Registration in respect of each Financing Guarantee; and (ii) a copy of the SAFE registration certificate (or any other document evidencing the completion of registration issued by SAFE) and the particulars of registration in respect of each Financing Guarantee, each certified in English as a true and complete copy of the original by an Authorised Signatory of the Parent (the documents in (i) and (ii) being the "**Registration Documents**"). In addition, the Issuer shall within 10 PRC Business Days after the documents comprising the Registration Documents are delivered to the Trustee, give notice to the Preference Shareholders (in accordance with Condition 12) confirming the completion of the Cross-Border Security Registration in respect of each Financing Guarantee.

The Trustee may rely conclusively on the Registration Documents and shall have no obligation or duty to monitor or ensure or to assist with the Cross-Border Security Registration within the prescribed time frame or to verify the accuracy, completeness, content, validity and/or genuineness of any documents in relation to or in connection with the Cross-Border Security Registration or to translate or procure that any Registration Document is translated into English or to give notice to the Preference Shareholders confirming the completion of the Cross-Border Security Registration, and shall not be liable to Preference Shareholders or any other person for not doing so.

8.4 Financial Statements etc.

The Parent has undertaken in the Trust Deed that so long as any Preference Share remains outstanding, it shall furnish the Trustee with:

(i) a Compliance Certificate of the Parent (on which the Preference Shareholders and the Trustee may rely conclusively as to such compliance and shall be under no obligation to verify the information contained therein) and a copy of the relevant Parent Audited Financial Reports within 180 days of the end of each Relevant Period (audited by an

internationally or a nationally recognised firm of independent accountants) and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) an internationally or a nationally recognised firm of accountants or (B) a professional translation service provider and checked by an internationally or a nationally recognised firm of accountants (and the Preference Shareholders and the Trustee shall have no obligation to verify the completeness or accuracy of any such translation or that the person who has translated the relevant Parent Audited Financial Reports meets the requirements of (A) or (B) above and may rely conclusively without liability on any such translation furnished to it with the relevant Parent Audited Financial Reports); and

(ii) a copy of the Parent Unaudited Financial Statements within 120 days of the end of each Relevant Period prepared on a basis consistent with the Parent Audited Financial Reports and if such statements shall be in the Chinese language, together with an English translation of the same and translated by (A) an internationally or a nationally recognised firm of accountants or (B) a professional translation service provider and checked by an internationally or a nationally recognised firm of accountants (and the Preference Shareholders and the Trustee shall have no obligation to verify the completeness or accuracy of any such translation or that the person who has translated the relevant Parent Unaudited Financial Statements meets the requirements of (A) or (B) above and may rely conclusively without liability on any such translation furnished to it with the relevant Parent Unaudited Financial Statements),

provided that, if at any time the capital stock of the Parent is listed for trading on a recognised stock exchange, the Parent may furnish the Trustee, as soon as they are available but in any event not more than 30 days after any financial reports of the Parent are filed with the stock exchange on which the Parent's capital stock is at such time listed for trading, with copies of any financial reports of the Parent filed with such stock exchange in lieu of the Parent Audited Financial Reports and the Parent Unaudited Financial Statements referred to in this Condition 8.4 and, if such financial reports shall be in the Chinese language, together with an English translation of the same translated by (x) an internationally or a nationally recognised firm of accountants or (y) a professional translation service provider and checked by an internationally or a nationally recognised firm of accountants (and the Preference Shareholders and the Trustee shall have no obligation to verify the completeness or accuracy of any such translation or that the person who has translated such financial reports meets the requirements of (x) or (y) above and may rely conclusively without liability on any such translation furnished to it with such financial reports), in lieu of the documents identified in this Condition 8.4.

Subject to the Articles of Association, Preference Shareholders have no general right under Cayman Islands law to inspect or obtain copies of the Issuer's list of Shareholders or corporate records.

9 ENFORCEMENT EVENT

9.1 Enforcement Event

Notwithstanding any other provisions of the Preference Shares, the right of Preference Shareholders and the Trustee to institute proceedings for Winding-Up of the Issuer is limited to circumstances where payment in respect of the Preference Shares has become due and remains unpaid as set out in the paragraph below. In the case of any Dividend, such Dividend will not be due if the Issuer has elected to defer that Dividend (including any Arrears of Dividend or Additional Dividend Amount) in accordance with Condition 4.6.

If default is made in the payment of any amount of the Liquidation Preference or Dividends (including any Arrears of Dividend and any Additional Dividend Amount) in respect of the Preference Shares on the due date of payment thereof and such failure continues for a period of 14 days or more (each, an "**Enforcement Event**"), then in order to enforce the obligations of the Issuer, the Trustee at its sole and absolute discretion may and, if so requested by Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the Preference Shares then issued and outstanding, shall (subject to the Trustee in any such case having been indemnified and/or provided with security and/or pre-funded to its satisfaction) institute proceedings for the Winding-Up of the Issuer and/or prove and/or claim in the Winding-Up of the Issuer for such payment.

9.2 Winding-Up of the Issuer or the Parent

In the event of a Winding-Up of the Issuer or the Parent (whether or not an Enforcement Event has occurred and is continuing), the Trustee at its sole and absolute discretion may and, if so requested by Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the issued and outstanding Preference Shares, shall (subject to the Trustee in any such case having been indemnified and/or provided with security and/or pre-funded to its satisfaction) give written notice to the Issuer declaring the Liquidation Preference in respect of the Preference Shares to be immediately due and payable, whereupon such Liquidation Preference together with accrued but unpaid Dividends (including any Arrears of Dividend and any Additional Dividend Amount) up to but excluding the date of actual payment shall become immediately due and payable without further action or formality.

9.3 Enforcement of the Preference Shares

Without prejudice to Conditions 9.1 and 9.2, the Trustee may subject as provided below, at its sole and absolute discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer and the Parent if the Issuer or the Parent fails to perform, observe or comply with any obligation, condition or provision relating to the Preference Shares binding on it under these Conditions, the Articles of Association, the Keepwell Deed and/or the Trust Deed (other than any obligation of the Issuer for the payment of the Liquidation Preference or any Dividends in respect of the Preference Shares), provided that the Issuer shall not as a consequence of such actions and/or steps and/or proceedings be obliged to pay any sum or sums representing or measured by reference to Liquidation Preference or Dividends in respect of the Preference Shares sooner than the same would otherwise have been payable by it.

The Trustee shall not be bound to take action as referred to in this Condition 9 or any other action under the Trust Deed, these Conditions, the Preference Shares, the Articles of Association and/or the Keepwell Deed or to exercise and enforce the Issuer's rights under the Intragroup Financing Agreements and/or the Financing Guarantees on behalf of the Issuer unless (a) it shall have been so requested by Preference Shareholders holding at least 25.0 per cent. in aggregate Liquidation Preference of the Preference Shares then issued and outstanding and (b) it shall have been indemnified and/or provided with security and/or put in funds to its satisfaction. Subject to applicable laws and regulations, no remedy (including the exercise of any right of set-off or analogous event) other than those provided for in this Condition 9 or submitting a claim in the Winding-Up of the Issuer will be available to the Trustee or the Preference Shareholders.

Subject to applicable laws and regulations, no Preference Shareholder shall be entitled to proceed directly against the Issuer or the Parent unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing. No Preference Shareholder shall be entitled either to institute proceedings for the Winding-Up of the Issuer or to submit a claim in such Winding-Up of the Issuer, except that if the Trustee, having become bound to institute such proceedings as aforesaid, fails to do so, or, being able and bound to submit a claim in such Winding-Up of the Issuer, fails to do so, in each case within a reasonable period and such failure is continuing, in which case the Preference Shareholders shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 9.

9.4 Enforcement of the Intragroup Financing Agreements and the Financing Guarantees

The Issuer has pursuant to the Trust Deed granted an irrevocable power of attorney (the "**Power of Attorney**") to the Trustee and its custodian, agent, delegate or nominee (each, an "**Appointee**") to, in such manner as the Trustee or the Appointee thinks fit, enforce the Issuer's rights under the Intragroup Financing Agreements and the Financing Guarantees on behalf of the Issuer in the event of (i) a Winding-Up of any Financing Recipient or the Parent; and/or (ii) any amount under any Intragroup Financing Agreement and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Issuer not being paid when due or (as the case may be) within any applicable grace period.

Other than the enforcement rights granted pursuant to the Power of Attorney, the Trustee and any Appointee shall not be entitled to enforce the Issuer's rights under the Intragroup Financing Agreements or the Financing Guarantees.

10 PRESCRIPTION

Any Dividend (including any Arrears of Dividend and any Additional Dividend Amount) unclaimed after a period of 5 years from the date when it became due for payment and any Liquidation Preference unclaimed after a period of 10 years from the date when it became due for payment shall be forfeited and shall revert to the Issuer, and the payment by the Board of any unclaimed Dividend (including any Arrears of Dividend and any Additional Dividend Amount) or other sum payable on or in respect of a Preference Share into a separate account shall not constitute the Issuer a trustee in respect of it. No Dividend or other monies paid on or in respect of the Preference Shares and which remains available to be claimed shall bear interest as against the Issuer.

11 VOTING RIGHTS AND MEETINGS

11.1 Voting Rights of Preference Shareholders

The Preference Shareholders shall not be entitled to convene, attend or vote at any Shareholders' meeting, except as set forth in this Condition 11 or as otherwise from time to time required by law.

For so long as any Preference Share remains outstanding, the Preference Shareholders will be entitled to attend the Shareholders' meeting and will be entitled to one vote for each issued and outstanding Preference Share and vote together with other Preference Shareholders as a separate class from the Ordinary Shareholders, in respect of the following matters:

(i) any modification, amendment or revocation of the rights and/or privileges attached to the Preference Shares in these Conditions, the Articles of Association or the Keepwell Deed;

(ii) any other matter relating to the Issuer or the Ordinary Shares that is materially prejudicial to the interests of the Preference Shareholders;

(iii) the convening of proceedings for the administration, voluntary liquidation, dissolution, reorganisation, division, merger, amalgamation, consolidation or corporate reconstruction of the Issuer;

(iv) the convening of proceedings for the dissolution, reconstruction, amalgamation, reorganisation, merger or consolidation of the Parent or any Financing Recipient that would otherwise constitute a Winding-Up of the Parent or such Financing Recipient under these Conditions or the Intragroup Financing Agreements, as the case may be;

(v) the amending, supplementing, varying or waiving of any provision of the Intragroup Financing Agreements, the exercising of any right to rescind, cancel or terminate the Intragroup Financing Agreements, the transfer or assigning of any right under the Intragroup Financing Agreements or waiving or consenting to any breach or proposed breach of any provision of the Intragroup Financing Agreements, except for any such action by the Issuer that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(vi) the amending, supplementing, varying or waiving of any provision of the Financing Guarantees, the exercising of any right to rescind, cancel or terminate the Financing Guarantees, the transfer or assigning of any right under the Financing Guarantees or waiving or consenting to any breach or proposed breach of any provision of the Financing Guarantees, except for any such action by the Issuer that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(vii) the use of any amounts received by the Issuer pursuant to the Intragroup Financing Agreements or the Financing Guarantees (other than any Surplus) for any purposes other than payment to the Preference Shareholders pursuant to these Conditions or redemption of the Preference Shares in accordance with Condition 6 or to cover all amounts referred to in clause 5.1.6 of the Keepwell Deed; and/or

(viii) any consent by the Issuer to the exercise or claim of any right of set-off or counterclaim by the Financing Recipients or the Parent in respect of any amounts due and payable to the Issuer under the Intragroup Financing Agreements or the Financing Guarantees respectively,

(each, a "**Preference Shareholder Matter Resolution**"). The Preference Shares held by, or on behalf of, the Issuer, the Parent, the Financing Recipients or any of their respective Subsidiaries shall have no voting rights.

Passing of a Preference Shareholder Matter Resolution shall require (a) more than two-third of votes held by the Preference Shareholders present at the meeting and (b) more than two-third of votes held by the Ordinary Shareholders present at the meeting.

The Issuer shall, in accordance with the Articles of Association, notify the Preference Shareholders of any Shareholders' meeting in relation to a Preference Shareholder Matter Resolution.

For the avoidance of doubt, a Preference Shareholder Matter Resolution shall not be required for (i) any issuance of Ordinary Shares to the Parent or to any wholly-owned Subsidiary of the Parent; or (ii) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders.

The Surplus can be used at the full discretion of the Issuer, including being applied towards payment of distributions to its Ordinary Shareholders, but until the Surplus is used, it shall remain the general funds of the Issuer.

11.2 Meetings of Shareholders

The provisions of Article 22 of the Articles of Association shall apply to the conduct of any Shareholders' meeting convened to consider a Preference Shareholder Matter Resolution. The quorum for any meeting convened to consider a Preference Shareholder Matter Resolution is set out in Articles 22.1(a) and 22.3(a).

In addition, the provisions relating to virtual meetings, Written Resolutions and Electronic Consent (each term as defined in the Trust Deed) as set out in Schedule 3 of the Trust Deed shall be applicable to any Preference Shareholder Matter Resolution.

12 NOTICES

The provisions of Article 44 of the Articles of Association shall apply to the giving of notices to the Preference Shareholders.

So long as the Global Certificate is held on behalf of Euroclear and Clearstream, any notice to the Preference Shareholders shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by these Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

13 AGENTS

The Principal Paying Agent, the Registrar, the Transfer Agent and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Principal Paying Agent, the Registrar, the Transfer Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Preference Shareholders. The Issuer reserves the right at any time with the prior approval of the Trustee (where required in accordance with the Agency Agreement) to vary or terminate the appointment of the Principal Paying Agent, the Registrar, the Transfer Agent, the Calculation Agent or any of the other Agents and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, and (iv) a Calculation Agent.

Notice of any such change or any change of any specified office of an Agent shall promptly be given by the Issuer to the Preference Shareholders in accordance with Condition 12.

14 FURTHER ISSUES

The Issuer may not create and issue further Preference Shares ranking as regards participation in the profits and assets of the Issuer equally in all respects with the Preference Shares without a Preference Shareholder Matter Resolution.

15 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (AS REVISED)

Save as provided for in Condition 9.3, no person shall have any right to enforce any term or condition of the Preference Shares under the Contracts (Rights of Third Parties) Act (As Revised).

16 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including, without limitation, provisions relieving it from taking any steps and/or actions and/or instituting any proceedings to enforce its rights in accordance with these Conditions and/or in respect of the Preference Shares and/or from taking other steps and/or actions and/or instituting proceedings unless first indemnified and/or secured and/or pre-funded to its satisfaction and entitling the Trustee to be paid or reimbursed for its fees, costs, expenses and indemnity payments and for any liabilities incurred by it in priority to the claims of Preference Shareholders. The Trustee is entitled to enter into business transactions with the Issuer, the Parent and/or any entity related (directly or indirectly) to the Issuer or the Parent without accounting for any profit.

The Trustee may rely conclusively, and may act or refrain from acting, in each case without liability to the Preference Shareholders, the Issuer, the Parent or any other person on any report, confirmation, certificate or information from or any advice or opinion of any accountants, auditors, lawyers, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely conclusively on any such report, confirmation, certificate, information, advice or opinion, in which event such report, confirmation, certificate, information, advice or opinion shall be binding on the Preference Shareholders.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement, the Keepwell Deed or these Conditions to exercise any discretion or power, take or refrain from taking any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from taking any such action, making any such decision or giving any such direction or certification, to seek directions from the Preference Shareholders or clarification of any directions, and the Trustee shall be entitled to rely on any such direction or clarification and shall not be responsible or liable for any loss or liability incurred by the Issuer, the Parent, the Preference Shareholders or any other person as a result of any delay in it exercising such discretion or power, taking or refraining from taking such action, making such decision or giving such direction or certification where the Trustee is seeking such direction or clarification of any directions from the Preference Shareholders or in the event that the instructions sought are not provided by the Preference Shareholders. None of the Trustee or any Agent shall be liable to any Preference Shareholder, the Issuer, the Parent or any other person for any action taken by the Trustee in accordance with the instructions or any direction or request of the Preference Shareholders. The Trustee shall be entitled to rely on any direction or instruction or request of Preference Shareholders as contemplated or permitted by the Trust Deed and/or the Preference Shares.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Parent, and any other person appointed by the Issuer or the Parent in relation to the Preference Shares, of the duties and obligations on their part expressed in respect of the same and, unless it has express notice in writing to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed.

None of the Trustee or any of the Agents shall have any obligation to monitor or take any steps to ascertain compliance with the provisions of the Articles of Association, the Keepwell Deed, the Intragroup Financing Agreements, the Financing Guarantees and/or the Trust Deed or these Conditions or whether an Enforcement Event or any event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided for in Condition 9 become an Enforcement Event has occurred and shall not be liable to the Preference Shareholders or any other person for not doing so.

Each Preference Shareholder shall be solely responsible for making and continuing to make its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Parent, and the Trustee shall not at any time have any responsibility for the same and no Preference Shareholders shall rely on the Trustee in respect thereof.

17 GOVERNING LAW AND JURISDICTION

17.1 Governing Law

The Preference Shares and the rights and obligations attached to them are governed by, and shall be construed in accordance with, the laws of the Cayman Islands.

17.2 Jurisdiction

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Preference Share and accordingly any legal action or proceedings arising out of or in connection with any Preference Share (a "**Proceeding**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

18 CURRENCY INDEMNITY

U.S. dollars is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Preference Shares (including damages). Any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the Winding-Up of the Issuer or otherwise) by any Preference Shareholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any Preference Share, the Issuer shall indemnify such recipient against any loss sustained by it as a result. In any event, the Issuer shall indemnify such recipient against the cost of making any such purchase. For the purposes of this Condition 18, it will be sufficient for the Preference Shareholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Preference Shareholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Preference Share or any other judgment or order.

19 DEFINITIONS

"**Board**" means the board of directors of the Issuer.

"**Breach of Covenants Event**" means the occurrence of (i) a Covenant Breach and (ii) the Trustee at its discretion or acting on the instructions of Holders of at least 25.0 per cent. in aggregate Liquidation Preference of the issued and outstanding Preference Shares, gives notice in writing to the Issuer that the Dividend Rate will be adjusted in accordance with Condition 4.7 unless the Preference Shares are redeemed in accordance with Condition 6.6.

"**Calculation Business Day**" means a day, other than a Saturday or Sunday or public holiday, on which commercial banks are open for general business in Hong Kong, New York and the place of the specified office of the Calculation Agent.

"**Change of Control Event**" means the occurrence of one or more of the following events:

(i) (x) SASAC and (y) any other person or persons (whether singly or in combination) directly or indirectly Controlled by the central government of the PRC (such person or persons and SASAC, the "**PRC Government Persons**" and each, a "**PRC Government Person**") together cease to directly or indirectly hold or own at least 50.1 per cent. of the issued ordinary share capital of the Parent;

(ii) the Parent ceases to directly or indirectly hold or own 100 per cent. of the outstanding Ordinary Shares of the Issuer; or

(iii) the Parent consolidates with or merges into or sells or transfers all or substantially all of the Parent's assets to any other person or persons, acting together, except (x) where such person(s) is/are Controlled by the PRC Government Person(s); or (y) where the Parent is the surviving entity after the consolidation or merger.

"**Comparable Treasury Price**" means, with respect to the Relevant Calculation Date, the average of three Reference Treasury Dealer Quotations for such Relevant Calculation Date or, if fewer than three such Reference Treasury Dealer Quotations are available, the average of any Reference Treasury Dealer Quotations.

"**Compulsory Dividend Payment Event**" means circumstances in which during the three-month period ending on the day before the relevant scheduled Dividend Payment Date either or both of the following have occurred:

(i) the Issuer has declared or paid any discretionary dividends or discretionary distributions or made any other discretionary payment, or has procured that such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Issuer; or

(ii) the Issuer has at its discretion redeemed, reduced, cancelled, bought-back or otherwise acquired for any consideration any Parity Obligations or Junior Obligations of the Issuer prior to its stated maturity.

"**Comparable US Treasury Issue**" means in relation to calculating the Relevant Reset Dividend Rate, the US Treasury security selected by the Issuer and notified in writing by the Issuer as having a maturity of three years that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of three years.

"**Compliance Certificate**" means a certificate of the Parent (on behalf of itself and the Issuer) in English in the form scheduled to the Trust Deed signed by an Authorised Signatory of the Parent that, having made all reasonable enquiries, to the best knowledge, information and belief of the Parent (on behalf of itself and the Issuer), as at a date (the "**Certification Date**") not more than five days before the date of the certificate that:

(i) no Enforcement Event, or any event or circumstance which could, with the giving of notice, lapse of time, the issuing of a certificate and/or fulfilment of any other requirement provided

for in Condition 9 become an Enforcement Event has occurred since the Certification Date of the last such certificate or (if none) the Issue Date or, if such an event had occurred, giving details of it; and

(ii) each of the Issuer and the Parent has complied with all its covenants and obligations under the Trust Deed, the Conditions, the Articles of Association, the Intragroup Financing Agreements, the Financing Guarantees and the Preference Shares (as applicable).

"**Control**" means (A) the ownership, acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of a person, (B) the right to appoint and/or remove all or the majority of the members of a person's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise or (C) the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such person, and the term "**Controlled**" has a meaning correlative to the foregoing.

"**Covenant Breach**" means a non-compliance and/or non-performance of any one or more of the obligations and covenants set out in Condition 4.6(v)(B) by the Parent or Condition 8.

"**First Call Date**" means 27 May 2028.

"**First Reset Date**" means 27 June 2028.

"**Indebtedness**" means all indebtedness for moneys borrowed or raised (whether senior or subordinated).

"**Initial Spread**" means 1.004 per cent. per annum.

"**Junior Obligations**" means:

(i) in respect of the Issuer, the Ordinary Shares of the Issuer or any other class of the Issuer's share capital (but excluding any preference shares) and any other obligation issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or by operation of law, junior to the Preference Shares; and

(ii) in respect of the Parent, any Subordinated Indebtedness issued or guaranteed by the Parent, any class of the Parent's share capital (including any preference shares) and any other obligation issued, entered into or guaranteed by the Parent that ranks or is expressed to rank, by its terms or by operation of law, junior to the Financing Guarantees.

"**Ordinary Shares**" means the ordinary share(s) of the Issuer of par value U.S.$1.00 each in the share capital of the Issuer and any other class of ordinary shares of the Issuer in issue from time to time.

"**Ordinary Shareholders**" means the holders of the Ordinary Shares.

"**Parent Audited Financial Reports**" means, for a Relevant Period the annual audited consolidated financial statements of the Parent together with any statements, reports (including, if any, any directors' and auditors' reports) and notes attached to or intended to be read with any of them, prepared in accordance with the applicable PRC GAAP or other internationally recognised generally accepted accounting principles.

"**Parent Unaudited Financial Statements**" means, for a Relevant Period, the unaudited and unreviewed consolidated income statements, balance sheets and cash flow statements of the Parent without any notes or reports attached, prepared on a basis consistent with the Parent Audited Financial Reports.

"**Parity Obligations**" means:

(i) in respect of the Issuer, any other class of preference shares in the capital of the Issuer, any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or by operation of law, *pari passu* to the Preference Shares; and

(ii) in respect of the Parent, any unsecured and unsubordinated instrument or security issued, entered into or guaranteed by the Parent that ranks or is expressed to rank, by its terms or by operation of law, *pari passu* to the Financing Guarantees.

"**Payment Business Day**" means, a day other than a Saturday or Sunday on which commercial banks are open for business in the Cayman Islands, Hong Kong, New York and the city in which the specified office of the Principal Paying Agent is located.

"**PRC**" means the People's Republic of China, excluding for the purpose of these Conditions only the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

"**PRC Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are generally open for business in Beijing.

"**PRC GAAP**" means the generally accepted accounting principles in the PRC in effect from time to time.

"**Reference Treasury Dealer**" means each of the three nationally recognised firms that are primary U.S. Government securities dealers selected by the Issuer and notified in writing by the Issuer to the Calculation Agent.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and a Relevant Calculation Date, the average as determined by the Calculation Agent, of the bid and asked prices for the Comparable US Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer at its request by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on such Relevant Calculation Date and notified in writing by the Issuer.

"**Registration Deadline**" means the day falling 210 PRC Business Days after the Issue Date.

"**Relevant Calculation Date**" means the third Calculation Business Day immediately preceding the relevant Reset Date.

"**Relevant Date**" in respect of any Preference Share means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Preference Shareholders that, upon further surrender of the Certificate representing such Preference Share being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

"**Relevant Indebtedness Default Event**" means the occurrence of one or more of the following events (and such event is continuing): (i) any other present or future indebtedness of the Issuer or the Parent or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) principal of any such indebtedness for or in respect of moneys borrowed or raised is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or the Parent or any of their respective Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any principal of moneys borrowed or raised, provided that the aggregate outstanding amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in (i), (ii) and (iii) above in this definition have occurred equals or exceeds 2.0 per cent. of the Total Equity of the Parent or its equivalent (on the basis of the middle spot rate for the relevant currency against the Renminbi as quoted by any leading bank on the day on which this provision operates), where "**Total Equity**" means, as of any date, the total owners' equity of the Parent, on a consolidated basis determined in accordance with PRC GAAP or other internationally recognised generally accepted accounting principles.

"**Relevant Percentage**" means the aggregate outstanding principal amount of the Financing(s) guaranteed by the Guarantee(s) in respect of which Cross-Border Security Registration has not been completed (as notified by the Issuer to the Trustee) divided by the aggregate outstanding principal amount of all of the Financings expressed as a percentage.

"**Relevant Period**" means, in relation to the Parent Audited Financial Reports, each period of 12 months ending on the last day of the Parent's financial year (being 31 December of that financial year), and in relation to the Parent Unaudited Financial Statements, each period of three months, six months and nine months, respectively, ending on the last day of each quarter of the Parent's financial year (being 31 March, 30 June and 30 September, respectively, of that financial year), insofar as the Parent publishes such quarterly financial statements pursuant to applicable laws and regulations.

"**Relevant Reset Dividend Rate**" in respect of any Reset Period means the Dividend rate per annum (expressed as a percentage) representing the sum of (1) the 3-year US Treasury Rate in relation to that Reset Period, (2) the Initial Spread and (3) the Step-up Margin.

"**Reset Date**" means the First Reset Date and each date that falls three years or a multiple of three years following the First Reset Date.

"**Reset Period**" means the period from and including the First Reset Date to but excluding the next succeeding Reset Date, and each successive period from and including a Reset Date to but excluding the next succeeding Reset Date.

"**SASAC**" means State-owned Assets Supervision and Administration Commission of the State Council of the PRC（國務院國有資產監督管理委員）.

"**Shareholders**" means the holders of any class of share of the Issuer from time to time.

"**Step-up Margin**" means 3.00 per cent. per annum.

"**Step-up Rate**" means 3.00 per cent. per annum.

"**Subordinated Indebtedness**" means all Indebtedness which, in the event of the Winding-Up of the Parent, ranks, or is expressed to rank, by its terms or by operation of law, in right of payment behind the claims of unsecured and unsubordinated creditors of the Parent, and for this purpose Indebtedness shall include all liabilities, whether actual or contingent.

"**Subsidiary**" of any person means (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person.

"**Surplus**" means the excess of (i) any amount of distribution (including any arrears of distribution and any additional distribution amounts) received by the Issuer pursuant to the Intragroup Financing Agreements or the Financing Guarantees during a Dividend Period over (ii) any amount of Dividends (including any Arrears of Dividend and any Additional Dividend Amount) scheduled to be due and payable for such Dividend Period together with any amounts sufficient to cover those fees, costs, expenses, taxes and duties referred to in clauses 5.1.6(B) and 5.1.6(C) of the Keepwell Deed incurred from time to time but unpaid, whether due and payable in such Dividend Period or not, provided that no such Surplus shall be recognised where the Dividend for such Dividend Period (and any Arrears of Dividend and any Additional Dividend Amount) has been deferred (in whole or in part) and/or otherwise not paid to the Preference Shareholders.

"**US Treasury Rate**" means the rate per annum expressed as a percentage as determined by the Calculation Agent that is equal to the yield (that represents the average of the daily yields for the week immediately prior to the applicable Relevant Calculation Date) derived from the most recently published statistical release designated "H.15" or any successor publication that is published by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded US Treasury securities adjusted to constant maturity under the caption "Treasury constant maturities" for the maturity corresponding to the Comparable US Treasury Issue. If there is no Comparable US Treasury Issue with a maturity within three months before or after the next Reset Date (in the case of any determination of the Relevant Reset Dividend Rate), yields for the two published maturities most closely corresponding to such Reset Date will be determined and the US Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month. If such release (or any successor release) is not published during the week preceding the applicable Relevant Calculation Date or does not contain such yields, "**US Treasury Rate**" shall mean the rate per annum (expressed as a percentage) equal to the yield to maturity of the Comparable US Treasury Issue, calculated using a price for the Comparable US Treasury Issue (expressed as a percentage of its nominal amount) equal to the Comparable Treasury Price for the Relevant Calculation Date. If there is no Comparable Treasury Price for the Relevant Calculation Date, the "**US Treasury Rate**" shall mean the rate per annum (expressed as a percentage) as determined by the Calculation Agent that is equal to the yield (that represents the average of the daily yields for the week immediately prior to the applicable Relevant Calculation Date) derived from the most recently published statistical release designated "H.15" or any successor publication that is published by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded US Treasury securities adjusted to constant maturity under the caption "Treasury constant maturities" for the maturity corresponding to the Comparable US Treasury Issue.

"**Winding-Up**" means, with respect to any person, a final and effective order or resolution for the bankruptcy, winding up, liquidation, receivership or similar proceedings in respect of such person, except (A) for the purpose of and followed by a voluntary solvent winding-up of such person, or the substitution in place of such person of a successor in business; or (B) for the purpose of any dissolution, reconstruction, amalgamation, reorganisation, merger or consolidation of such person on terms approved by a Preference Shareholder Matter Resolution.

SUMMARY OF PROVISIONS RELATING TO THE PREFERENCE SHARES IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Preference Shares in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions of the Preference Shares set out in this Offering Circular. Terms defined in the Terms and Conditions of the Preference Shares have the same meaning in the paragraphs below. The following is a summary of those provisions:

The Preference Shares will be represented by a Global Certificate in registered form, which will be registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, promises to pay the aggregate Liquidation Preference and Dividends (including if any, any Arrears of Dividend and any Additional Dividend Amount) on the Preference Shares to the holder thereof on such date or dates as the same may become payable in accordance with the Terms and Conditions of the Preference Shares.

Owners of interests in the Preference Shares in respect of which the Global Certificate is issued will be entitled to have title to such Preference Shares registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer at its own expense will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Preference Shares. A person with an interest in any Preference Shares in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

PAYMENT

So long as the Preference Shares are represented by the Global Certificate, each payment in respect of such Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means a weekday (Monday to Friday inclusive) except 25 December and 1 January.

TRUSTEE'S POWERS

In considering the interests of the relevant holders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Preference Shares and (b) consider such interests on the basis that such accountholders were the holders of the Preference Shares in respect of which the Global Certificate is issued.

NOTICES

So long as the Preference Shares are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Preference Shares shall be given by delivery of the relevant notice to Euroclear and Clearstream or such

Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Preference Shares in substitution for notification as required by the Terms and Conditions of the Preference Shares.

TRANSFERS

Transfers of beneficial interests in the Preference Shares represented by the Global Certificate will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

CANCELLATION

Cancellation of any Preference Share represented by the Global Certificate which are required by the Terms and Conditions of the Preference Shares will be effected by a reduction in the Liquidation Preference of the Preference Shares in the Register.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Conditions 6.2, 6.3, 6.4, 6.5, 6.6, 6.7 and 6.8 of the Terms and Conditions of the Preference Shares may be exercised by the Issuer giving notice to the Trustee, the Preference Shareholders and the Principal Paying Agent of the principal amount of Preference Shares in respect of which the option is exercised within the time limits specified in the Terms and Conditions of the Preference Shares.

MEETINGS

For the purposes of any meeting of Preference Shareholders, the holder of the Preference Shares represented by the Global Certificate shall (unless the Global Certificate represents only one Preference Share) be treated as two persons for the purposes of any quorum requirements of a meeting of Preference Shareholders and as being entitled to one vote in respect of each U.S.$1,000 of Liquidation Preference of Preference Shares for which the Global Certificate is issued.

DESCRIPTION OF THE KEEPWELL DEED

The following contains summaries of certain key provisions of the Keepwell Deed with respect to the Preference Shares. Such statements do not purport to be complete and are qualified in their entirety by reference to the Keepwell Deed. Unless otherwise defined herein, defined terms used in this section shall have the meanings given to them in the Keepwell Deed.

UNDERTAKINGS RELATING TO THE ISSUER

In the Keepwell Deed, the Parent has provided undertakings in favour of the Trustee, in its capacity as the trustee for itself and the Preference Shareholders that, so long as any of any Preference Share remains outstanding, it shall:

(i) cause the Issuer to have sufficient liquidity and distributable reserves for timely payment by the Issuer of any amounts due and payable under or in respect of the Preference Shares in accordance with the Terms and Conditions of the Preference Shares, the Articles of Association, the Trust Deed and the Agency Agreement;

(ii) cause the Issuer to have a Consolidated Net Worth of at least U.S.$1.00 (or its equivalent in other currencies) at all times;

(iii) cause the Issuer to remain solvent and a going concern at all times under the laws of the Issuer's jurisdiction of incorporation or applicable accounting standards;

(iv) ensure that there is no dissolution or reorganisation of the Issuer and that the Issuer shall not enter into any division, merger, amalgamation or corporate reconstruction, other than as approved by a Preference Shareholder Matter Resolution;

(v) at all times directly or indirectly own 100 per cent. of the issued ordinary shares of the Issuer and not directly or indirectly transfer, mortgage, pledge, grant a security interest, or in any way encumber or otherwise dispose of any of the Issuer's ordinary shares;

(vi) ensure that the Issuer does not carry on any business activity or incur or have outstanding any indebtedness for moneys borrowed or raised (whether senior or subordinated), other than (a) borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into each Financing and the Financing Guarantees and any other activities reasonably incidental thereto and (b) the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders. For the avoidance of doubt, this provision does not prevent the Issuer from conducting any corporate administrative activity such as maintaining its registered office, making internal or governmental registrations and/or filings (including maintaining and updating its register of director(s) and register of member(s)), opening and operating bank accounts and/or engaging any service provider in connection with the foregoing;

(vii) ensure the Issuer does not create and issue further preference shares ranking as regards participation in the profits and assets of the Issuer equally in all respects with or senior to the Preference Shares; and

(viii) ensure that all liabilities owed by the Issuer to the Parent and/or other Subsidiaries of the Parent rank or are expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders.

UNDERTAKINGS RELATING TO THE PREFERENCE SHARES

In the Keepwell Deed, each of the Issuer and the Parent has provided undertakings in favour of the Trustee, in its capacity as the trustee for itself and the Preference Shareholders that, so long as any of any Preference Share remains outstanding, it shall:

(i) ensure that there shall not be any modification of the rights and privileges attached to the Preference Shares in the Terms and Conditions of the Preference Shares and the Articles of Association, other than as approved by a Preference Shareholder Matter Resolution;

(ii) ensure it will comply with all the provisions of the Terms and Conditions of the Preference Shares and the Preference Shares that are applicable to it (including the obligations of the Parent under Condition 4.6(v)(B)); and

(iii) ensure that there is no other modification or revocation of the rights of the Preference Shareholders specified in the Terms and Conditions of the Preference Shares, the Articles of Association or the Keepwell Deed, other than as approved by a Preference Shareholder Matter Resolution.

UNDERTAKINGS RELATING TO THE FINANCINGS AND THE FINANCING GUARANTEES

In the Keepwell Deed, each of the Issuer and the Parent has provided undertakings in favour of the Trustee, in its capacity as the trustee for itself and the Preference Shareholders that, so long as any of any Preference Share remains outstanding, it shall:

(i) not amend, supplement, vary or waive any provision of the Intragroup Financing Agreements, exercise any right to rescind, cancel or terminate the Intragroup Financing Agreements, transfer or assign any right under the Intragroup Financing Agreements or waive or consent to any breach or proposed breach of any provision of the Intragroup Financing Agreements, except for any such action by the Issuer that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(ii) not amend, supplement, vary or waive any provision of the Financing Guarantees, exercise any right to rescind, cancel or terminate the Financing Guarantees, transfer or assign any right under the Financing Guarantees or waive or consent to any breach or proposed breach of any provision of the Financing Guarantees, except for any such action by the Issuer or the Parent that is not materially prejudicial to the interests of the Issuer and/or any class of shareholders of the Issuer;

(iii) cause the Issuer to promptly exercise and enforce its rights under the Intragroup Financing Agreements and the Financing Guarantees to the full extent permitted by applicable law and the terms contained therein and, where applicable, as directed by the Trustee or, failing which, the Preference Shareholders;

(iv) cause any amounts received by the Issuer pursuant to the Intragroup Financing Agreements or the Financing Guarantees (other than any Surplus) not to be used for any purposes other than payment to the Preference Shareholders pursuant to the Terms and Conditions of the Preference Shares or redemption of the Preference Shares in accordance with the Terms and Conditions or to cover all amounts referred to in paragraph (vi) below. The Surplus can be used at the full discretion of the Issuer, including being applied towards payment of distributions to its Ordinary Shareholders, but until the Surplus is used, it shall remain the general funds of the Issuer;

(v) ensure that the Issuer shall not consent to the exercise or claim of any right of set-off or counterclaim by the Financing Recipients or the Parent in respect of any amounts due and payable to the Issuer under the Intragroup Financing Agreements or the Financing Guarantees respectively;

(vi) cause the amounts payable by the Financing Recipients under the Intragroup Financing Agreements to be at all times sufficient to (a) cover the Issuer's costs of funding and ensure the Issuer has sufficient distributable reserves to meet its obligations, (b) cover all fees, costs and expenses of the Issuer, including in respect of all administration and maintenance fees, costs and expenses of the Issuer, and (c) cover any stamp, issue, registration, documentary, transfer or other similar taxes and duties, including interest and penalties, payable by the Issuer in any jurisdiction in connection with the Intragroup Financing Agreements.

POWER OF ATTORNEY

The Issuer has pursuant to the Trust Deed granted an irrevocable power of attorney to the Trustee and its custodian, agent, delegate or nominee (each, an "**Appointee**") to, in such manner as the Trustee or the Appointee thinks fit, enforce the Issuer's rights under the Intragroup Financing Agreements and the Financing Guarantees on behalf of the Issuer in the event of (i) a Winding-Up of any Financing Recipient or the Parent; and/or (ii) any amount under any Intragroup Financing Agreement and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Issuer not being paid when due or (as the case may be) within any applicable grace period.

The Keepwell Deed and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English law.

The Keepwell Deed does not constitute a guarantee by the Parent of the obligations of the Issuer under the Preference Shares and may not give rise to a debt claim or an order for specific performance in the event of any insolvency proceedings in relation to the Parent.

DESCRIPTION OF THE INTRAGROUP FINANCING AGREEMENTS AND THE FINANCING GUARANTEES

The following contains summaries of certain key provisions of the Intragroup Financing Agreements and the Financing Guarantees. Such statements do not purport to be complete and are qualified in their entirety by reference to the Intragroup Financing Agreements and the Financing Guarantees. Unless otherwise defined herein, defined terms used in this section shall have the meanings given to them in the Intragroup Financing Agreements and the Financing Guarantees.

THE INTRAGROUP FINANCING AGREEMENTS

The Issuer will enter into certain Intragroup Financing Agreements, each with the Parent and the relevant Financing Recipient on or around the Issue Date, pursuant to which the Issuer as the Financing Provider will, subject to, and in accordance with, the provisions of the Intragroup Financing Agreements, provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients.

Status of each Financing

Payment obligation of each Financing Recipient under the relevant Intragroup Financing Agreement will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Financing Recipient and ranks and shall rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the relevant Financing Recipient, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Key Terms of each Financing

The arrangement of payment of principal amount and Distribution (as defined below) by each Financing Recipient will be similar to the Liquidation Preference and Dividend payment arrangement under the Preference Shares. Certain of the key terms of each Financing are as follows:

(i) Each Financing is perpetual and has no maturity date.

(ii) Subject to the Financing Recipient's right of deferral with respect to Distribution, each Financing confers the right to receive distribution ("**Distribution**") on a semi-annual basis on 27 June and 27 December in each year (each, a "**Distribution Payment Date**").

(iii) The rate of Distribution will initially be a rate not less than the Initial Dividend Rate (the "**Initial Distribution Rate**") and will be re-set to the Relevant Reset Distribution Rate (i) from, and including the First Reset Date, to, but excluding, the Reset Date falling immediately after the First Reset Date, and (ii) from, and including, each Reset Date thereafter to, but excluding, the immediately following Reset Date; where "**Relevant Reset Distribution Rate**" means the Distribution rate per annum (expressed as a percentage) representing the sum of (1) the 3-year US Treasury Rate in relation to that Reset Period, (2) a margin which will be calculated by considering the Initial Distribution Rate minus the benchmark rate for calculating the initial spread of the Preference Shares and (3) 3.00 per cent. per annum.

(iv) The amounts payable by the Financing Recipient under the Intragroup Financing Agreements will at all times be sufficient to (a) cover the Financing Provider's costs of funding and ensure that the Financing Provider has sufficient distributable reserves to meet its obligations under the Preference Shares, (b) cover all fees, costs and expenses of the Financing Provider, including in respect of all administration and maintenance fees, costs and expenses of the Financing Provider, and (c) cover any stamp, issue, registration, documentary, transfer or other similar taxes and duties, including interest and penalties, payable by the Financing Provider in any jurisdiction in connection with the relevant Intragroup Financing Agreement.

(v) The Financing Recipient may elect to defer any Distribution unless a Compulsory Distribution Payment Event has occurred. Distribution shall be deferred on a cumulative basis, on terms similar to the deferral of Dividends by the Issuer under the Preference Shares. A "**Compulsory Distribution Payment Event**" means circumstances in which during the three-month period ending on the day before the relevant scheduled Distribution Payment Date either or both of the following have occurred:

(a) the Financing Recipient has declared or paid any discretionary dividends or discretionary distributions or made any other discretionary payment, or has procured that such discretionary dividend, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Financing Recipient (except (a) in relation to Parity Obligations of the Financing Recipient, on a *pro rata* basis, or (b) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Financing Recipient); or

(b) the Financing Recipient has at its discretion redeemed, reduced, cancelled, bought-back or otherwise acquired for any consideration any Parity Obligations or Junior Obligations of the Financing Recipient prior to its stated maturity (except (a) in relation to Parity Obligations of the Financing Recipient, on a *pro rata* basis, (b) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Financing Recipient or (c) as a result of the exchange or conversion of the Financing Recipient's Parity Obligations for its Junior Obligations).

(vi) Each Financing contains a distribution stopper on terms similar to the dividend stopper in the Preference Shares. If, on any Distribution Payment Date, payment of Distribution scheduled to be made on such date is not made in full, the Financing Recipient and the Parent shall not:

(a) declare or pay any discretionary dividends or discretionary distributions or make any other discretionary payment, and will procure that no such discretionary dividends, discretionary distributions or other discretionary payment is made, on any Parity Obligations or Junior Obligations of the Financing Recipient or the Parent (except (A) in relation to Parity Obligations of the Financing Recipient or the Parent on a *pro rata* basis, or (B) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Financing Recipient or the Parent); or

(b) at its discretion redeem, reduce, cancel, buy back or otherwise acquire for any consideration any Parity Obligations or Junior Obligations of the Financing Recipient or the Parent prior to its stated maturity (except (a) in relation to Parity Obligations of the Financing Recipient or the Parent on a *pro rata* basis, (b) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Financing Recipient or the Parent or (c) as a result of the exchange or conversion of the Financing Recipient's or the Parent's Parity Obligations for its Junior Obligations),

in each case, unless and until the Financing Recipient has satisfied in full all outstanding Arrears of Distribution and Additional Distribution Amount.

Redemption

Save for any redemption pursuant to the paragraphs below, each Financing Recipient shall not at any time prepay any part of each Financing.

- On 27 May 2028 (the "**First Call Date**") or on any Distribution Payment Date after the First Call Date (each, a "**Call Date**"), the Financing Recipient may redeem in whole but not in part the Financing at its principal amount, together with any Distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued but unpaid to but excluding the date fixed for redemption.

- If the Financing Provider intends to redeem the Preference Shares, the Financing Provider shall inform the Financing Recipient and the Financing Recipient may choose to (but has no obligation to) redeem in whole but not in part the Financing on any date prior to the date on which the Financing Provider intends to redeem the Preference Shares, together with any Distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued but unpaid to but excluding the date fixed for redemption and notify the Financing Provider of its decision within five Payment Business Days.

Enforcement Events

The right of the Financing Provider to institute proceedings for Winding-Up of any Financing Recipient is limited to circumstances where payment in respect of any Financing has become due. If default is made by a Financing Recipient in the payment of any amount of the Financing or Distribution (including any Arrears of Distribution and any Additional Distribution Amount) on the due date of payment thereof and such failure continues for a period of 14 days or more (each, an "**Enforcement Event**"), then in order to enforce the obligations of the Financing Recipient, the Financing Provider may institute proceedings for the Winding-Up of the Financing Recipient and/or prove and/or claim in the Winding-Up of the Financing Recipient for such payment.

In the event of a Winding-Up of the Financing Recipient or the Parent (whether or not an Enforcement Event has occurred and is continuing), the Financing Provider may give written notice to the Financing Recipient declaring the principal amount of the Financing to be immediately due and payable, whereupon the principal amount of the Financing becomes immediately due and payable together with accrued but unpaid Distribution (including any Arrears of Distribution and any Additional Distribution Amount) up to but excluding the date of actual payment without further action or formality.

Undertakings

Each of the Financing Provider, the Financing Recipients and the Parent will agree and acknowledge pursuant to each Intragroup Financing Agreement that:

- none of the Financing Provider, the Financing Recipients and the Parent may amend, supplement, vary or waive any provision of the Intragroup Financing Agreements, exercise any right to rescind, cancel or terminate the Intragroup Financing Agreements, transfer or assign any right under the Intragroup Financing Agreements or waive or consent to any breach or proposed breach of any provision of the Intragroup Financing Agreements, except for any such action by the Financing Provider that is not materially prejudicial to the interests of the Financing Provider and/or any class of shareholders of the Financing Provider;

- neither the Financing Provider nor the Parent may amend, supplement, vary or waive any provision of the Financing Guarantees, exercise any right to rescind, cancel or terminate the Financing Guarantees, transfer or assign any right under the Financing Guarantees or waive or consent to any breach or proposed breach of any provision of the Financing Guarantees, except for any such action by the Financing Provider that is not materially prejudicial to the interests of the Financing Provider and/or any class of shareholders of the Financing Provider;

- the Financing Provider has pursuant to the Trust Deed granted an irrevocable power of attorney to the Trustee and its Appointee to, in such manner as the Trustee or the Appointee thinks fit, enforce the Financing Provider's rights under the Intragroup Financing Agreements and the Financing Guarantees on behalf of the Financing Provider in the event of (i) a Winding-Up of any Financing

Recipient or the Parent; and/or (ii) any amount under any Intragroup Financing Agreement and/or any Financing Guarantee payable by any Financing Recipient or the Parent to the Financing Provider not being paid when due or (as the case may be) within any applicable grace period;

- any amounts received by the Financing Provider pursuant to the Intragroup Financing Agreements or the Financing Guarantees (other than any Surplus) shall not be used for any purposes other than payment to the holders of the Preference Shares or redemption of the Preference Shares or to cover all amounts referred to paragraph (iv) of "*Key Terms of each Financing*" above, including all stamp, issue, registration, documentary, transfer or other similar taxes and duties, including interest and penalties, payable by the Financing Provider in any jurisdiction in connection with any Intragroup Financing Agreement; and

- the Financing Provider shall not consent to the exercise or claim of any right of set-off or counterclaim by any Financing Recipient or the Parent in respect of any amounts due and payable to the Financing Provider under the Intragroup Financing Agreements or the Financing Guarantees, respectively.

Governing Law

The Intragroup Financing Agreements and any non-contractual obligations arising out of or in connection with them, shall be governed by and construed in accordance with English law.

THE FINANCING GUARANTEES

The Parent will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Financing Recipient to the Financing Provider from time to time under the Intragroup Financing Agreements subject to, and in accordance with, the provisions of the Financing Guarantees entered into between the Issuer and the Parent on or around the Issue Date in respect of each Financing.

Status of the Financing Guarantees

Each Financing Guarantee will constitute direct, unconditional, unsubordinated and unsecured obligations of the Parent and rank and shall rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Parent, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Undertaking relating to SAFE Registration

The Parent will undertake in the Financing Guarantees that it will file or cause to be filed with SAFE the Financing Guarantees within the prescribed timeframe after execution of each Financing Guarantee in accordance with the Cross-Border Security Registration Provisions. The Parent shall use all reasonable endeavours to complete or procure to be completed the Cross-Border Security Registration in respect of each Financing Guarantee and obtain a registration certificate from SAFE (or any other document evidencing the completion of registration issued by SAFE) in respect of each Financing Guarantee on or before the Registration Deadline and shall comply with all applicable PRC laws and regulations in relation to the Financing Guarantees.

Governing Law

The Financing Guarantees and any non-contractual obligations arising out of or in connection with them, shall be governed by and construed in accordance with English law.

DESCRIPTION OF THE ARTICLES OF ASSOCIATION OF THE ISSUER

SUMMARY OF THE KEY PROVISIONS OF THE ARTICLES

Below is the summary of key provisions of the Articles, its purpose is to provide the investors with an overview on the Articles.

Priority of the Provisions Set out in the Schedule A

All provisions set out in the main body of the Articles shall be read in conjunction with and shall be subject to the Terms and Conditions of the Preference Shares which will be set out in the Schedule A to the Articles, which provide further details on the rights of Preference Shares. In the event of any difference between the provisions set out in the main body of the Articles and the provisions set out in the Terms and Conditions of the Preference Shares, the provisions set out in the Terms and Conditions of the Preference Shares shall prevail.

Ordinary Shares and Preference Shares

Subject as provided in the Articles (including Schedule A), the Issuer may allot and issue the Shares with the dividend, liquidation, redemption and voting rights set out in the Articles. The Directors may allot, issue, grant options over or otherwise dispose of Shares (including fractions of a share) to such persons, at such times and on such terms as they think proper.

All Ordinary Shares shall rank *pari passu* with each other in all respects. All Preference Shares shall rank *pari passu* with each other in all respects.

The Preference Shares shall rank senior to the Ordinary Shares with respect to the payment of Dividends and certain other matters as provided in the Articles.

The Preference Shares shall be issued at such issue price and on such dates as the Directors may determine.

No Preference Shares shall be issued unless the Issuer is in receipt of cleared funds in Dollars or other consideration of equivalent value as determined by the Directors for the issue price for such Preference Shares.

All Ordinary Shares and Preference Shares shall be issued fully paid as to their par value and any premium determined by the Directors at the time of issue and shall be non-assessable.

Register of Members

The Issuer shall maintain or cause to be maintained the Register of Members in accordance with the Statute.

Transfer of Shares

Registration of transfer of Preference Shares will be effected by or on behalf of the Issuer or the Registrar but upon payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer or the Registrar may require) by the relevant Preference Shareholder in respect of any taxes or other governmental, regulatory or administrative charges which may be charged in relation to such transfer.

The instrument of transfer of any Share shall be in writing and shall be executed by or on behalf of the transferor (and if the Directors so require, signed by or on behalf of the transferee) and shall be in any usual or common form in use in the Cayman Islands or in respect of the Preference Shares, in such form

as is set out in the global certificate representing the Preference Shares (the "**Global Certificate**"). The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the Register of Members.

Redemption, Repurchase and Surrender of Shares

Subject to the provisions of the Statute and the other provisions in the Memorandum and the Articles, including Schedule A, the Issuer may issue Shares that are to be redeemed or are liable to be redeemed at the option of the Member or the Issuer. The redemption of such Shares shall be effected in such manner and upon such other terms as the Issuer may, by Special Resolution, determine before the issue of the Shares.

Subject to the provisions of the Statute and the other provisions in the Memorandum and the Articles, including Schedule A, the Issuer may purchase its own Shares (including any redeemable Shares) in such manner and on such other terms as the Directors may agree with the relevant Member.

The Preference Shares may be redeemed without consent from the Preference Shareholders in accordance with Schedule A.

The Issuer may make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Statute, including out of any combination of the following: capital, its profits and (subject to Schedule A) the proceeds of a fresh issue of Shares.

The Directors may accept the surrender for no consideration of any fully paid Share.

Voting Rights Attaching to Ordinary Shares and Preference Shares

The Holders of the Ordinary Shares shall (in respect of such Ordinary Shares) have the right to receive notice of, attend at and vote as a member at any meeting of Shareholders of the Issuer, except for (and subject to the Statute) a class meeting of Preference Shareholders called in respect of Preference Shareholder Matter Resolution. Every Holder of an Ordinary Share present in person or by proxy at any such meeting shall on a show of hands be entitled to one vote and, on a poll, shall be entitled to one vote per Ordinary Share of which he is a Holder.

Except as provided under the Articles, including Schedule A, the holders of the Preference Shares shall have no right to receive notice of, attend at and vote as a Member at any meeting of the Issuer.

Variation of Rights of Shares

Subject to Schedule A in respect of a Preference Shareholder Matter Resolution, if at any time the share capital of the Issuer is divided into different classes of Shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Issuer is being wound up, be varied without the consent of the holders of the issued Shares of that class where such variation is considered by the Directors not to have a material adverse effect upon such rights; otherwise, any such variation, subject to Schedule A in respect of a Preference Shareholder Matter Resolution, shall be made only with the consent in writing of the holders of not less than 90 per cent. of the issued Shares of that class, or with the approval of a resolution passed by a majority of not less than two thirds of the votes cast at a separate meeting of the holders of the Shares of that class. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of Shares of the relevant class. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

For the purposes of a separate class meeting, the Directors may treat two or more or all the classes of Shares as forming one class of Shares if the Directors consider that such class of Shares would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes of Shares.

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Amendments of Memorandum and Articles of Association and Alteration of Capital

To the fullest extent permitted by the Statute but subject to Schedule A, the Issuer may by Ordinary Resolution do any of the following and amend its Memorandum for that purpose:

(a) increase its share capital by such sum as the Ordinary Resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Issuer in general meeting may determine;

(b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;

(c) convert all or any of its paid-up Shares into stock, and reconvert that stock into paid-up Shares of any denomination;

(d) by subdivision of its existing Shares or any of them divide the whole or any part of its share capital into Shares of smaller amount than is fixed by the Memorandum or into Shares without par value; and

(e) cancel any Shares that at the date of the passing of the Ordinary Resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

Subject to the provisions of the Statute and the provisions of the Articles as regards the matters to be dealt with by Ordinary Resolution or a Preference Shareholder Matter Resolution, including Schedule A, the Issuer may by Special Resolution:

(a) change its name;

(b) alter or add to the Articles;

(c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein; and

(d) reduce its share capital or any capital redemption reserve fund.

General Meetings

All general meetings other than annual general meetings shall be called extraordinary general meetings.

The Issuer may, but shall not (unless required by the Statute) be obliged to, in each year hold a general meeting as its annual general meeting, and shall specify the meeting as such in the notices calling it. Any annual general meeting shall be held at such time and place as the Directors shall appoint and if no other time and place is prescribed by them, it shall be held at the Registered Office on the second Wednesday in December of each year at ten o'clock in the morning. At these meetings the report of the Directors (if any) shall be presented.

The Directors may call general meetings, and subject to Schedule A, they shall on a Members' requisition forthwith proceed to convene an extraordinary general meeting of the Issuer.

A Members' requisition is a requisition of Members holding at the date of deposit of the requisition not less than ten per cent. in par value or Liquidation Preference (in the case of Preference Shares) of the issued Shares which as at that date carry the right to vote at general meetings of the Issuer.

The Members' requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more requisitionists.

If there are no Directors as at the date of the deposit of the Members' requisition or if the Directors do not within twenty-one days from the date of the deposit of the Members' requisition duly proceed to convene a general meeting to be held within a further twenty-one days, the requisitionists, or any of them representing more than one-half of the total voting rights of all of the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said twenty-one day period.

A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

Notice of General Meetings

At least 21 days of notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given of any general meeting. Every notice shall specify the place, the day and the time of the meeting and the general nature of the business to be conducted at the general meeting and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Issuer, **provided that** a general meeting of the Issuer shall, whether or not the notice specified in Article 21.1 has been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:

(a) in the case of an annual general meeting, by all of the Members entitled to attend and vote thereat; and

(b) in the case of an extraordinary general meeting, by not less than 50 per cent. in par value or the Liquidation Preference (in the case of Preference Shares) of the Shares.

To any class meeting called for the passing of a Preference Shareholder Matter Resolution except for as otherwise specified, all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

The accidental omission to give notice of a general meeting to, or the non receipt of notice of a general meeting by, any person entitled to receive such notice shall not invalidate the proceedings of that general meeting.

Proceedings at Meetings of Shareholders

No business shall be transacted at any meeting of Shareholders unless a quorum is present.

(a) In the case of a separate class meeting called for the passing of a Preference Shareholder Matter Resolution, at least two Members being individuals present in person or by proxy or if a corporation or other non-natural person by its duly authorised representative or proxy, holding at least 50 per cent. of the aggregate par value or the Liquidation Preference (in the case of the Preference Shares) (as the case may be) of the relevant class of Shares shall be a quorum unless the Issuer has only one Member for any class of Shares entitled to vote at such class meeting in which case the quorum shall be that one holder of the relevant class of Shares present in person or by proxy or (in the case of a corporation or other non-natural person) by its duly authorised representative or proxy.

(b) In the case of a general meeting, at least two Members being individuals present in person or by proxy or if a corporation or other non-natural person by its duly authorised representative or proxy, holding at least 50 per cent. of the aggregate par value of the Ordinary Shares shall be a quorum unless the Issuer has only one holder of Ordinary Shares entitled to vote at such general meeting in

which case the quorum shall be that one holder of Ordinary Shares presents in person or by proxy or (in the case of a corporation or other non-natural person) by its duly authorised representative or proxy.

(c) Notwithstanding the provisions of Article 22.1, where the Preference Shares are represented by a Global Certificate, the registered holder of the Preference Shares represented by the Global Certificate shall (unless the Global Certificate represents only one Preference Share) be treated as two persons for the purposes of any quorum requirements in respect of a class meeting of Preference Shareholders.

Subject to Schedule A, a person may participate at a meeting of Shareholders by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other. Participation by a person in a meeting of Shareholders in this manner is treated as presence in person at that meeting.

If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened upon a Members' requisition or if the Issuer agrees, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, at the time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved. At an adjourned meeting, the quorum shall be:

(a) In the case of a separate class meeting for the passing of a Preference Shareholder Matter Resolution, at least two Members being individuals present in person or by proxy or if a corporation or other non-natural person by its duly authorised representative or proxy, holding whatever the amount of the aggregate par value or Liquidation Preference (in the case of Preference Shares) (as the case may be) of the relevant class of Shares shall be a quorum unless the Issuer has only one Member entitled to vote at such class meeting in which case the quorum shall be that one holder of the relevant class of Shares present in person or by proxy or (in the case of a corporation or other non-natural person) by its duly authorised representative or proxy.

(b) In the case of a general meeting, at least two Members being individuals present in person or by proxy or if a corporation or other non-natural person by its duly authorised representative or proxy, holding whatever the amount of the aggregate par value of the Ordinary Shares shall be a quorum unless the Issuer has only one holder of Ordinary Shares entitled to vote at such general meeting in which case the quorum shall be that one holder of Ordinary Shares present in person or by proxy or (in the case of a corporation or other non-natural person) by its duly authorised representative or proxy.

(c) Notwithstanding the provisions of Article 22.3, where the Preference Shares are represented by a Global Certificate, the registered holder of the Preference Shares represented by the Global Certificate shall (unless the Global Certificate represents only one Preference Share) be treated as two persons for the purposes of any quorum requirements in respect of an adjourned class meeting of Preference Shareholders.

At least 10 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

In the case of a separate class meeting for the Preference Shareholders, the chairman of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes from the time fixed for the meeting, the Members or agents present shall choose one of their number to be chairman, failing which the Directors may appoint a chairman. The chairman may but need not be a Member or their agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

In the case of a meeting of Ordinary Shareholders, the Directors may, at any time prior to the time appointed for the meeting to commence, appoint any person to act as chairman of such meeting of the Issuer or, if the Directors do not make any such appointment, the chairman, if any, of the board of Directors shall preside as chairman at such meeting. If there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the meeting to commence, or is unwilling to act, the Directors present shall elect one of their number to be chairman of the meeting. If no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for the meeting to commence, the Members present shall choose one of their number to be chairman of the meeting.

The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

A resolution put to the vote of the meeting (including in the case of a separate class meeting) shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, the chairman demands a poll, or the Trustee or any other Member or Members collectively present in person or by proxy (or in the case of a corporation or other non-natural person, by its duly authorised representative or proxy) holding at least two per cent. in par value or Liquidation Preference (in the case of Preference Shares) of the Shares giving a right to attend and vote at the meeting demand a poll.

Unless a poll is duly demanded and the demand is not withdrawn a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, an entry to that effect in the minutes of the proceedings of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

The demand for a poll may be withdrawn.

Except on a poll demanded on the election of a chairman or on a question of adjournment, a poll shall be taken as the chairman directs, and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such date, time and place as the chairman of the general meeting directs, and any business other than that upon which a poll has been demanded or is contingent thereon may proceed pending the taking of the poll.

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a second or casting vote in addition to any other votes which he may have.

In the case of a separate class meeting for Preference Shareholders, the Preference Shareholders are able to exercise the right to speak at a Virtual Meeting when that person is in a position to communicate to all those attending the class meeting, during the class meeting, in accordance with the Trust Deed.

In the case of a separate class meeting for Preference Shareholders, the Preference Shareholders are able to exercise their right to vote at a Virtual Meeting when:

(a) that Preference Shareholder is able to vote, during the class meeting, on resolutions put to the vote at such class meeting; and

(b) that Preference Shareholder's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other Preference Shareholders attending such class meeting.

A resolution of the Ordinary Shareholders (including a Special Resolution) in writing (in one or more counterparts) signed by or on behalf of all Ordinary Shareholders for the time being entitled to receive notice of and to attend and vote at general meetings (or, being corporations or other non-natural persons, signed by their duly authorised representatives) shall be as valid and effective as if the resolution had been passed at a general meeting of the Issuer duly convened and held.

A resolution of the Preference Shareholders in writing (in one or more counterparts) signed by the holders of not less than 66 per cent. of the aggregate Liquidation Preference of the Preference Shares outstanding (a "**Preference Shareholder Written Resolution**") shall be as valid and effective as if the resolution had been passed at a meeting of the Preference Shareholders duly convened and held.

For so long as the Preference Shares are represented by a Global Certificate, so long as the Global Certificate is held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") or any additional or alternative clearing system resolution selected by the Issuer and the Parent and approved in writing by the Trustee, the Principal Paying Agent and the Registrar (the "**relevant clearing system(s)**"), then where the terms of the proposed resolution have been notified to the Preference Shareholders through the relevant clearing system(s) and electronic consent is sought in accordance with the Trust Deed, approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 66 per cent. of the aggregate Liquidation Preference of the Preference Shareholders outstanding shall be as valid and effective as a Preference Shareholder Written Resolution.

Votes of Members

Subject to any rights or restrictions attached to any Shares, on a show of hands every Member who (being an individual) is present in person or by proxy or, if a corporation or other non-natural person is present by its duly authorised representative or by proxy, shall have one vote and on a poll every Member present in any such manner shall have one vote for every Share of which he is the holder.

In the case of joint holders the vote of the senior holder who tenders a vote, whether in person or by proxy (or, in the case of a corporation or other non-natural person, by its duly authorised representative or proxy), shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register of Members.

A Member of unsound mind, or in respect of whom an order has been made by any court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person on such Member's behalf appointed by that court, and any such committee, receiver, curator bonis or other person may vote by proxy.

No person shall be entitled to vote at any general meeting unless he is registered as a Member on the record date for such meeting nor unless all calls or other monies then payable by him in respect of Shares have been paid.

No objection shall be raised as to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time in accordance with Article 23.5 shall be referred to the chairman whose decision shall be final and conclusive.

On a poll or on a show of hands votes may be cast either personally or by proxy (or in the case of a corporation or other non-natural person by its duly authorised representative or proxy). A Member may appoint more than one proxy or the same proxy under one or more instruments to attend and vote at a meeting. Where a Member appoints more than one proxy the instrument of proxy shall state which proxy is entitled to vote on a show of hands and shall specify the number of Shares in respect of which each proxy is entitled to exercise the related votes.

On a poll, a Member holding more than one Share need not cast the votes in respect of his Shares in the same way on any resolution and therefore may vote a Share or some or all such Shares either for or against a resolution and/or abstain from voting a Share or some or all of the Shares and, subject to the terms of the instrument appointing him, a proxy appointed under one or more instruments may vote a Share or some or all of the Shares in respect of which he is appointed either for or against a resolution and/or abstain from voting a Share or some or all of the Shares in respect of which he is appointed.

Proxies

Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, the instrument appointing a proxy shall be in writing in the English language and shall be executed under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation or other non natural person, under its common seal or under the hand of its duly authorised representative. A proxy need not be a Member.

Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, the Directors may, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Issuer, specify the manner by which the instrument appointing a proxy shall be deposited and the place and the time (being not later than the time appointed for the commencement of the meeting or adjourned meeting to which the proxy relates) at which the instrument appointing a proxy shall be deposited. Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, in the absence of any such direction from the Directors in the notice convening any meeting or adjourned meeting or in an instrument of proxy sent out by the Issuer, the instrument appointing a proxy shall be deposited physically at the Registered Office not less than 24 hours before the time appointed for the meeting or adjourned meeting to commence at which the person named in the instrument proposes to vote.

Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, the chairman may in any event at his discretion declare that an instrument of proxy shall be deemed to have been duly deposited. Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, an instrument of proxy that is not deposited in the manner permitted, or which has not been declared to have been duly deposited by the chairman, shall be invalid.

Subject to the provisions in the Trust Deed which are applicable to the Preference Shares, the instrument appointing a proxy may be in any usual or common form (or such other form as the Directors may approve) and may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked. An instrument appointing a proxy shall be deemed to include the power to demand or join or concur in demanding a poll.

Subject to provisions in the Trust Deed which are applicable to the Preference Shares, votes given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given unless notice in writing of such death, insanity, revocation or transfer was received by the Issuer at the Registered Office before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy.

Powers of Directors

Subject to the provisions of the Statute, the Memorandum and the Articles and to any directions given by Special Resolution, the business of the Issuer shall be managed by the Directors who may exercise all the powers of the Issuer. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A duly convened meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for monies paid to the Issuer shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall determine by resolution.

The Directors on behalf of the Issuer may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Issuer or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

Subject to Schedule A, the Directors may exercise all the powers of the Issuer to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Issuer or of any third party.

Appointment and Removal of Directors

The Issuer may by Ordinary Resolution appoint any person to be a Director or may by Ordinary Resolution remove any Director.

The Directors may appoint any person to be a Director, either to fill a vacancy or as an additional Director **provided that** the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.

Proceedings of Directors

The quorum for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two if there are two or more Directors, and shall be one if there is only one Director. A person who holds office as an alternate Director shall, if his appointor is not present, be counted in the quorum. A Director who also acts as an alternate Director shall, if his appointor is not present, count twice towards the quorum.

Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

A resolution in writing (in one or more counterparts) signed by all the Directors or all the members of a committee of the Directors or, in the case of a resolution in writing relating to the removal of any Director or the vacation of office by any Director, all of the Directors other than the Director who is the subject of such resolution (an alternate Director being entitled to sign such a resolution on behalf of his appointor and if such alternate Director is also a Director, being entitled to sign such resolution both on behalf of his appointor and in his capacity as a Director) shall be as valid and effectual as if it had been passed at a meeting of the Directors, or committee of Directors as the case may be, duly convened and held.

A Director or alternate Director may, or other officer of the Issuer on the direction of a Director or alternate Director shall, call a meeting of the Directors by at least two days' notice in writing to every Director and alternate Director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the Directors (or their alternates) either at, before or after the meeting is held. To any such notice of a meeting of the Directors all the provisions of the Articles relating to the giving of notices by the Issuer to the Members shall apply *mutatis mutandis.*

The continuing Directors (or a sole continuing Director, as the case may be) may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Directors the continuing Directors or Director may act for the purpose of increasing the number of Directors to be equal to such fixed number, or of summoning a general meeting of the Issuer, but for no other purpose.

The Directors may elect a chairman of their board and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for the meeting to commence, the Directors present may choose one of their number to be chairman of the meeting.

All acts done by any meeting of the Directors or of a committee of the Directors (including any person acting as an alternate Director) shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director or alternate Director, and/or that they or any of them were disqualified, and/or had vacated their office and/or were not entitled to vote, be as valid as if every such person had been duly appointed and/or not disqualified to be a Director or alternate Director and/or had not vacated their office and/or had been entitled to vote, as the case may be.

A Director but not an alternate Director may be represented at any meetings of the board of Directors by a proxy appointed in writing by him. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.

Directors' Interests

A Director or alternate Director may hold any other office or place of profit under the Issuer (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine.

A Director or alternate Director may act by himself or by, through or on behalf of his firm in a professional capacity for the Issuer and he or his firm shall be entitled to remuneration for professional services as if he were not a Director or alternate Director.

A Director or alternate Director may be or become a director or other officer of or otherwise interested in any company promoted by the Issuer or in which the Issuer may be interested as a shareholder, a contracting party or otherwise, and no such Director or alternate Director shall be accountable to the Issuer for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company.

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Issuer, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Issuer in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Issuer for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding office or of the fiduciary relationship thereby established. A Director (or his alternate Director in his absence) shall be at liberty to vote in respect of any contract or transaction in which he is interested **provided that** the nature of the interest of any Director or alternate Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon.

A general notice that a Director or alternate Director is a shareholder, director, officer or employee of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure for the purposes of voting on a resolution in respect of a contract or transaction in which he has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

Remuneration of Directors

The remuneration to be paid to the Directors, if any, shall be such remuneration as the Directors shall determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors, or general meetings of the Issuer, or separate meetings of the holders of any class of Shares or debentures of the Issuer, or otherwise in connection with the business of the Issuer or the discharge of their duties as a Director, or to receive a fixed allowance in respect thereof as may be determined by the Directors, or a combination partly of one such method and partly the other.

The Directors may by resolution approve additional remuneration to any Director for any services which in the opinion of the Directors go beyond his ordinary routine work as a Director. Any fees paid to a Director who is also counsel, attorney or solicitor to the Issuer, or otherwise serves it in a professional capacity shall be in addition to his remuneration as a Director.

Dividends, Distributions and Reserve

Subject to the Statute and Article 40.1, including Schedule A, and except as otherwise provided by the rights attached to any Shares, the Directors may resolve to pay Dividends and other distributions on Shares in issue and authorise payment of the Dividends or other distributions out of the funds of the Issuer lawfully available therefor. A Dividend shall be deemed to be an interim Dividend unless the terms of the resolution pursuant to which the Directors resolve to pay such Dividend specifically state that such Dividend shall be a final Dividend. No Dividend or other distribution shall be paid except out of the realised or unrealised profits of the Issuer, out of the share premium account or as otherwise permitted by law.

Except as otherwise provided by the rights attached to any Shares and Schedule A, all Dividends and other distributions shall be paid according to the par value of the Shares that a Member holds. If any Share is issued on terms providing that it shall rank for Dividend as from a particular date, that Share shall rank for Dividend accordingly.

The Directors may deduct from any Dividend or other distribution payable to any Member all sums of money (if any) then payable by him to the Issuer on account of calls or otherwise.

The Directors may resolve that any Dividend or other distribution be paid wholly or partly by the distribution of specific assets and in particular (but without limitation) by the distribution of shares, debentures, or securities of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional Shares and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees in such manner as may seem expedient to the Directors.

Except as otherwise provided by the rights attached to any Shares, Dividends and other distributions may be paid in any currency. The Directors may determine the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.

The Directors may, before resolving to pay any Dividend or other distribution, set aside such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose of the Issuer and pending such application may, at the discretion of the Directors, be employed in the business of the Issuer.

Any Dividend, other distribution, interest or other monies payable in cash in respect of Shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the Register of Members or to such person and to such address as such holder or

joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any Dividends, other distributions, bonuses, or other monies payable in respect of the Share held by them as joint holders.

Subject to Schedule A, no Dividend or other distribution shall bear interest against the Issuer.

Any Dividend or other distribution which cannot be paid to a Member and/or which remains unclaimed after six months from the date on which such Dividend or other distribution becomes payable may, in the discretion of the Directors, be paid into a separate account in the Issuer's name, **provided that** the Issuer shall not be constituted as a trustee in respect of that account and the Dividend or other distribution shall remain as a debt due to the Member. Any Dividend or other distribution which remains unclaimed after a period of five years from the date on which such Dividend or other distribution becomes payable or any Liquidation Preference which remains unclaimed after a period of 10 years from the date on which such Liquidation Preference becomes payable, shall be forfeited and shall revert to the Issuer.

Capitalisation

The Directors may at any time capitalise any sum standing to the credit of any of the Issuer's reserve accounts or funds (including the share premium account and capital redemption reserve fund) or any sum standing to the credit of the profit and loss account or otherwise available for distribution; appropriate such sum to Members in the proportions in which such sum would have been divisible amongst such Members had the same been a distribution of profits by way of Dividend or other distribution; and apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power given to the Directors to make such provisions as they think fit in the case of Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Issuer rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the Members interested into an agreement with the Issuer providing for such capitalisation and matters incidental or relating thereto and any agreement made under such authority shall be effective and binding on all such Members and the Issuer.

Books of Account

The Directors shall cause proper books of account (including, where applicable, material underlying documentation including contracts and invoices) to be kept with respect to all sums of money received and expended by the Issuer and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Issuer and the assets and liabilities of the Issuer. Such books of account must be retained for a minimum period of five years from the date on which they are prepared. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Issuer's affairs and to explain its transactions.

The Directors shall determine (including with reference to the Trust Deed) whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Issuer or any of them shall be open to the inspection of Members and the Trustee, including any custodian, agent, delegate or nominee, not being Directors and no Member and the Trustee, including any custodian, agent, delegate or nominee (not being a Director) shall have any right of inspecting any account or book or document of the Issuer except as conferred by Statute or authorised by the Directors or by the Issuer in general meeting or except as provided in the Trust Deed.

The Directors may cause to be prepared and to be laid before the Issuer in general meeting profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by law.

Notices

Subject to Article 44.5, notices shall be in writing and may be given by the Issuer to any Member either personally or by sending it by courier, post, cable, telex, fax or e-mail to him or to his address as shown in the Register of Members (or where the notice is given by e-mail by sending it to the e-mail address provided by such Member). Any notice, if posted from one country to another, is to be sent by airmail.

Where the Preference Shares are represented by a Global Certificate, so long as the Global Certificate is held on behalf of Euroclear and Clearstream, any notice to the Preference Shareholders shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by Articles 44.1 to 44.4 and shall be deemed to have been given on the date of delivery to such clearing system.

Winding Up

If the Issuer shall be wound up the liquidator shall apply the assets of the Issuer in satisfaction of creditors' claims in such manner and order as such liquidator thinks fit. Subject to Schedule A and the rights attaching to any Shares, in a winding up:

(a) if the assets available for distribution amongst the Members shall be insufficient to repay the whole of the Issuer's issued share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to their claims and ranking and the par value of the Shares held by them; or

(b) if the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the Issuer's issued share capital at the commencement of the winding up, the surplus shall be distributed amongst the Ordinary Shareholders in proportion to the par value of the Ordinary Shares held by them at the commencement of the winding up subject to a deduction from those Ordinary Shares in respect of which there are monies due, of all monies payable to the Issuer for unpaid calls or otherwise.

If the Issuer shall be wound up the liquidator may, subject to the rights attaching to any Shares (including the rights attaching to the Preference Shares stated in Schedule A) and with the approval of a Special Resolution of the Issuer (save that if Winding-Up proceedings are instituted pursuant to the terms of the Preference Shares, approval by a Special Resolution of the Issuer shall not be required) and any other approval required by the Statute, divide amongst the Members in kind the whole or any part of the assets of the Issuer (whether such assets shall consist of property of the same kind or not) and may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like approval, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like approval, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.

Indemnity and Insurance

Every Director and officer of the Issuer (which for the avoidance of doubt, shall not include auditors of the Issuer), together with every former Director and former officer of the Issuer (each an "**Indemnified Person**") shall be indemnified out of the assets of the Issuer against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own actual fraud or wilful default. No Indemnified Person shall be liable to the Issuer for any loss or damage incurred by the Issuer as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud or wilful default of such Indemnified Person. No person shall be found to have committed actual fraud or wilful default under Article 46.1 unless or until a court of competent jurisdiction shall have made a finding to that effect.

The Issuer shall advance to each Indemnified Person reasonable attorneys' fees and other costs and expenses incurred in connection with the defence of any action, suit, proceeding or investigation involving such Indemnified Person for which indemnity will or could be sought. In connection with any advance of any expenses hereunder, the Indemnified Person shall execute an undertaking to repay the advanced amount to the Issuer if it shall be determined by final judgement or other final adjudication that such Indemnified Person was not entitled to indemnification pursuant to Article 46.2. If it shall be determined by a final judgement or other final adjudication that such Indemnified Person was not entitled to indemnification with respect to such judgement, costs or expenses, then such party shall not be indemnified with respect to such judgement, costs or expenses and any advancement shall be returned to the Issuer (without interest) by the Indemnified Person.

The Directors, on behalf of the Issuer, may purchase and maintain insurance for the benefit of any Director or other officer of the Issuer against any liability which, by virtue of any rule of law, would otherwise attach to such person in respect of any negligence, default, breach of duty or breach of trust of which such person may be guilty in relation to the Issuer.

Mergers and Consolidations

Subject to Schedule A, the Issuer shall have the power to merge or consolidate with one or more other constituent companies (as defined in the Statute) upon such terms as the Directors may determine and (to the extent required by the Statute) with the approval of a Special Resolution.

For the purposes of the Articles:

"**Articles**"	means the amended and restated articles of association of the Issuer, including Schedule A attached thereto, as originally formed or as from time to time altered by Special Resolutions.
"**Agency Agreement**" . . .	means the agency agreement entered into by the Issuer, the Trustee (as defined below) and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as principal paying agent, calculation agent, transfer agent and registrar (as amended, restated, replaced and/or supplemented from time to time) dated 27 June 2025.
"**Auditor**"	means the person for the time being performing the duties of auditor of the Issuer (if any).
"**Directors**"	means the directors for the time being of the Issuer.
"**Dividend**"	in respect of the Ordinary Shares, means any dividend (whether interim or final) resolved to be paid on the Ordinary Shares pursuant to the Article and in respect of the Preference Shares, has the same meaning in the Schedule A.
"**Liquidation Preference**"	in respect of each Preference Share means U.S.$1,000.
"**Member**" or "**Shareholder**"	means any holder of the issued and outstanding Shares of any class (which shall include the Ordinary Shareholders and the Preference Shareholders).
"**Memorandum**"	means the Amended and Restated Memorandum of Association of the Issuer, as originally formed or as from time to time altered by Special Resolutions.

"**Ordinary Resolution**" . .	means a resolution passed by a simple majority of the Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, and includes a unanimous written resolution. In computing the majority when a poll is demanded regard shall be had to the number of votes to which each Member is entitled by the Articles.
"**Ordinary Share**"	means an ordinary share in the capital of the Issuer of U.S.$1.00 par value with the rights set out in the Articles.
"**Ordinary Shareholder**"	means the holder(s) of Ordinary Shares whose name(s) are entered in the Register of Members as the holder of such Ordinary Shares.
"**Preference Share**"	means a preference share in the capital of the Issuer of U.S.$0.01 par value with the rights set out in the Articles.
"**Preference Shareholder**"	means the holder(s) of Preference Shares whose name(s) are entered in the Register of Members as the holder of such Preference Shares.
"**Preference Shareholder Matter Resolution**" . . .	has the meaning given to it in Schedule A.
"**Register of Members**" .	means the register of Members (including holders of any class of Shares) maintained in accordance with the Statute and includes (except where otherwise stated) any branch or duplicate register of Members.
"**Registered Office**"	means the registered office for the time being of the Issuer.
"**Share**"	means a share in the Issuer of any class (which shall include Ordinary Shares, Preference Shares or any other class of shares) and includes a fraction of a share of any class in the Issuer.
"**Share Registrar**"	means China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司).
"**Special Resolution**" . . .	has the same meaning as in the Statute, and includes a unanimous written resolution.
"**Statute**"	means the Companies Act (As Revised) of the Cayman Islands.
"**Trust Deed**"	means the trust deed entered into by the Issuer and China Construction Bank (Asia) Corporation Limited(中國建設銀行(亞洲)股份有限公司)(the "**Trustee**", which expression shall, whenever the context so admits, include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for itself and the Preference Shareholders (as amended, restated, replaced and/or supplemented from time to time) dated 27 June 2025.
"**Virtual Meeting**"	means any separate class meeting for Preference Shareholders held via an electronic platform.

"**24 hours**"	means a period of 24 hours including all or part of a day (disregarding for this purpose the day upon which such meeting is to be held) upon which banks are open for business in both the place where the relevant meeting is to be held and in each of the places where the Principal Paying Agent (as defined in Schedule A) has its specified office and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid.

USE OF PROCEEDS

The Issuer intends to provide the entire gross proceeds from the issue of the Preference Shares as senior financing to the Financing Recipients pursuant to the Intragroup Financing Agreements in accordance with the NDRC Certificate and the Group intends to use an equivalent amount of the issuance proceeds for the purposes of financing or refinancing of existing or future Eligible Green Projects in accordance with the Framework.

No assurance is given by the Issuer, the Parent, the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them that investing in the securities or the use of proceeds by the Issuer will satisfy, whether in whole or in part, any present or future investor expectations or requirements with respect to green preference shares, social preference shares or sustainable preference shares. None of the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them makes any representation as to the suitability of any Preference Shares to fulfil any green, environmental or sustainability criteria required by any prospective investors. None of the Joint Lead Managers, the Trustee or the Agents or any director, officer, employee, representative, agent, adviser or affiliate of any such person or any person who controls any of them has undertaken, nor are any of them responsible for, any assessment of the eligibility criteria for the eligible projects, any verification of whether the eligible projects meet such criteria, the monitoring of the use of proceeds of any Preference Shares (or amounts equal thereto) or the allocation of the proceeds by the Group to particular eligible projects. See also "*Risk Factors – Risks Relating to the Preference Shares, the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees – The Preference Shares may not be a suitable investment for all investors seeking exposure to green, social or sustainable assets*." for further details.

GREEN FINANCE FRAMEWORK

None of the Joint Lead Managers, the Trustee or the Agents accepts any responsibility for any losses howsoever arising, directly or indirectly, from the Framework or its contents including for any social, environmental, and sustainability assessment of any securities issued as green preference shares or makes any representation or warranty or assurance (i) whether such securities will meet any investor expectations or requirements regarding such "green", "social", "sustainable", or similar labels, (ii) whether the gross proceeds of the issuance of the Preference Shares will be used to finance, refinance and/or invest in relevant eligible green, social or sustainable projects, or (iii) as to the characteristics of relevant eligible green, social or sustainable projects in which the proceeds of the Preference Shares are applied or invested.

The description of the Framework set out below is in summarised form only and has been prepared in respect of the Preference Shares. The Framework is intended to provide non-exhaustive, general information. The information contained in the Framework does not purport to be comprehensive. The Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by the Issuer, the Parent or the Joint Lead Managers, and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Issuer, the Parent or the Joint Lead Managers, as to the fairness, accuracy, reasonableness or completeness of such information. The Framework may contain statements about future events and expectations that are forward-looking statements. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. See "Forward-Looking Statements" and "Risk Factors" of this Offering Circular. No representation is made as to the suitability of any green securities to fulfil environmental and sustainability criteria required by prospective investors.

Investors should refer to the Framework and the Second-Party Opinion for information and should determine for themselves the relevance of the information contained in this Offering Circular regarding the use of proceeds and its investment in the Preference Shares should be based upon such investigation as it deems necessary. The Second Party Opinion and the Framework are publicly available (where the Framework is currently available through the following link: http://www.spic.com.cn/spicm/xwzx/jtgg/202410/P020241017587559196567.pdf). The information in the Framework and the Second-Party Opinion has not been verified. The Framework, the Second-Party Opinion or any of the above reports or verification assessments are not incorporated in, or form part of, this Offering Circular and should not be relied upon in connection with making any investment decision with respect to the Preference Shares.

The Green Finance Framework of the Parent (the "**Framework**") demonstrates the Group intends to issue or enter into Green Financing Instruments ("**GFI**") to fund projects that will deliver environmental benefits that support and are aligned with the Group's business strategy and vision. GFI will include Green Bonds, Green Loans, Green Equities and other green instruments which support Eligible Green Projects as set out below.

USE OF PROCEEDS

The Group commits to allocating the net proceeds or an equivalent amount of net proceeds of each GFI exclusively for the financing and/or refinancing of existing or future Eligible Green Projects, which provide clear environmental benefits.

Examples of Eligible Green Projects include the following:

- Renewable Energy:

- Solar Power: Research, development, acquisition, manufacturing, construction, maintenance or upgrade of solar facilities, equipment or components (e.g. Photovoltaic plants, Floating photovoltaic, concentrated solar power);

- Wind Power: Research, development, acquisition, manufacturing, construction, maintenance or upgrade of wind facilities, equipment or components (e.g. Onshore and offshore projects including floating wind turbines);

- Hydropower: Research, development, acquisition, manufacturing, construction, maintenance or upgrade of hydroelectricity facilities, equipment, or components; hydropower complies with the relevant criteria;

- Green Hydrogen: Research, development, acquisition, manufacturing, construction, maintenance and upgrade of facilities, equipment or components dedicated for producing hydrogen from electrolysis solely using renewable electricity;

- Energy Storage: Investment or expenditure on research, development, acquisition, manufacturing, construction, maintenance or upgrade of renewable energy storage facilities, equipment, or components;

- Transmission and Distribution Infrastructure: Investment or expenditure on the improvement of existing, or development/installation of new transmission projects that aim to connect renewable energy sources, support increased deployment of renewables on the grid, or reduce GHG emissions through installation of equipment that will improve system efficiency or energy use management;

- Clean Transportation: Acquisition of electric vehicles, and the investment or expenditures on construction of supporting infrastructure (e.g. charging stations and hydrogen filling stations);

- Energy Efficiency: Projects related to the upgrade of existing facilities, equipment, systems, and technology to achieve at least 30 per cent. improvement in energy efficiency; projects to reduce energy consumption, including heating and cooling networks projects, LED lighting, systems for energy management such as smart grid and smart metering; projects to optimise building and plants efficiency, such as HVAC systems renovation, insulation retrofitting, solar panels installation, heat recovery systems, motions detectors etc.;

- Pollution Prevention and Control: Investment or expenditure on research, development, acquisition, manufacturing, construction, maintenance, or upgrade of facilities or equipment dedicated for waste recovery or other waste recycling activities;

- Environmentally Sustainable Management of Living Natural Resources and Land Use: Projects that promotes the restoration of sites such as terrestrial and aquatic biodiversity conservation, restoration of natural landscapes, and decontamination of site grounds; and

- Green Innovation: Research and development expenditures related to the deployment of energy efficient solutions and technology intended to improve energy efficiency; investments in the development of low- or no-carbon technologies such as CCUS, hydrogen etc.

PROJECT EVALUATION AND SELECTION

The Group commits to not knowingly allocating the net proceeds of each GFI to projects and/or activities that are considered to have potential negative social or environmental impact.

The Group has established a process for project evaluation and selection to ensure that the equivalent amount of net proceeds of GFIs are allocated to investments or expenditures that meet the eligibility criteria set out in the Framework. The Group has formed a Green Finance Working Group ("**GFWG**") to oversee the selection of Eligible Green Projects and ensure compliance with such eligibility criteria. The GFWG team will be responsible for sourcing the list of Eligible Green Projects for GFWG's approval and will meet annually or as necessary. The GFWG is comprised of senior representatives with ESG expertise from the Group's Treasury and Sustainability teams.

MANAGEMENT OF PROCEEDS

The allocation of an amount equivalent to the net proceeds of the Group's Eligible Green Projects will be managed by the GWFG or the Group's Treasury team by establishing and maintaining a dedicated ledger (the "**Ledger**"). The Ledger will record, track, and manage the allocation of the equivalent amount of net proceeds.

Pending allocation, the equivalent amount of unallocated proceeds will be held in accordance with the Group's treasury and liquidity management policy, which can be kept as cash or cash equivalents, money market instruments, or other short-term liquid instruments until allocated to Eligible Green Projects.

REPORTING AND EXTERNAL REVIEW

Allocation Reporting: The Group will provide below information on the allocation of proceeds annually in the Corporate Social Responsibility Report, until equivalent amount of the net proceeds of the GFI have been allocated in full:

- The aggregated amounts allocated to each Eligible Category.
- The description of the types of projects financed.
- Any balance of unallocated equivalent amount of proceeds.

Any updates to the allocation of proceeds will be provided in the event of any material changes.

Impact Reporting: The Group will report the environmental benefits of the Eligible Projects in the Corporate Social Responsibility Report.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the actual consolidated debt and capitalisation of the Group as at 31 December 2024 and as adjusted to give effect to the issue of the Preference Shares. The following table should be read in conjunction with the summary consolidated financial information and the audited consolidated financial statements and related notes, the English translation of which has been included in this Offering Circular.

	As at 31 December 2024			
	Actual		As adjusted	
	(RMB in millions)	*(U.S.$ in millions)*[1]	*(RMB in millions)*	*(U.S.$ in millions)*[1]
Bank and other borrowings (current portion)				
Short-term borrowings	204,288.50	27,987.41	204,288.50	27,987.41
Long-term borrowings due within one year	71,512.98	9,797.24	71,512.98	9,797.24
Bonds payable due within one year	54,371.97	7,448.93	54,371.97	7,448.93
	330,173.45	**45,233.58**	**330,173.45**	**45,233.58**
Bank and other borrowings (non-current portion)				
Long-term borrowings	588,558.80	80,632.23	588,558.80	80,632.23
Bonds payable	75,176.20	10,299.10	75,176.20	10,299.10
	663,735.00	**90,931.32**	**663,735.00**	**90,931.32**
Total owner's equity before issuance of Preference Shares	**589,395.40**	**80,746.84**	**589,395.40**	**80,746.84**
Preference Shares to be issued	–	–	7,299.30	1,000.00
Total capitalisation[2]	**1,253,130.40**	**171,678.16**	**1,260,429.70**	**172,678.16**

Notes:

(1) Translation of RMB amounts to U.S. dollars and, as the case may be, U.S. dollar amounts to RMB was made at a rate of RMB7.2993 to U.S.$1.00, the exchange rate as at 31 December 2024 as set forth in the H.10 weekly statistical release of the of the Federal Reserve Board of the Federal Reserve Bank of New York.

(2) Total capitalisation is equal to the sum of bank and other borrowings (non-current portion) and total owner's equity.

There has been no material adverse change in the Group's capitalisation and indebtedness since 31 December 2024.

DESCRIPTION OF THE ISSUER

FORMATION

The Issuer is an exempted company with limited liability incorporated under the Companies Act (As Revised) of the Cayman Islands. It was incorporated in the Cayman Islands on 7 April 2025. Its registered office is at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Issuer is a wholly-owned subsidiary of the Company.

BUSINESS ACTIVITY

The Issuer was established with unrestricted objects and powers as set out in its memorandum of association. The Issuer does not sell any products or provide any services and it has undertaken no business activities since its date of incorporation, other than those incidental to its incorporation and establishment as a wholly-owned subsidiary of the Company and those incidental to the issuance of the Preference Shares.

In addition, pursuant to the Terms and Conditions of the Preference Shares, the Issuer shall not carry on any business activity or incur or have outstanding any indebtedness for moneys borrowed or raised (whether senior or subordinated), other than borrowing activities and activities in connection with the issuance and redemption of the Preference Shares or the entering into each Financing and the Financing Guarantees and any other activities reasonably incidental thereto and the entry into any shareholders' loan that ranks or is expressed to rank, by their terms or by operation of law, in right of payment behind the claims of the Preference Shareholders.

FINANCIAL STATEMENTS

Under Cayman Islands law, the Issuer is not required to publish interim or annual financial statements. The Issuer has not published, and does not propose to publish, any financial statements. The Issuer is, however, required to keep proper books of account as are necessary to give a true and fair view of the state of the Issuer's affairs and to explain its transactions.

DIRECTORS AND OFFICERS

The sole director of the Issuer is Qing ZHOU. Such sole director's business address is at Suite 5101, 51/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The sole director of the Issuer does not hold any shares or options to acquire shares of the Issuer. The Issuer does not have any employees and has no subsidiaries.

DESCRIPTION OF THE GROUP

OVERVIEW

As a large integrated energy conglomerate, the Group is one of the top four power generation groups in China and is the first one with qualifications to hold, develop, construct and operate nuclear power plants among the top power groups in China. The Group is currently one of the four nuclear development and construction operators in the PRC. The Group has diversified power assets across thermal power, nuclear power, hydropower, wind power, PV power and other non-nuclear clean energies. The Group is also the largest PV power generation group and the second largest wind power generation group worldwide and is also ranked number one in its proportion of clean energy production among the top power groups as at 31 December 2024. The Group ranked 256th among the Fortune Global 500 in 2024, having been listed in the Fortune Global 500 for thirteen consecutive years, with its businesses covering 47 countries and regions. The Group is the leading enterprise for two National Science and Technology Major Projects, namely the large advanced Pressurised Water Reactor nuclear power plant and the heavy-duty gas turbine project, and is the leading group for establishing the Energy Industry Internet. The Group has nearly 100 key national and regional research and development initiatives, with 40 domestic and provincial-level innovation platform.

The Group is a pilot state capital investment enterprise. State capital investment enterprise is a comprehensive reform pilot, covering various aspects of reforms of state-owned enterprises and state-owned assets. Pilot enterprise can take the lead in terms of authorisation and decentralisation, organisational structure, and business models, so as to better release reform dividends and stimulate development vitality. The Company strives to further (i) optimise the industrial layout, improve the operating mechanism and innovate the development model, (ii) strengthen the functions of the group headquarters in strategic leadership, capital operation, risk control and compliance, audit and supervision, and comprehensively enhance the group's management and control capabilities, and (iii) enhance the motivation and vitality of high-quality development, improve resource allocation efficiency and international management level in open cooperation, and make every effort to promote the construction of a world-class clean energy enterprise with global competitiveness.

Apart from its power generation business, the Group also has ancillary businesses such as heating, coal and aluminium which integrate with the power generation business synergistically. The Group designs, develops, manages and operates power plants, and sells the electricity generated by its power plants to local grid companies. As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity was approximately 212 GW, 237 GW and 265 GW, respectively. As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity of clean and low carbon energy represented approximately 65.9 per cent., 69.9 per cent. and 72.7 per cent. of its total controllable installed capacity, respectively.

The Group was formed pursuant to the merger between CPI and SNPTC, whereby SNPTC was consolidated into CPI and became a subsidiary of CPI. CPI was established in 2002 through the reorganisation of the former State Power Corporation of China under the reform of China's power system. CPI was one of the five largest power generation companies in China and was one of the three major operators of nuclear power investment projects, with strong assets and qualifications and the resources to operate nuclear power projects. SNPTC was established in 2007. It was the key entity to implementing China's self-developed third-generation nuclear power technology, and the leading unit in executing major nuclear science and technology projects in China, with strong research and development capabilities in both nuclear and related conventional power areas. In May 2015, SNPTC merged into CPI and was renamed as State Power Investment Corporation. The Merger has integrated the advantages of CPI and SNPTC on operation and technology innovation through realising the optimisation of resources across the upstream and downstream industry chain, and promoting automation and industrialisation development of third-generation nuclear power technology. On 29 December 2017, the Company was restructured as a wholly state-owned limited company and renamed as State Power

Investment Corporation Limited. As at 31 December 2024, the Company has 68 secondary subsidiary entities, including five listed on either Shanghai or Shenzhen Stock Exchange, one listed on the Hong Kong Stock Exchange and two in the NEEQ.

In line with its internationalisation strategy, the Group is actively expanding in the overseas power generation market, aiming to become an international energy conglomerate providing services across the globe. The Group's overseas projects are located in 47 countries and regions including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil, and Australia, of which 38 are countries participating in the Belt and Road Initiative. For example, in 2017, the Company's subsidiary UHE São Simão won the bid for the 30-year concession right of the São Simão Hydropower Station in Brazil with total controllable installed capacity of 1,710 MW. As at 31 December 2024, the Group's overseas business recorded total assets exceeding RMB123.7 billion, with annual revenue surpassing RMB22.1 billion and profits over RMB2.3 billion, reflecting the Group's robust financial performance and growing global footprint. The Group believes that its comprehensive capabilities in the development and management process of power projects enable it to compete in its selected international markets.

As at 31 December 2024, the Company had registered capital of RMB35 billion and the Group had total assets of approximately RMB1,877.0 billion. For the three years ended 31 December 2022, 2023 and 2024, the Group recorded revenue of RMB360.6 billion, RMB385.7 billion (for 2023 before restatement), RMB385.6 billion (restated for 2023) and RMB395.5 billion, respectively, and net profit of RMB19.1 billion, RMB33.1 billion and RMB37.8 billion, respectively.

CORPORATE HISTORY AND STRUCTURE

The following are certain historical and legacy milestones before the merger of SNPTC into CPI which formed the Company.

Certain Historical Highlights

1958	Shandong Electric Power Engineering Consulting Institute Corp., Ltd. was capable of electric power explore, design and construction.
1970	Shanghai Nuclear Engineering Research & Design Institute independently designed and developed the first nuclear power plant in Mainland China.
1970	Yaomeng Power Plant owned the first domestic power generating unit with the controllable installed capacity of 300 MW in the PRC.
1984	Pingwei Power Plant owned the first domestic power generating unit with the controllable installed capacity of 600 MW in the PRC.

Business Milestones in the History of the Group

29 December 2002.	The former State Power Corporation of China was split and reorganised into five power groups, including CPI, in China's electricity system reform. Former State Power Corporation of China's nuclear assets were fully injected into CPI, with registered capital of RMB12 billion.
2005	The PRC Government began the qualification evaluation process for CPI as the country's third nuclear construction operator; CPI obtained China's third nuclear project operations licence in 2007.

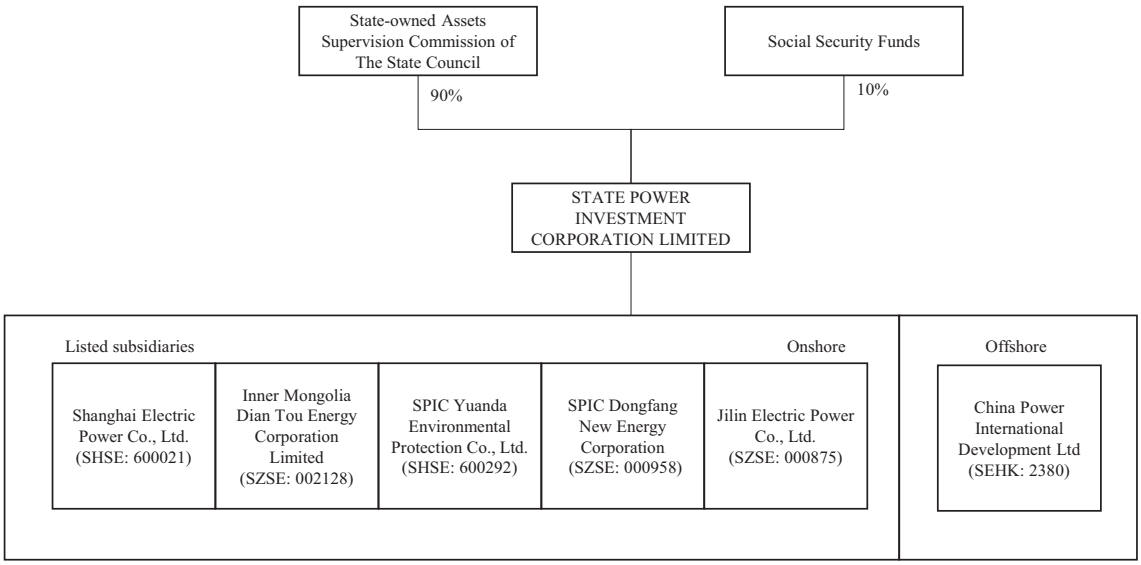
2 November 2006	SNPTC was to be established to develop third-generation nuclear technology, with four generating sets to be jointly constructed by China and the United States and located in Sanmen county in Zhejiang Province and Haiyang city in Shandong Province.
22 May 2007	SNPTC was formally established as the key carrier, R&D platform and implementation unit for third-generation nuclear technology.
2012	CPI entered the Fortune Global 500 list for the first time, ranking No. 451 with revenue of U.S.$24.4 billion.
9 January 2014	National Energy Administration held a CAP1400 preliminary design review meeting in Beijing at which the CAP1400 preliminary design developed by SNPTC passed review.
12 May 2015	SASAC approved the merger of SNPTC into CPI.
15 July 2015.	SPIC was formally established in Beijing.
28 January 2016	SPIC's acquisition of Pacific Hydro Pty Ltd. was completed in Melbourne. It officially gained control of Pacific Hydro Pty Ltd, which will act as one of SPIC's offshore platform for international business.
27 April 2016	CAP1400 passed the IAEA general reactor security review.
22 May 2016	Launched the operation for all four reactor coolant pumps of Sanmen No. 1, a third-generation nuclear project and the world's first AP1000 generating set.
2017	AP1000 passed the inspection of the Office for Nuclear Regulation of United Kingdom.
2017	The first hydraulic test of the first CAP1000 reactor pressure vessel was a success.
2017	Release of the "NuPAC" platform with completely independent intellectual property rights.
August 2017.	The ground-mounted PV power station with the controllable installed capacity of 100 MW of the Qinghai Hainan Tibetan Autonomous Prefecture Solar Energy Ecological Power Generation Industrial Park of our subsidiary, Huanghe Hydropower Development Co., Ltd., connected to the grid. The total controllable installed capacity of the PV power stations in operation of the Company had reached 10.02 GW, continuing to rank No. 1 in the world.
10 November 2017	The Company's subsidiary UHE São Simão entered into a concession agreement for the operation of the São Simão Hydropower Station in Brazil for a period of 30 years.
29 December 2017.	The Company was restructured as a wholly state-owned limited company and renamed as State Power Investment Corporation Limited.
2017	SPIC entered the Fortune Global 500 list for six consecutive years (including previously as CPI) and ranked No. 368 in 2017.

2017	As at and for the year ended 31 December 2017, the Group's assets and revenue exceeded RMB1 trillion and RMB200 billion, respectively.
June-August 2018	Haiyang No. 1, an AP1000 generating unit, began fuelling on 21 June 2018, and achieved first capacity of Pressurised Water Reactor ("**PWR**") on 8 August 2018, followed by the steam turbine, reaching its speed for the first time on 14 August 2018, and then connected to the grid on 17 August 2018. Haiyang No. 2, an AP1000 generating unit, began fuelling on 8 August 2018.
June 2018	Sanmen No. 1, the world's first AP1000 generating unit, successfully connected to the grid for the first time, meeting all the technical indicators under the design requirements.
July 2018	Founded the first Nuclear Heating Industry Alliance in the PRC.
October 2018	Haiyang No. 1, an AP1000 generating unit, completed the full power operation of 168 hours and fulfilled the conditions to commence commercial operation.
January 2019	Haiyang No. 2, an AP1000 generating unit, was the first unit fulfilled the conditions to commence commercial operation in 2019 in the PRC, which represented the commencement of full operation of Shandong Haiyang Nuclear Power Project Phase I.
July 2019	The Energy Storage Technology Research Centre of the Company was established.
May 2019.	The total controllable installed capacity of the Group's clean energy projects for the first time exceeded 50 per cent. of its total controllable installed capacity, ranking No. 1 among the top power groups in the PRC.
2020	CAP1400 was released with independent intellectual property rights, and the CAP1400 project has been moving forward with solid progress. The total controllable installed capacity of the Group's clean energy projects reached 56 per cent. of its total controllable installed capacity, ranking No. 1 worldwide, and the Group announced the planned timeline for achieving the peaking of carbon dioxide emissions. The new energy power generation project with 4.05 GW capacity in Hainan Tibetan Autonomous Prefecture of Qinghai was completed and connected to the grid, the project was the largest power plant with only one round of investment and also has the shortest construction time in the world. PV power battery conversion rate exceeded 24.5 per cent., the technology is in the leading position internationally.
2023	SPIC entered the Top 500 World Brands and ranked No. 241 in 2023. SPIC was ranked No. 60 among the Top 500 Chinese Brands in 2023

	The Group's clean and low carbon energy has reached 69.9 per cent. of its total controllable installed capacity, with photovoltaic installations, new energy installations, and clean energy installations consistently ranking first in the world.
2024	SPIC entered the Fortune Global 500 list for thirteen consecutive years (including previously as CPI) and ranked No. 256.

Corporate Structure

As at 31 December 2024, the Company had 68 secondary subsidiary entities, including five listed on either Shanghai or Shenzhen Stock Exchange, one listed on the Hong Kong Stock Exchange and two in the NEEQ. The following chart sets forth the simplified structure of the Company and its principal subsidiaries as at 31 December 2024:



STRENGTHS

The Group believes that its leading position in the power industry is underpinned by the following principal strengths:

Steady industry leadership, focus on clean energy development and comprehensive diversified power structure advantages

As a leading integrated energy conglomerate in China. the Group is a strategically important state-owned enterprise bearing the vital mission of safeguarding China's energy security. As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity was approximately 212 GW, 237 GW and 265 GW, respectively. The Group has also entered the Fortune Global 500 list for thirteen consecutive years (including previously as CPI) from 2012 to 2024.

As at 31 December 2022, 2023 and 2024, the Group's total controllable installed capacity of clean and low carbon energy represented approximately 65.9 per cent., 69.9 per cent. and 72.7 per cent. of its total controllable installed capacity, respectively.

The Group promotes energy green revolution, focuses on power and clean energy by integrating ecological civilisation into corporate development, and ensuring safety and environmental protection while developing clean energy. Since the Company was founded, the Group has been actively growing its installed capacity of clean energy. Clean energy has grown from less than 40 per cent. of total

installed power capacity in 2015 to 72.7 per cent. by December 2024. In 2024, the Group maintains the first position globally for its installed capacities of PV new energy and clean energy consecutively for nine years and ranked the second in terms of wind power. The Group's green development vision has been integrated in multiple fields such as hydropower, thermal power, new energy, mining and carbon emissions.

The Group has diversified energy sources, which mitigate the impact of differentiating the on-grid price based on energy type brought about by power reform. The Group's unique capacity of its electricity research institute enables continual improvement in operational efficiency through proprietary technical capacity and develops cost advantages. In addition, the Group's multi-energy portfolio strengthens capacity, in managing rising costs in any single energy source, and helps to maintain stable profitability. Its focus on clean energy also leverages the competitive advantages derived from policies prioritising clean energy grid access which stabilises growth in profitability and the sustainable development for the Group. The Group's stable cash flow and collaborated industries enhances overall risk management capacity, while knowledge and practise-sharing strengthens overall research and development capability. As the first energy enterprise in China to encompass all types of power generation including photovoltaic, wind, nuclear, hydropower, coal, gas, and biomass, the Group leverages its diverse portfolio as a strategic advantage for high-quality development. This comprehensive capability continuously enhances its core functions and strengthens its competitive edge. In 2024, the Group's total controllable installed capacity of clean and low carbon energy for its PV power, wind power, hydropower, nuclear power, biomass power and gas turbines power amounted to 83.7 GW, 60.4 GW, 26.6 GW, 10.7 GW, 2.0 GW and 9.3 GW, respectively.

The diversified power supply structure enhances the Group's overall competitive advantage. At the same time, the Group vigorously promotes the construction of large-scale clean energy bases and large-scale projects in key areas to ensure the country's clean and low-carbon energy supply. In advancing its strategic objectives, the Group is committed to high-quality development and has adopted the "Four Balances" principle as a guiding framework. This includes strengthening the foundation of power supply security, accelerating the green and low-carbon transformation of the power sector, fostering self-reliance in cutting-edge power technologies, and expanding and upgrading its global power business with enhanced quality. These initiatives are designed to position the Group as a world-leading clean energy enterprise, capable of delivering sustainable and resilient energy solutions across diverse markets.

- *PV power:* The Group has achieved significant milestones in the PV sector, including setting a Guinness World Record for the highest capacity hydro-solar power station in Qinghai, Longyangxia, developing the world's largest PV power generation park in Hainan Province, leading the construction of the first inter-provincial ultra-high-voltage transmission channel for clean energy in Qinghai-Henan Province in the PRC, and becoming the first gold award winner in the PV sector since the establishment of China's National Quality Engineering Award. Additionally, the Group is currently leading the construction of the country's first large-scale integrated wind-solar base in the Shagou Desert, Qinghai's Hainan Prefecture. The Group has also established the world's largest PV panel graphic power station in Inner Mongolia and built the first ultra-high-altitude PV demonstration base in Sichuan. By the end of 2024, the Group had over 2800 PV power plants across all provinces in the PRC, such as Qinghai, Xinjiang, Hebei, Suzhou and Gansu, as well as overseas in Japan, Australia, Mexico, Vietnam and Kazakhstan. The Group operates three national-level PV and PV storage demonstration bases in Gonghe, Daqing, and Ganzi in the PRC and has established large scale energy bases in Jiuquan, Gonghe, Golmud, Hami and Yancheng in the PRC. Its key projects include the Qinghai Longyangxia Hydro-Photovoltaic Power Station and the Qinghai Golmud Photovoltaic Power Station.

- *Hydropower:* The Group focuses on the development of cascade hydropower stations in the upper reaches of the Yellow River basin and the Yuan River basin in Hunan. With an installed hydropower capacity of 26.58 million KW, its assets are primarily distributed across 14 provinces and regions in China. The Group undertakes development tasks for two of China's thirteen major

hydropower basin bases, specifically in the Upper Yellow River and Western Hunan regions. Furthermore, it is actively involved in hydropower projects in overseas regions such as Australia and South America. Its key projects in the Upper Yellow River Hydropower Basin include Longyangxia, Laxiwa, Lijiaxia, Gongboxia, and Jishixia hydropower stations, while significant projects in the Western Hunan Hydropower Basin feature the Wuqiangxi and Sanbanxi hydropower stations, as well as the Changzhou hydropower station in the Zhujiang hydropower basin.

- *Wind power:* The Group possesses advanced capabilities and qualifications such as wind resource assessment, design, engineering contracting, and maintenance for wind farms. With a total installed capacity of 60.44 million KW, the Group ranks second globally in wind power capacity. Its assets are primarily distributed across 31 provinces and regions in China, including Qinghai, Gansu, Inner Mongolia, and Jiangsu. The Group has completed three 1-million-kilowatt-level offshore wind power bases in Guangdong, Jiangsu, and Shandong. Notably, the Binhai North Region H1# offshore wind power project in Jiangsu Province ("**Binhai North Region H1 Offshore Wind Power Project**") received the industry's first National Quality Engineering Gold Award(國家級高品質項目金獎). Its key projects include Gansu Jiuquan Gobi Wind Power Project, Yunnan Chuxiong Dagua Mountain and Dahuang Mountain Projects, Binhai North Region H1 offshore wind power project, and Shandong South Peninsula Offshore Wind Power Project.

- *Nuclear Power:* As one of China's third-generation nuclear power investment operators, the Group has led the National Science and Technology Major Project for the large advanced Pressurised Water Reactor nuclear power plants. It has fully mastered the passive pressurised water reactor technology and possesses capabilities in research and development, design, engineering construction, manufacturing of key equipment, operation, and lifecycle services. The Group has developed "Guohe One", the advanced passive third-generation nuclear power technology characterised by independent intellectual property rights, which has passed the International Atomic Energy Agency's generic reactor safety review, facilitating China's transition from second-generation to third-generation nuclear power technology. Currently, the Group operates nine nuclear power plants, including those at Liaoning Hongyan River and Shandong Haiyang as well as seven nuclear power plants under construction in Rongcheng, Shandong and Lianjiang, Guangdong, along with several coastal and inland site resources. Its key projects and assets include the Shandong Rongcheng "Guohe One" demonstration project, the Shandong Haiyang Nuclear Power Project, the Liaoning Hongyan River Power Project, and the Guangdong Lianjiang Nuclear Power Project.

The Group plans to further promote the construction of its large-scale clean energy bases. The Group has plenty of clean energy bases under construction which are spread across the PRC, including:

- Shandong Haiyang and Rongcheng (with a planned installed capacity of 10.66 GW and eight sets of million KW-level nuclear power units. As at 31 December 2024, the pressure vessel shell of the reactor for the No. 3 nuclear island was hoisted in position. The Rongcheng Nuclear Power Project is currently under construction, featuring two 1.53 million KW Guohe One demonstration nuclear power units, among which No.1 unit was put into commercial operation on 16 December 2024);

- Offshore Wind Power Base in Guangdong (with planned capacity of 3.2 GW, and 0.92 GW, 0.50 GW, 0.1409 GW and 0.3 GW were put into operation in 2021, 2022, 2023 and 2024 respectively. The offshore wind power base in Guangdong has a multi-purpose wharf constructed in the base);

- Hainan Prefecture Gobi Clean Energy Base in Qinghai (with a planned installed capacity of 15.6 GW, including 7.2 GW of PV power and 8.4 GW of wind power. Building on surrounding power stations (including those in nearby areas), capacity expansion and transformation projects of thermal power, and pumped storage have been implemented as the underpinning power sources of the base. With the help of UHV transmission lines starting from Hainan Prefecture, some flexible power sources are leveraged as well, such as new energy storage, hydropower expansion and

transformation, and solar power generation). In October 2024, Phase II Section 2 of the Qingyu DC project, a 900,000 KW photovoltaic power station, was successfully connected to the Queming 330 KV collection station and achieved its full-capacity grid connection target on schedule);

- SPIC Lianjiang Nuclear Power Base in Guangdong (with planned installed capacity of 8.62 GW, it is expected to allocate six GW-level PWR nuclear power units. In September 2023, the first phase was commenced to build two CAP1000 nuclear power units, with the rated capacity of each unit reaching 1.25 GW. These units are expected to be put into operation in 2029);

- Ulanqab Base in Inner Mongolia (with the largest single onshore wind power base in the world in terms of standalone development scale with a planned installed capacity of 6 million KW. The base covers the planned area of 2,072 km2. On 31 December 2023, the first phase of the 1.2 million KW on-site consumption project was connected to the grid). Once fully operational, it will provide 18 billion kWh of clean electricity annually, equivalent to replacing 6 million tons of standard coal and reducing carbon dioxide emissions by 15.3 million tonnes);

- Yancheng Offshore Wind Power Base in Jiangsu (with offshore wind power base comprising Binhai North Region H1 Offshore Wind Power Project with the controllable installed capacity of 100 MW and completed in May 2016; Binhai North Region H2 Offshore Wind Power Project with the controllable installed capacity of 400 MW and completed in June 2018; Binhai South H3 Offshore Wind Power Project with controllable installed capacity of 300 MW and fully connected to the grid in October 2020);

- The Bailong Nuclear Power Project in Guangxi (plans to build six million-KW pressurised water reactor nuclear power units with a total installed capacity of 8.62 million KW. The first phase of the project was approved in August 2024 to build two CAP1000 nuclear power units with a single unit rated capacity of 1.25 million KW. It is expected that all of them will be put into commercial operation in 2031); and

- Offshore Wind Power Base in Shandong Peninsula (Shandong Peninsula South No.3 project with installed capacity of 301.6 MW and began operations in December 2021; Shandong Peninsula South Offshore Wind Power Base V site project with installed capacity of 500 MW and commenced operations in December 2022; Shandong Peninsula South U Site Phase I Offshore Wind Power project with installed capacity of 450.5 MW and began operations in November 2023; Shandong Peninsula South U Site Phase II Offshore Wind Power project with installed capacity of 450.5 MW and began operations in December 2024).

The Group believes that favourable clean energy on-grid policy will further place it in an advantageous position in the competitive power market and ensure a stable profit growth and sustainable overall development for the Group.

The Group is also dedicated to building a multi-energy complementary and intelligent collaborative clean energy industrial system. This approach will establish the Group as an integrated ecosystem provider, creating a smart, synergistic clean energy industry framework that fosters a robust energy ecosystem.

Leveraging its diverse power structure, the Group strategically optimises the location of its power plants in the PRC and across the globe. For example, the Group's wind farms and PV power plants are mainly located in western China where abundant resources are available, and central-eastern and southern China where demands are concentrated.

Prominent nuclear power technology leader in China with core competitive advantages throughout the whole nuclear power industry chain

Currently, only four state-owned enterprises are authorised to control and operate nuclear power plants, namely the Group, China National Nuclear Corporation ("**CNNC**"), China General Nuclear Power Corporation ("**CGNPC**") and China Huaneng Group Corporation ("**CHGC**"). The Group has a first-mover advantage in the construction of AP/CAP nuclear power plants and played an important role in promoting China's nuclear power industry from second generation to the third generation. The Group undertakes to lead and develop the major science and technology tasks including the advanced PWR nuclear power plants key projects. The Group introduced the third-generation of AP1000 nuclear power technology from Westinghouse Electric Corporation in the U.S. in 2007. This has become the major platform for the realisation, engineering construction and independent development of third-generation nuclear technology and will be used in the construction of more nuclear power stations in the future. AP1000 is a single-stack two-loop pressurised water reactor, with an electric power of 1,250 MW, a design life of 60 years and a double-layer containment. The reactor's dedicated safety system adopts a passive design, which greatly simplifies the system and equipment, and has a small amount of construction and operation and maintenance, with benefits of lower maintenance, high safety and excellent value. Based on the full assimilation, absorption and re-innovation of AP1000 technology, the Group has independently innovated and developed CAP1400 technology, the third-generation nuclear power technology, with the independent intellectual property rights and constructed demonstration engineering projects.

The Group has established a one-stop service platform integrating nuclear power research and development, construction, manufacturing and operation, and gradually established "one-stop" overall design services covering nuclear island, conventional island and BOP. The Group has also achieved progress on nuclear power business, including research and development, engineering design, construction management, plant operation, lifetime services, nuclear power standards system and supplier qualification system. The Group's first set of generating unit that adopted CAP1400 technology procured over 90 per cent. of its materials and equipment from domestic suppliers. The Group believes that the CAP1400 technology meets the highest safety standard and represents the most advanced third-generation nuclear technology in the world, with the number of the nuclear valves reduced by 50 per cent., designed 60-year lifetime, low probability of severe accidents, 72-hour non-intervention period in event of accident, all-new equipment control system design, autonomously designed "Cosine" software. For each unit, the standalone installed capacity and annual power generation reaches 1.534 million KW and 12.5 billion KWh, respectively.

The Group has realised an AP/CAP third-generation nuclear energy supply chain globally, with qualified suppliers span fields including mechanical industry, electrical industry, materials, engineering, instrument control and operational services. The Group holds nuclear power mass production capacity which is able to supply six to eight units of AP/CAP nuclear power generating equipment and materials annually. These strong nuclear technological advancements give the Group core competitive advantages throughout the whole nuclear power industry chain in China.

The Group operates nine nuclear power units such as in Hongyanhe, Liaoning and Haiyang, Shandong as well as seven nuclear power plants under construction in, among others, Haiyang, Shandong and Lianjiang, Guangdong, along with several coastal and inland site resources. The Group has been accelerating the expansion from nuclear power to nuclear energy, and the integration from single nuclear energy source to multi-energy utilisation. In the field of nuclear heating, the Group has developed the patented zero-carbon nuclear heating technology. The Group has also been exploring nuclear energy heating and has developed the patented zero-carbon nuclear heating technology. The first phase of the Shandong Haiyang Nuclear Energy Heating Project has a capacity of 31.5 MW, pioneering a commercial model for nuclear energy heating. The second phase known as the "Warm-U-Clear No. 1" brand, has a capacity of 202.5 MW and is establishing Haiyang City as the first zero-carbon heating city in the country. The third phase has commenced operations on 25 November 2023, marking the beginning of a new era in inter-city nuclear heating, capable of meeting the heating needs of approximately 400,000

residents across 12.5 million square metres in Yantai Haiyang and Weihai Rushan. The Shanghai Nuclear Engineering Research and Design Institute has also designed and developed an integrated nuclear heating reactor, which the Group aims to achieve "near-zero emissions" and "low-carbon, pollution-free" environmental and safety goals, reaching a globally competitive level. The Shandong Haiyang Nuclear Power Project has achieved breakthroughs in the utilisation of nuclear energy in November 2020 including the first zero-carbon heating city project in China and the world's first practical engineering project for water-heat co-transmission. Currently, two nuclear power units in the Phase II of the Haiyang Nuclear Power Station are under construction and set for commercial operation by 2028. Phase I has been operational since January 2019, generating over 122.5 billion KWh, while the power generation for 2024 reached 19.2 billion KWh. For its Lianjiang Nuclear Power Project, two nuclear power units in the Phase I are under construction with plans for completion by 2029. The project includes six sets of GW-level nuclear power units with a total capacity of 8.62 million KW, projected to generate approximately 70.2 billion KWh annually upon completion. Please refer to "*Nuclear power*" below for more information.

Industry-leading energy sci-tech innovation capacity to maintain its innovation-based leadership

The Group drives development through innovation, focusing on key sectors such as nuclear, wind, solar, and hydrogen. By actively exploring new technologies and operational models for smart energy stations, the Group strives to position itself as a leader and builder of new productive forces in the energy and power sector. The Group is at the forefront of implementing major technological projects, including advanced pressurised water reactor nuclear power plants and heavy-duty gas turbines, both of which are characterised by independent intellectual property rights. In 2024, the Group achieved a major technological breakthrough with the successful development of the 300 MW-class F-level heavy-duty gas turbine, the largest and most advanced gas turbine independently developed in China. Recognised as the "crown jewel" of the equipment manufacturing industry, this turbine represents a strategic leap in the clean and efficient utilisation of fossil energy. Over 90 key core technologies were successfully tackled, including the development of high-temperature alloy materials, control system design, component and complete machine design, and manufacturing of hot-end components. The first prototype was successfully assembled and ignited, followed by a full-load test run, laying a solid foundation for supporting China's energy transition and technological self-reliance. Additionally, the Group possesses a comprehensive industrial chain and robust technical capabilities in nuclear power and photovoltaic-related research and development, engineering construction, equipment manufacturing, and operational management. Its leading research and production of electronic-grade polysilicon has also received recognition within China.

The Group has formed an integrated innovation system by complementing its central research academy with a design institute and industrial development centres. It covers multiple technological areas, coordinates long and short-term development priorities, as well as combining research with operational applicability. The Group has also developed into a highly effective Group wide innovation mechanism. As at 31 December 2024, the Group operates a diverse portfolio of research and development centres, including national-level research institutes, provincial-level research facilities, and post-doctoral workstations. It had also participated in the establishment of 332 international, national, or industry standards, including nine international standards.

The Group has devoted continual funding and support to research and development. The Group has also set up a technology venture capital fund which leverages the Group's own fund and external resources to explore a market-driven development model. The fund is dedicated to long-term commitments in technology research and to enhance the Group's leading position in technology. For example, the Group has set up a fund of RMB1 billion, the Energy New Technology Innovation Investment Fund, to support its energy sci-tech innovation. By the end of 2024, the Group had applied for 4,470 patents and obtained 2,244 patents in 2024.

The Group insists on technological innovation-led industrial development, possesses a complete innovation chain and strong technical strength in the fields of third-generation nuclear technology, clean and efficient coal-fired power generation, PV power generation and power station environmental protection, and obtained a series of major innovative results with proprietary intellectual properties. The Group's research and development results and scientific strengths have been highly recognised. By the end of 2024, the Group had received 194 awards, including more than 30 National Science and Technology awards. The Group also received several dozen first national, provincial and ministerial-level awards, and several hundreds of second and third national, provincial and ministerial-level awards. By the end of 2024, the Group had led the preparation and formulation of over 1,000 various standards.

The Group has also established a comprehensive sci-tech innovation system. The Group formed the thirteenth five-year sci-tech plan, setting out the goals, plans, policies and measures for sci-tech development. The Group formed measures on research and development projects management, specifying the management measures on various aspects such as a research and development plan, achievement, standards, rewards and evaluation. The Group has also set out measures on sci-tech achievement transformation, as well as measures on first product certification management.

The following are some technological innovations of the Group:

- *Breakthrough in PV technologies*: Leveraging on the Group's research and development, the Group's crystalline silicon cells has achieved a conversion efficiency of 26.0 per cent., while laboratory efficiency for perovskite tandem batteries has surpassed 32.45 per cent. The Group has established the nation's first PV component recycling pilot line, achieving a comprehensive recovery efficiency of 92.5 per cent. The Group has also implemented quality enhancement and efficiency improvement technologies at its key sites, increasing average power generation capacity by 6.93 per cent. and total generation by 19.08 million KWh. A range of remote diagnostics and quality improvement support services have been completed, resulting in a system efficiency improvement of 85.4 per cent. for photovoltaic power plants, maintaining an industry-leading position. The Group has also established a fully integrated green industrial chain encompassing polysilicon production, advanced and efficient photovoltaic cell research and development, manufacturing, and module recycling. The Group is committed to achieving first-class standards while enhancing its core innovative capabilities within the industry. This allow the Group to build competitive advantages across key segments of the industrial chain, including technology, products, and platforms.

- *Breakthrough in Thermal energy*: The Group actively streamlines the management of thermal power operations, complying with requirements for energy conservation and emission reductions as well as transforming and upgrading thermal power. It is focused on exploring pathways for the development of clean thermal power. In 2023, the domestically developed DCS (Distributed Control System) for thermal power units received recognition from the Ministry of Industry and Information Technology. Featuring a full ethernet architecture for the first time, achieving a series of technological breakthroughs, including ultra-high precision time synchronisation, controller redundancy, high-precision temperature acquisition, and comprehensive system self-diagnosis. Specifically, it has developed a triple-redundant control system compatible with various DCS control platforms in China, and has overcome key technological challenges such as large-ratio blending of Zhundong coal, "energy storage and frequency regulation + black start," air-cooled high-parameter turbine design, vibration-damping blade design, and "thermal power + energy storage." The Company has also developed a series of new technologies, including the "thermal power + energy storage" technology. It marks an innovative breakthrough in the autonomous control of key core components and the entire system in thermal power plant. The Group's ability to utilise this advanced DCS significantly enhances operational efficiency, reduces import costs of spare parts, and lowers high equipment maintenance fees, thereby effectively improving the

inherent safety of its systems. Currently, the autonomous DCS is essentially capable of covering all types of thermal power units under the Group, providing a vital asset for achieving complete autonomy in industrial control systems within China's power generation sector.

- *Development of energy technology*: For wind power, the Group independently developed large-scale energy industry software platform "Yufeng System" which carries out collective wind resource assessment system, electricity weather reports and wind plants control optimisation; for hydropower, the Group has successfully developed and officially launched China's first group-level unified dam safety management information work platform, and built a cloud platform for the hydropower industry, implement remote centralised control, remote operation and maintenance, to enhance the digital and intelligent level of the hydropower industry; for environmental protection, the Group developed and applied the "adaptive boiling foam desulphurisation and dust removal device"; for hydrogen energy, the Group has built the entire industrial chain of hydrogen energy production, storage, transmission and use of core technologies of the entire chain such as fuel cell catalysts, membrane electrodes, and bipolar plates, and developed the "Hydrogen Forerunner" brand battery products with independent intellectual property rights; and for energy storage, the Group has developed iron-chromium flow battery products and is constructing the world's first outdoor demonstration test platform for PV and energy storage.

- *Development in nuclear power plant*: In the nuclear sector, the Haiyang Nuclear Power Plant achieved two major breakthroughs in 2024. First, Phase II of the plant launched a 4.5 million square meter nuclear energy heating project, establishing the country's first zero-carbon heating city. Once completed, it will provide a zero-carbon heat supply system for an entire city. Second, the hydro-thermal simultaneous transmission project was officially put into operation, becoming the first of its kind in the world. These achievements underscore the Group's leadership in nuclear innovation and its commitment to decarbonisation.

The Group has also proposed the concept of "Integrated Intelligent Energy" which consolidates different forms of energy, such as electricity, heating, cooling, gas and water, and provides comprehensive energy solution to residents within a specific region. Integrated Intelligent Energy breaks the traditional model of separated planning, design, and operation of different energy types, and provide regional integrated energy solutions. It can also maximise utilisation of local energy resources, match local demand with local supply, optimise synergies between generation, transmission and consumption of different varieties of energy, and improve the overall efficiency of the energy system. The integration and coordination of different energy supply is designed to be facilitated by the intelligent service control centres. The Group is one of SASAC's exemplary enterprises of Integrated Intelligent Energy development, who led the establishment of China Smart Energy Industry Alliance. The Group participated in the construction of demonstration projects on multi-energy complementary integration and optimisation, and promoted research of integrated smart energy resource and the formulation of related policies. By focusing on digital and smart energy production, storage, supply, consumption and services, the Group pursues horizontal coordinated supply of "electricity, heat, cooling, gas, water, hydrogen" and other types of energy to achieve vertical optimisation of interaction among "source-network-load-storage-utilisation" and other stages. The Group builds an energy network that seamlessly connects the "Internet of Things" and the "Internet", and provide end users with integrated energy services. A flagship example of this strategy is the Suzhou Smart Energy Platform (the "**SEP**"), which is the first SEP in China subject to provincial power grid dispatching. By the end of 2024, the project had a total aggregate capacity of 1.037 million KW and an adjustable load of 238,000 KW, which supplemented about 10 per cent. of Suzhou's power shortage.

In 2024, the Group's "Urban-Level Virtual Power Plant Edge Control Device and Aggregation Platform" project received international recognition, winning the "Saudi Arabia Delegation Award," the "Outstanding Innovation Award," and the "Special Commendation Gold Award" at the 49th Geneva International Invention Exhibition. These achievements underscore the Group's leadership in digital energy innovation.

The integrated intelligent energy technology can be applied to many scenarios, including:

- smart cities and counties (including service targets such as new urban districts, old towns or counties and towns, and at the same time carry out comprehensive energy construction and services in accordance with the requirements of new smart city construction).

- industrial parks (serving Industrial park or high-tech park (which may be a single type of industry, or can comprise of multiple types)).

- office buildings (serving hospitals, commercial buildings, data centres, office buildings, schools; developing smart buildings and to bring improvements to energy efficiency, comfort and energy self sufficiency).

- power plants (using wind-solar storage, wind-solar hydro, wind-solar thermal and other energy combinations, and combining with energy storage and hydrogen energy to achieve multi-energy complementarity, and thus to promote user-side electric energy substitution and comprehensive energy utilisation).

The Group is dedicated to further optimise its power structure and develop the application of diversified clean energy. The Group has started to explore and develop new energy industries and business formats:

- *Hydrogen energy*: Developing the application of hydrogen energy products and hydrogen production with clean energy, striving to become an integrated development service provider of the hydrogen energy industry chain, a leader in advanced independent technology of the hydrogen fuel cells and a promoter of the development of the national hydrogen energy industry, and has developed megawatt class hydrogen fuel cell and put it into trial operation. The Group's Daan Wind-Solar-Green Hydrogen and Ammonia Integrated Demonstration Project is the largest integrated green power-to-hydrogen-to-ammonia project in China, with a hydrogen production capacity of 46,000 Nm^3/h (including 36,000 Nm^3/h from alkaline water electrolysis and 10,000 Nm^3/h from PEM electrolysis) and an annual ammonia synthesis capacity of 180,000 tons. The Group is committed to centralised and large-scale new energy development, with a strategic focus on the green hydrogen sector. On one hand, it is actively exploring hydrogen-based e-fuels such as methanol, ammonia, and sustainable aviation fuel in downstream applications. On the other hand, the Group has successfully tackled key enabling technologies and commenced the world's largest demonstration project for green hydrogen and synthetic ammonia production powered by wind and photovoltaic energy. These initiatives reflect the Group's ambition to lead the global transition toward clean hydrogen energy and to establish a full industrial chain from production to application, reinforcing its position as a pioneer in the hydrogen economy.

- *Stored energy*: The iron-chromium flow battery is one of the most promising energy storage technologies that can improve the stability of the power grid and one of the best energy storage technology for renewable energy. The Group developed 2 KW to 250 KW series iron-chromium flow energy storage battery products, using PRC local production of all components. The photovoltaic industrial park energy storage power station is the first project in China that covers all mainstream photovoltaic and energy storage technology routes. The construction of the first MW-class iron-chromium flow battery energy storage exemplary project in the PRC has commenced in Zhangjiakou. In 2023, the first domestic hybrid energy storage project consisting of iron-chromium flow cells, flywheels and lithium cells was put into trial operation by the Group's subsidiary, SPIC Inner Mongolia Electric Power Branch, with a 3 MW hybrid energy storage system.

- *Energy Industry Internet*: The Group takes the lead in the construction and operation of the energy industry Internet platform to accelerate the construction of a clean, low-carbon, safe and efficient energy system, and promote the transformation and upgrading of the energy industry and green development. The platform gathers data on energy production, economy, consumption, and security to carry out energy industrial control security situation awareness, big data application, smart

energy project development, energy financial derivative services, among others. In 2024, the Group achieved a significant milestone in energy storage with the successful grid connection of the largest independent energy storage station in Jiangsu Province–the State Power Investment Corporation Jiangsu Company's 200 MW/400 MWh independent new energy storage project. In its first month of operation, the station completed 57 charge and discharge cycles, accumulating 27.41 million kWh of charging and 22.84 million kWh of peak discharging, generating a sales profit of RMB20 million. This project exemplifies the Group's ability to commercialise large-scale energy storage infrastructure and enhance grid flexibility and economic returns.

- *E-mobility*: The Group leverages on the advantages of industrial finance, integrating the upstream and downstream resources of the energy industry chain, successfully developed the world's first smart unattended swap station in 2018, and realised the large-scale marketisation of electric energy substitution through the innovative model of "car-electricity separation" application. The Group also developed innovative technologies including the new AC drive systems and variable-frequency energy-saving hydraulics, achieving the country's first pure electric AC drive for dump trucks over 100 tonnes, with internationally leading technology levels.

Strong integrated synergies along the industrial chain, which significantly increases operating efficiency

The Group focuses on building an industrial chain by integrating and synergising the upstream and downstream development of coal, electricity, aluminium, transportation, and ports. By taking the lead in promoting industrial integration models such as coal-power joint ventures, water-solar complementary systems, and green power aluminium refining, it can achieve efficient synergy among diverse energy sources and supply links, foster green development within a circular economy, and enable the complementary use of multiple energy forms. The Group also explores avenues for intensive resource development, unifying industry capabilities, and sustainable circular development.

The Group benefits from strong integrated industry synergies, which ensure a significant improvement in operational efficiency. On the basis of asset strength in coal and power generation and the principle of balanced development, the Group has extended its business following the value chain of coal/wind-power-aluminium and hydro-power-aluminium, coupled with comprehensive support from sci-tech innovation, environmental techniques and ancillary businesses, including financial business and logistics, such as railway and port resources for transportation within the Group. The Group has one operating railway and one operating port, including which the Jinbai transportation channel is an important link in the Group's industry chain by road and port for coal, electricity, and aluminium. The Group promotes a positive collaborative environment that raises the competitiveness of the electricity and coal industries. Meanwhile, green energy supports the development of the Group and contributes to China's "Uphill Battle for Prevention and Control of Pollution". This has strengthened segment integration and increased the competitiveness of the Group's coal and power business.

For example, the Group's Huolin River Cyclic Economy Demonstrative Integrated Generating Cluster Project is a large-scale and complicated cyclic project of intelligent electricity grid, lignite, coal power plant, wind farm and electrolytic aluminium smelting. The project has the features of rich collaborative industries, complex operations and high technical content. Through integrating resources, the project improved the utilisation efficiency, enhanced economic efficiency and have an industry leading position. As at 31 December 2024, the total installed capacity of the Huolin River Project was 2.85 GW and total transformer capacity was 6,821 MVA. In 2024, the gross power generation of Huolin River Project was 13.24 billion KWh.

The Huolin River Cyclic Economy Demonstrative Integrated Generating Cluster Project also uses a variety of energy generation in an integrated way, such as coal classification utilisations, water conservation and utilisations, electricity and heat utilisations, *in situ* conversion for utilisations of low value coal and wind power, utilisations of clean energy by smart grid, and joint operations of coal, electricity, port and railway industry. The coal classification utilisations help *in situ* conversion of

inferior coal to power generation and aluminium smelting, provide medium-quality coal for power generation at the pithead power station, and export high-quality coal to support the development of power stations at intersections and ports. The water conservation and utilisations mainly use the urban reclaimed water and maximise the use of coal mine drain water as a supplement, which can reduce water consumption and protect the ecological environment. Efforts are being made to further reduce water resource consumption and protect the ecological environment. Annually, 1.25 million cubic metres of reclaimed water from urban areas and 519,200 cubic metres of mine dewatering water are utilised, reinforcing the Group's commitment to sustainable water management and ecological preservation. The electricity and heat utilisations help to consume inferior coal for power generation, realise the combined supply and sale of electricity and heat, and solve the environmental pollution problem caused by small coal burning boilers by replacing over 40 low efficient small coal burning boilers, with a heating area of over 7.7 million square metres. The low value coal and wind power could be converted *in situ* by electrolytic aluminium products, and every 860,000 tonnes of electrolytic aluminium products could consume 8 million tonnes of inferior coal and 2.93 billion KWh wind power and 293 million KWh PV power every year. For the utilisations of clean energy by smart grid, the project developed an environmentally friendly modern smart grid, with the goal of absorbing substantial wind power with the current penetration rate of smart grid reaching 38.25 per cent. For the joint operations of coal, electricity, port and railway industry, the project forms a large coal transportation channel in East Mongolia that integrates production, transportation and sales, logistics, information flow and cash flow.

The Group also strives to optimise its thermal power structure and its efforts have led to the significant increase in its operating efficiency. The Group's standard coal costs for power generation have consecutively decreased, being 296 g/KWh, 293g/KWh and 290g/KWh for each year from 2022 to 2024, respectively. The Group's smoke emission rate has also decreased from 0.013 g/KWh in 2022 to 0.011g/KWh in 2024. The desulphurisation and denitrification equipment rate remains unchanged at 100 per cent. from 2022 to 2024.

Extensive financing channels and low-cost financing capability

Compared with other power generating groups, the Group has a low asset securitisation rate, which allows sufficient room for future equity financing activities. The Group has eight listed and quoted companies, and through these listed companies the Group may promote the listing of specialised segments, connect onshore and offshore capital markets and obtain funds, and adjust debt structure through equity financing as appropriate.

The Group has strong credit position and financing capability. Currently, the Group has completed TDFI registration (uniform registration of multi-variety debt financing instruments) at China's National Association of Financial Market Institutional Investors and became one of TDFI's few members. The Company was the first batch of 21 mature-tier first-class enterprises (TDFI enterprises) of the Interbank Market Dealers Association. As TDFI's member, the Group enjoys favourable policies to issue bonds in a more flexible and efficient manner, which provides stable supports to the Group's financing activities in financial markets. In 2018, the Group was also recognised as one of the first enterprises under the newly formulated Corporate Bond Optimisation Financing Regulatory Guide and Guidelines for Continuous Financing Supervision(公司債券優化融資監管指南和持續融資監管指南)("**Optimisation Financing Regulatory Guide**") by Shanghai Stock Exchange and was approved to publicly issue corporate bonds of no more than RMB26 billion under the shelf offering scheme, which will be the first public shelf offering since the implementation of the Optimisation Financing Regulatory Guide. Since 2016, the Group has issued U.S.$4.5 billion offshore bonds. The Group's high-quality rating is well-recognised by both onshore and offshore investors. For example, it has received AAA rating (from CCXI and Dagong) in China. The Group has also been assigned a corporate credit rating of A1 by Moody's, A- by Fitch and A- by S&P. The Company has also been awarded the Excellent Issuer by Shanghai Clearance House and Excellent Corporate Bond Issuer by Shanghai Stock Exchange from 2017 to 2023. The Company has been granted the approval of the issuance of corporate bonds and perpetual securities in the PRC in an aggregate amount of up to RMB50 billion and up to RMB50 billion, respectively, in 2024. The Group has also issued public REITs domestically, establishing China's first

energy-related central enterprise asset listing platform. Additionally, it has engaged in the private placement of shares in Power Investment Energy, achieving high quality and creating the best fundraising results for similar projects in the A-share market in recent years.

The Group has established comprehensive strategic partnerships with China's leading banks. These banks provide ample sources of funds to the Group. As at 31 December 2024, the Group had received credit lines of RMB2,870 billion from banks in total, including undrawn credit lines of RMB1,590 billion. As at 31 December 2024, the Group had 20 per cent., 19 per cent. and 61 per cent. of its total debts with a tenor of less than one year, between one to three years and more than three years, respectively. In 2020, SPIC established a medium term note programme with a programme size of U.S.$3 billion and listed on the Hong Kong Stock Exchange, with initial drawdowns of a U.S.$1 billion notes with a five year tenor.

The Group from time to time considers financing proposals to optimise its capital structure. Such financing proposals may include the use of equity, bonds, loans and hybrid securities. The Group will prudently raise funds to improve its capital structure and lower its financial costs.

Efficient modern management system, sound risk control, and safe and reliable production and operation

The Group is one of central enterprises mergers and reorganisations, state-owned enterprise information disclosure and SASAC's Board of Directors' governance structure pilot units. The Board of Directors has independent decision-making rights and capacity, which effectively improves decision-making efficiency. As a pilot enterprise, the Group has optimised its industrial layout, improved its operational mechanisms, and innovated development models. The Group has also strengthened its strategic leadership, capital operations, risk control compliance, and audit supervision to enhance overall management capabilities. To enhance the Group's global competitive edge as a clean energy enterprise, the Board of Directors has also enhanced the momentum and vitality for high-quality development, improve resource allocation efficiency and international business levels through open cooperation, and fully advance the construction of a world-class clean energy enterprise with global competitiveness.

The Group has published its risk control compliance manual which covers a wide range of topics including basic compliance information, compliance management introduction, compliance structure, detailed guidelines, laws and regulation index and case studies. The Group optimises management and control patterns, streamlines business structure, promotes a series of restructuring and reform programmes, such as distribution system reform, and establishes a more efficient management system.

In January 2016, the Group has formally established a dedicated Board of Directors characterised by integrity, competence, expertise, diligence, and a strong sense of responsibility. Currently the Company achieved a majority of external directors. The Company has formed a governance structure in which the investors, the Board of Directors, and the management are each in responsible, coordinated operation, with effective cheques and balances. The Board exercises and safeguards the rights of the Group as an investor, contributing to the overall goals of the organisation. The Group standardise the Board decision-making at the Group level, to implement collective deliberation, independent voting, and individual responsibility of the Board of Directors, with the decision-making system of a single vote per person, directors' resolution tracking implementation of a post-evaluation system. The Group also aims to improve the corporate governance of subsidiary companies and strengthen the constitution of the board of directors by (i) improving the top-level design of corporate governance; and (ii) promoting the establishment of the board of directors of subsidiaries at all levels, and targets to complete the establishment of the board of directors of all second-level units in August 2021.

In accordance with the principle of unified management and hierarchical control, the Group integrates emergency management into every part of business management, and has established and improved its three-level emergency management organisation system. At the headquarters level, the leadership provides comprehensive management, professional support, coordination and supervision of the Group's

safety operation. The secondary subsidiaries within the Group undertake the supervision and management and system assurance responsibility for occupational health and safety and safe production within the tertiary subsidiaries. The tertiary subsidiaries are directly responsible for establishing and implementing safe production in compliance with national safety production laws and regulations, national standards, and industry standards. They undertake the primary responsibility for safety production. The Group is committed to enhancing the development of its headquarters-level Board of Directors, ensuring that the new development philosophy is fully, accurately, and comprehensively implemented. It actively fulfils its roles in strategic planning, decision-making, and risk management, thereby promoting the Group's high-quality development. As at 31 December 2024, the Group has not encountered any material personal casualties or equipment accidents, reservoir, ash silo or tailings pond collapse accidents, or railway traffic accidents.

Experienced, professional and motivated management team supported by a highly skilled professional talent team

The Group has an experienced and knowledgeable management team. The Group's senior managers each have an average of over 25 years of experience in the PRC's power industry and the broad range of industry expertise necessary to develop and execute its strategy to capture market opportunities.

The Group's management team is supported by highly skilled employees with extensive technical know-how and high levels of qualification and training. The Group's in-house training centre provides professional training to its technicians and management to ensure they are equipped with necessary knowledge in the power industry and best practises of various aspects of the Group's business. Please refer to "*Directors and senior management*" for more details.

BUSINESS STRATEGIES

The Group aims to become a world-leading clean energy enterprise with global competitive edge in the fields of clean energy supply and integration of energy ecosystems by innovating in advanced energy technologies and quality engineering service. With a mission centred on "creating green value", the Group embraces core values of "green, innovation, integration, sincerity, diligence, and achievement". By harnessing the momentum for reform and prioritising the development of new productive forces, the Group implements a "balanced growth strategy" to advance its clean energy initiatives. The Group will strive to achieve this aim through synergising traditional power sources and emerging clean energy development to increase its scale and investment, as well as improving its energy sources and enlarging its geographic distribution. The Group strategically position itself as an advanced energy technology developer, a clean and low-carbon energy supplier and an energy ecosystem integrator. The Group intends to complete the transformation to a modern clean energy enterprise and state-owned capital investment company, to accelerate overseas development and to operate the world-leading PV business. The Group's goal is to become a world-leading clean energy enterprise with global competitive edge by 2035.

The Group's strategies include to:

Accelerate the pace of and being dedicated to developing overseas markets.

The Group's overseas projects are located in 47 countries and regions including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil, and Australia, of which 38 are Belt and Road Initiative partner countries. Its overseas businesses cover power project investment, technical cooperation, engineering, procurement, and construction ("**EPC**"), among others. The Group plans to actively expand its power business into the international markets. The Group believes that the expansion would help diversify its revenue base, increase its growth potential and enhance its brand. In addition, the Group plans to explore business opportunities globally in the thermal power markets, in the nuclear power markets in countries including South Africa and Turkey, in the hydropower market in Asia and Pacific area and Brazil, and in other

clean energy markets in developed countries in Asia and Pacific, Europe and North America. The Group believes that its comprehensive capabilities in the development and management process of power projects enable it to compete in its selected international markets.

Continue to strengthen the Group's leading position as an integrated energy enterprise in the PRC power sector.

As one of the largest integrated energy conglomerates in the PRC, the Group plans to strengthen its leading position in the PRC power sector by continuing to increase the Group's total controllable installed capacity, maximising the Group's operational efficiency, optimising the geographical distribution of Group's power projects, and promoting synergies and complementary projects of different sub-segments of its power business. Specifically, with the Group's diversified power assets, it aims to promote clean energy, optimise thermal power development and promotes upstream and downstream collaboration in industries such as coal, logistics and aluminium industries. In addition, the Group plans to apply the skills and experience the Group has gained through its significant operating history to identify and develop new projects, as well as supplement its organic growth and enhance the scale of its operations by selectively pursuing acquisitions of additional power businesses and assets.

Further develop the Group's green and sustainable development.

The Group is committed to become a world-class clean energy enterprise while supporting national goals to reach peak carbon emissions by 2030 and achieve carbon neutrality by 2060. The Group plans to continue expanding its clean energy capacity and maintain a leading position in PV, wind, and hydropower capacity. Additionally, the Group believes that the utilisation of advanced technologies is vital to maintaining and furthering its competitiveness. The Group intends to continue to invest in its research and development efforts and technology innovation, focusing on developing proprietary key technologies in the areas of battery technology, hydrogen energy, and carbon capture, utilisation, and storage.

The Group also intends to integrate clean energy development with ecological civilisation and rural revitalisation, fostering synergies that uplift communities. This includes promoting energy integration through the development of smart energy platforms to enhance efficiency and sustainability. As the Group progresses, it will continue to gradually reduce its reliance on fossil fuels by lowering the share of coal power generation.

Continue to strengthen its ESG framework.

The Group continually strengthens its ESG framework, guided by the principles of "Service Strategy," "Effective Integration," and "Harmonious Co-construction." In 2023, it launched an ESG "3+1" governance structure to enhance its governance foundation to explore ESG construction and ESG framework. In 2024, the Group formulated the ESG work Guidelines and released an ESG indicator system to guide its subsidiaries in establishing a scientic, concise, and efficient ESG management framework. This initiative aims to standardize ESG practices, enhance risk management and information disclosure, and comprehensively improve the Group' ESG performance and accountability. In terms of environmental initiatives, the Group prioritises clean energy as a primary growth driver, with new energy sources accounting for 93 per cent. and 90 per cent. of newly added installed capacity in 2023 and 2024, respectively. It focuses on developing zero-carbon power plants, hydrogen, and energy storage while fostering sectors such as integrated smart energy and biomass energy. The Group leverages green finance to enhance the low-carbon value of clean energy, supporting high-quality sector development. Emphasising safety production, the Group contributes to global nuclear safety and enhances its safety management system. It actively promotes rural revitalisation through energy transformation, integrating "Green Power + Rural Revitalisation + Ecology" to uplift communities. The Group strengthens risk management by advancing systematic risk prevention and ensuring accountability across all levels. It prioritises legal compliance, optimising its compliance management system and embedding legal requirements into all decision-making processes.

AWARDS

Awards in recognition of outstanding industry position

- Gold Prize of National Quality Engineering Awards by the NDRC in 2023

Awards in recognition of remarkable technological innovation

- The Grand Prize and the First Prize of China Power Innovation Award in 2017
- The First Prize of the National Electricity Staff Technology Achievement Award by the National Electricity Council in 2017
- The China Semiconductor Product and Technology Innovation Award by the China Semiconductor Industry Association in 2017
- The First Prize of the National Electricity Science and Technology Progress Award in 2016 and 2017
- The Second Prize of the National Science and Technology Progress Awards by the State Council in 2016
- The First Prize of Electricity Industry Digitalisation, Outstanding Achievement Award by the China Electricity Council in 2016
- The First Prize of China Machinery Industry Science and Technology Progress Award in 2015 and 2016
- The First Prize of the China Power Innovation Award in 2015
- The First Prize of Outstanding Computer Software Award of the Year by the Ministry of Nuclear Industry in 2015
- Second Prize in the State Technological Innovation Awards in 2015
- The First Prize of China Non-ferrous Metal Science and Technology Award in 2015

Awards in recognition of excellent corporate governance

- The First Prize of Enterprise Management Innovation Achievement Award for National Power Industry in 2017
- The Excellent Investment Project by the Investment Association of China in 2017
- *Construction and Implementation of Central Enterprises' Asset Evaluation and Management System* won the first prize of Enterprise Management Innovation Achievement Award for National Power Industry in 2015
- *Equity Management System of the Group* won the first prize of Enterprise Management Innovation Achievement Award for National Power Industry in 2015
- The Gold Prize of Best Capital Management designated by Financial Times and Institute of Finance of the Chinese Academy of Social Science in 2015
- SOE Reform Innovation Supporting Legal Award in 2015

- Integrated control system construction of energy conglomerate won the First Prize of the Twenty-first session of the National Enterprise Management Modern Innovation Achievement Awards in 2015

Awards in recognition of comprehensive social responsibility

- China ESG Excellence Practise in 2023
- Responsibility Pioneer Award for Overseas Responsibility in 2023
- Ranked No. 16 in China Top 300 Enterprises Social Responsibility Development Index 2023
- Today Reform Progress Prize in United Nations Climate Change Conference

BUSINESS SEGMENTS

The Group primarily engages in the power generation business and has diversified power assets across thermal power, nuclear power, hydropower, wind power, PV power and other non-nuclear clean energies. The Group also engages in ancillary business such as heating, coal, aluminium and other ancillary business. The Group's core business segment contributed to the majority of the total revenue of the Group for each of the three years ended 31 December 2022, 2023 and 2024.

The following table sets forth revenue breakdown of the Group's major business segments for the periods indicated.

	Year ended 31 December							
	2022		2023		2023		2024	
	(RMB in millions)	*%*	*(RMB in millions)*	*%*	*(RMB in millions) (restated)*	*%*	*(RMB in millions)*	*%*
Business segments								
Power generation	237,606	67.8	251,142	66.1	261,331	67.8	261,259	66.1
Heating	11,934	3.4	12,352	3.2	12,613	3.3	12,978	3.3
Coal	15,531	4.4	16,075	4.2	20,519	5.3	20,655	5.2
Aluminium	41,685	11.9	44,509	11.7	48,522	12.6	53,002	13.4
Others	46,153	12.5	56,000	14.7	42,628	11.1	47,574	12.0
Total Revenue	**352,909**	**100**	**380,078**	**100**	**385,613**	**100**	**395,468**	**100**

Power Generation Business

The power generation business is the core business segment of the Group and the main revenue contributor. The Group designs, develops, manages and operates power plants, power stations and wind farms, and sells the electricity generated by its plants to local grid companies. The Group has diversified power assets across thermal power, nuclear power, hydropower, wind power, PV power and other non-nuclear clean energies. Revenue from the Group's power generation business for the three years ended 31 December 2022, 2023 and 2024 amounted to RMB237,606 million, RMB251,142 million (for 2023 before restatement), RMB261,331 million (restated for 2023) and RMB261,259 million, respectively, accounting for approximately 67.8 per cent., 66.1 per cent. (for 2023 before restatement), 67.8 per cent. (restated for 2023) and 66.1 per cent. of its total revenue during the same period, respectively.

For year ended 31 December 2024, the Group's power generation from thermal power, nuclear power, hydropower, wind power and PV power was 359.8 TWh, 72.3 TWh, 88.0 TWh, 112.8 TWh and 91.6 TWh, respectively.

The following table sets out certain details of the total controllable installed capacity of the Group's power generation business as at the dates indicated.

	Year ended 31 December					
	2022		2023		2024	
	Total Controllable installed capacity		Total Controllable installed capacity		Total Controllable installed capacity	
	(GW)	*%*	*(GW)*	*%*	*(GW)*	*%*
Thermal power[(1)]	82.26	38.86	82.65	34.80	83.53	31.53
Nuclear power	9.21	4.35	9.21	3.88	10.75	4.06
Hydropower	24.63	11.63	25.52	10.75	26.58	10.03
Wind power	42.31	19.98	50.89	21.43	60.44	22.81
PV power	53.30	25.18	69.19	29.14	83.66	31.57
Total	**211.71**	**100.00**	**237.46**	**100.00**	**264.96**	**100.00**

Note: Thermal power includes coal, coal-fired power, gas turbine, biomass energy.

The Group is a world leading clean and low carbon energy provider. As at 31 December 2024, the Group's clean energy represents highest proportion of total controllable installed capacity among the top power generation groups in China, PV energy controllable installed capacity is the highest in the world at 83.7 GW, controllable installed capacity of wind power is second highest in the world at 60.4 GW and has comprehensive and diverse energy structure advantage.

The Group also integrates energy ecosystems that provides multi-energy complementary solutions realises the efficient synergy between multiple energy varieties and multiple supply links, the green development of circular economy, and the energy ecological development of multi-energy complementary and intelligent coordination. The Group aims to build a model enterprise and is currently leading the China Smart Energy Industry Alliance to build a national industrial Internet platform, to provide Chinese perspectives of intelligence and solutions to promote the deep integration of energy and the Internet, big data, and artificial intelligence.

The Group is one of China's four major nuclear power development and construction operators, the only power generation group among China's major power generation groups that has comprehensive nuclear power holding, development, construction, and operation qualifications. The Group also holds world leading passive third-generation nuclear power technology, and actively promotes China's third-generation nuclear power autonomy and industry globalisation.

Thermal power

The Group has been actively optimising its thermal power asset structure by focusing on large capacity and energy saving power units, equipment and technology upgrades, and thermoelectric gas-steam combined cycle power plants and natural gas distributed energy systems. All of the thermal power units invested and operated by the Group have been equipped with desulphurisation equipment and denitrification equipment. The Group is also carrying out ultra-low emission modification of thermal power units on a large scale, with the aim of achieving an emission target even better than that of gas units. As at 31 December 2024, the Group has completed ultra-low emission transformation of six coal power units with capacity of 824 MW, reaching a total of 176 transformed thermal power units, representing 97.2 per cent. of the total capacity of thermal power units. The Group aims to continue to execute the ultra-low emission modification and focus on developing clean energy thermal power. The Group leverages its resources capability while continually optimising its power plant spread across the PRC. Its thermal power assets are located in areas where coal resources or power demands are concentrated.

The following table sets out a summary of certain details of the illustrative thermal power projects of the Group.

Project name	Controllable Installed capacity	Descriptions	Awards
Shanghai Electric Power Tianji Power Plant Phase II	2×700 MW	• No. 3 generating unit won the title of "the Best Generating Unit by Coal Consumption Efficiency" granted by SASAC in 2015 for its low coal consumption of 274 g/KWh (saving about 10 g/KWh of average coal consumption compared to similar domestic units)	• Gold Award for National Quality Project in 2015
		• annual standard coal saving of 62,700 tonnes, carbon dioxide emission reduction of 166,800 tonnes and sulphur dioxide emission reduction of 1,300 tonnes	• the world's first operating 620°C reheat steam temperature TT-type boiler system
Pingwei Power Plant	4,540 MW	• the world's first "Three Hundred" project with "GW-capacity generating unit, megavolt-level in-plant master substation voltage and megavolt-level UHV power output lines"	• Pingwei Phase III won the Award for China's Quality Power Engineering Project and in 2016 the "Installation Star"
		• total controllable installed capacity is 4,540 MW, being the largest thermal power plant of the Group in terms of controllable installed capacity	• Pingwei Phase II won the Award for China's Quality Power Engineering Project in 2009
			• Pingwei Power Plant won the Fourth Session of National Power Industry Equipment Management and Innovation Award in 2013
Shanghai Electric Power Caojing Power Plant	2×1,000 MW	• after renovation, emission of dust, sulphur dioxide and nitrogen oxides are 1.8 mg/m3, 13.9 mg/m3 and 21.6 mg/m3, respectively, all better than benchmark emission standards	• National Quality Engineering Gold Award and the title of Classic Project at the Thirtieth Anniversary of National Quality Project Award in 2011
			• No. 2 generating unit became one of the first 13 coal-fired power-generating units of environment protection and renovation demonstrative projects approved by National Energy Administration in 2014

Nuclear power

As at 31 December 2024, the Group had nine operated nuclear power plants in the PRC and seven nuclear power plants under construction. The Group developed the Passive Nuclear Power industry chain, including research, design, construction, key equipment manufacture, operation and maintenance service. On 28 September 2020, the Group finished developing the third generation of nuclear technology "CAP1400", which is a model engineering project and a landmark independently Chinese-developed nuclear technology intellectual property, which greatly improves the nuclear power industry of China. The Group is the leading enterprise in developing CAP1400. It combined the effort of more than 470 companies and 26,000 technicians and spent 12 years to finish the researching and developing process. More than 90 per cent. of the key equipment manufacture, key material production, design and general production of CAP1400 is conducted domestically. The CAP1400 can reduce carbon dioxide emission by 9 million tonnes per year, equivalent to the benefit of 1,470 square kilometres of forest. The CAP1400 has the designed life time of 60 years, can reduce the chance of catastrophic incidents, extends the non-manual intervention time to 72 hours, has the brand new control centre design, has self-development Cosine software, and single unit can generate 11.4 billion KWh per year. The Group has also been exploring nuclear energy heating and has developed the patented zero-carbon nuclear heating technology. The first phase of the Shandong Haiyang Nuclear Energy Heating Project has a capacity of 31.5 MW, pioneering a commercial model for nuclear energy heating. The second phase known as the "Warm-U-clear No.1" brand, has a capacity of 202.5 MW and is establishing Haiyang City as the first zero-carbon heating city in the country. The third phase has commenced operations on 25 November 2023, marking the beginning of a new era in inter-city nuclear heating, capable of meeting the heating needs of approximately 400,000 residents across 12.5 million square metres in Yantai Haiyang and Weihai Rushan.

The nuclear power industry chain comprises:

(i) R&D and design (examples of these include the Qinshan nuclear power project ("**NPP**"), the first nuclear power plant in mainland China; Chashma NPP, the first Chinese export of a nuclear power plant; the CAP1400 NPP; the localised AP1000 NPP and other small commercial nuclear reactors);

(ii) engineering construction (such as undertaking EPC of the first AP1000 generating units in the world; undertaking EPC of CAP1400 nuclear power plants; establishing the AP/CAP global procurement platform);

(iii) key equipment manufacturing (such as digital instrument control; nuclear grade zirconium; key equipment such as steel containment vessel);

(iv) plant operation (including the Haiyang NPP and Hongyan River NPP); and

(v) Lifetime services (including lifetime protection services).

Major nuclear power projects controlled or invested by the Group include:

Shandong Haiyang Nuclear Power Project

Shandong Haiyang Nuclear Power Project is one of the first independently developed projects using the third-generation nuclear power technology in China. Shandong Haiyang Nuclear Power Project is being developed in three phases and is expected to have six sets of AP1000 generating units of 1,250 MW capacity each. The construction of the first phase, which is undertaken by the Group and constructed by Shanghai Nuclear Engineering Research and Design Institute, commenced on 24 September 2009 and entered into commercial operation in January 2019. Shandong Nuclear Power Company Ltd., in which the Group controlled a 65 per cent. equity interest, is in charge of the design, construction, operation and management of Shandong Haiyang Nuclear Power Project. Haiyang No. 1, an AP1000 generating unit, received the full marks and worldwide average rating score of 98.96 out of 100 in 2019 and 2020, respectively, and Haiyang No. 2 was awarded full marks in 2020, by the World Association of Nuclear

Operators ("**WANO**"), who adopts a set of composite indicators for measuring the overall performance of nuclear power plants, covering such as nuclear and radiation safety, equipment reliability, operation effectiveness and industrial safety, in terms of the overall performance. Haiyang No. 2, an AP1000 generating unit, began fuelling and recorded the shortest completion period for the first time refuelling and overhaul of the PWR under commercial operation in the world in 2020 (32.82 days). As at 31 December 2024, the cumulative power generation of No. 1 to 2 and Phase I Project of the Haiyang Nuclear Power Plant exceeded 122.5 billion KWh, with an annual power generation reaching 192 billion KWh in 2024. The Haiyang No. 3 and 4, CAP1000 generating units, have commenced the construction since July 2022 and are currently under civil construction, it is expected to be put into operation in 2028. The Haiyang No. 5 and No. 6 are currently in the preparation and approval stage.

Liaoning Hongyan River Power Project

Liaoning Hongyanhe Nuclear Power Co., Ltd. oversees the construction, operation, and management of the Liaoning Hongyan River Nuclear Power Project, which is being constructed in two phases: the first phase comprising No. 1 to 4 generating units is adopting CPR1000 nuclear power technology, and the second phase comprising No. 5 to 6 generating units is adopting ACPR1000 nuclear power technology. As at 31 December 2024, all six generating units have already been in commercial operation and has a total installed capacity of more than 6.7 million KW, making it the largest nuclear power plant in operation in the PRC. The cumulative electricity generation for all six units surpassed 330.0 billion KWh, with an output of approximately 51.4 billion KWh in 2024.

Zhejiang Sanmen Nuclear Power Project

Sanmen Nuclear Power Co., Ltd. is responsible for the construction, operation, and management of the Sanmen Nuclear Power Project, which is being developed in three phases, with each unit having a capacity of 1,250 MW. The Group undertakes the EPC of the first phase, consisting of two sets of AP1000 generating units, completed and entered into commercial operation in November 2018. Construction of Sanmen No. 1 and No. 2 began on 19 April 2009 and were put into commercial operation in November 2018. Sanmen No. 1 was awarded full marks by WANO in terms of the overall performance with 403 commercially operating nuclear generating units worldwide participated in 2019. As at 31 December 2024, the No. 1 generating unit had completed its fourth refuelling and maintenance cycle, maintaining excellent operational status. In 2024, the cumulative electricity generation for No. 1 and 2 reached approximately 110.0 billion KWh, with an output of approximately 20.8 billion KWh. Phase II, which includes No. 3 to 4 CAP1000 generating units, commenced the construction in June 2022 and is currently in the civil construction phase, it is expected to be put into operation in 2027.

Guangdong Lianjiang Nuclear Power Project

Guokun Zhanjiang Nuclear Power Co., Ltd. is responsible for the construction, operation, and management of the Lianjiang Nuclear Power Project, which is planned to consist of six sets of GW-level nuclear power units with total installed capacity of 8.62 GW. The project will be developed in three phases, starting with the first phase of building two CAP1000 nuclear power units has commenced in September 2023, with installed capacity of 1.25 GW for each unit. State Nuclear Power Technology Corporation (Shanghai Nuclear Engineering Research and Design Institute) is responsible for the general contracting of the nuclear island project for the first phase of the project. Units No. 3, No.4, No. 5, and No.6 are currently engaged in preliminary approval stage. It is expected to be put into operation in 2028.

Hydropower

The Group ranks as one of the top ten enterprises worldwide, in terms of installed hydropower capacity. The Group has hydropower asset located in 14 provinces, and is the main developer for two of the 13 large hydropower bases, the upstream Yellow River and Yuan River Basin, a tributary of the Yangtze River. The Group has hydropower bases in Australia, South America and Myanmar. The Group

developed hydropower bases of the upstream Yellow River and the Xiangxi region, of which 11 cascade plants of the upstream Yellow River are completed with total controllable installed capacity of 12.9 GW and 9 cascade plants of the Yuan River Basin, with total controllable installed capacity of 4.97 GW.

The following table sets out a summary of certain details of the illustrative hydropower projects of the Group.

Project name	Controllable Installed capacity	Annual average power generation	Descriptions
Longyang Gorge Station	1,280 MW	5.94 billion KWh	• the first large cascade hydropower station in the Longqing section of the upstream Yellow River in China • with the largest reservoir capacity in the Yellow River
Laxiwa Project	4,200 MW	10.22 billion KWh	• with the highest dam, the largest installed capacity and the largest power generation in the Yellow River Basin
Lijia Gorge Station	2,000 MW	5.9 billion KWh	• the third large cascade hydropower station in the Longqing Section of the upstream Yellow River • won the "Luban Prize" and is the world's largest hydropower station installed with double-row generating units • No. 4 generating unit adopts new evaporative cooling technology, which is the first trial in China
Gongboxia Station	1,500 MW	5.14 billion KW	• the fourth large cascade hydropower station in the Longqing Section of the upstream Yellow River • won the "Luban Prize" and "Zhan Tianyou Prize"
Wuqiangxi Station	1,700 MW	5.93 billion KWh	• the largest hydropower station in Hunan Province • named as "National Top-level Hydropower Plant" in September 2000
Sanbanxi Station	1,020 MW	2.428 billion KWh	• a national key engineering construction project
Changzhou Station	630 MW	3.014 billion KWh	• installed with bulb tubular type hydraulic generating units, with the longest dam, large units in both size and numbers, as well as its gigantic lock
Jishi Gorge Station	1,020 MW	3.36 billion KWh	• China's first domestic concrete-faced rockfill dam in a soft rock valley with a buried pressure steel pipe beneath the dam

Wind power

The Group was one of the largest wind power generators in China with the total controllable installed capacity of 60.4 GW by the end of 2024, ranking No. 2 in the world in terms of total controllable installed capacity. In 2020, the Group newly installed wind power generators with the capacity of 11.56 GW, exceeded the accumulated controllable installed capacity for the year from 2016 to 2019. The Group is also one of China's first entities to engage in wind power design and has the advanced capabilities and qualifications in wind resource assessment, and wind farm design, construction and maintenance. The Group's wind farms are located in 31 provinces in the PRC, as well as overseas in Mexico, Kazakhstan, Australia, Chile, Vietnam and Brazil. The Group is actively promoting the

construction of large-scale onshore wind power bases, coastal regions and offshore wind power. The Group is developing the world's largest single wind power base – Ulanqab 6 million KW Wind Power Project along with the Shandong Peninsula South U site 450 MW Offshore Wind Power Project, Guangdong Zhanjiang 300 MW Offshore Wind Power Project and Guangxi Qinzhou Offshore Wind Power Project. The Group's Jiangsu Binhai North H1 Binhai North Region H1 Offshore Wind Power Project won the industry's first National Quality Engineering Gold Award.

By the end of 2024, the Group's wind power accounted total controllable installed capacity of 60.4 GW, accounting for 22.81 per cent. of the total controllable installed capacity, ranked second highest globally.

The following sets out a summary of certain details of the illustrative wind farms of the Group.

Yunnan Chuxiong Dagua Mountain and Dahuang Mountain Projects

Yunnan Chuxiong Daguashan 300,000 KW Wind Power Project and Dahuangshan 286,000 KW Wind Power Project had planned wind power development and environmental protection as a whole. The road planting of wind turbines is harmonious and friendly to the natural environment. The planting of unique plants on the wind turbine were centrally planned to ensure a harmonious development of wind farms and protection of mountainous areas.

Jiangsu Binhai Offshore Wind Power Projects

The Binhai North Region H1 Offshore Wind Power Project has the controllable installed capacity of 100 MW and completed in May 2016. It is the first 100,000-kilowatt offshore wind power project to be completed and put into operation in China, and its project cost is leading domestically. Binhai North Region H2 Offshore Wind Power Project has the planned installed capacity of 400 MW and completed in June 2018. Binhai North H3 Offshore Wind Power Project has planned installed capacity of 300 MW and fully connected to the grid in October 2020.

Jiangsu Rudong Offshore Wind Power Project

The Rudong H4 Offshore Wind Power Project has an installed capacity of 400 MW and was put into operation in November 2021. The Rudong H7 Offshore Wind Power Project also has an installed capacity of 400 MW and commenced operations in December 2022.

Inner Mongolia Ulanqab Base Wind Power Project

The Inner Mongolia Ulanqab Base Wind Power Project is the world's largest single onshore farm project to be completed and the first phase of 6 GW. As at 31 December 2023, first phase of the 1.2 million KW on-site consumption project was connected to the grid. It covers the planned area of 2,072 km2 and has planned installed capacity of 6 million KW.

Shandong Peninsula South Offshore Wind Power Base

Shandong Peninsula South No.3 project with installed capacity of 301.6 MW which began operations in December 2021; Shandong Peninsula South Offshore Wind Power Base V site project with installed capacity of 500 MW and commenced operations in December 2022; Shandong Peninsula South U Site Phase I Offshore Wind Power project with installed capacity of 450.5 MW and began operations in November 2023; Shandong Peninsula South U Site Phase II Offshore Wind Power project with installed capacity of 450.5 MW and began operations in December 2024.

Guangdong Offshore Wind Power Base

The Guangdong Offshore Wind Power Project has an installed capacity of 1,508.5 MW including 502 MW, 91 MW, 300 MW, that was put into operation in 2022, 2023 and 2024, respectively.

PV power

By the end of 2024, the total controllable installed capacity of PV power plants invested and operated by the Group amounted to 83.66 GW, ranking No. 1 in the world for nine consecutive years in terms of total controllable installed capacity. By the end of 2024, the Group had over 2,800 PV power plants across all provinces in the PRC, such as Qinghai, Xinjiang, Hebei, Suzhou and Gansu, as well as overseas in Japan, Australia, Mexico, Vietnam and Kazakhstan. The Group operates three national-level PV and PV storage demonstration bases in Gonghe, Daqing, and Ganzi in the PRC and has established large scale energy bases in Jiuquan, Gonghe, Golmud, Hami and Yancheng in the PRC. In 2022, the Group's Qinghai Longyangxia Hydro-Photovoltaic Power Station has been awarded a Guinness World Record for the highest capacity hydro-solar power station in the world. The Group has also established the world's largest PV power generation park in Hainan Province, the world's largest PV panel graphic power station in Dalat, Inner Mongolia and the world's first ultra-high-altitude PV demonstration base in Sichuan Province in the PRC. The Group also took a lead in building the first inter-provincial ultra-high-voltage transmission channel for clean energy in Qinghai-Henan Province in the PRC, and has the nation's first large-scale wind-solar project under construction in Gobi, Hainan Province. On 5 November 2023, the Group established the Photovoltaic Desertification Control Committee under the China Desertification and Sand Industry Society, collaborating with over 60 member units, including Tsinghua University and the Chinese Academy of Forestry, to explore new avenues for energy integration in desertification control. The Inner Mongolia Dengkou Photovoltaic Desertification Project is the nation's first photovoltaic desertification control projects and has planned capacity of 50,000 KW.

The Group also has a strong commitment to PV technological innovation and has developed PV cell with photoelectric conversion efficiency that is at the forefront globally. Leveraging on the Group's research and development, the Group's crystalline silicon cells battery research has achieved a conversion efficiency of 25.62 per cent., while laboratory efficiency for perovskite tandem batteries has surpassed 30.4 per cent. The Group has established the nation's first PV component recycling pilot line, achieving a comprehensive recovery efficiency of 92 per cent. The Group believes that it has the most advanced development capacity of PV power plants over the country and a complete PV industry chain, covering sci-tech research and development, poly-Si and PV cell component manufacturing, planning and design, engineering construction, production and operation and training. The following sets out a summary of certain details of the illustrative PV power projects of the Group:

Qinghai Longyangxia Hydro-Photovoltaic Photovoltaic Power Station

The project has a controllable installed capacity of 850,000 KW and utilises the complementarity of hydropower and solar energy by converting unstable PV generation into a safe and stable high-quality power source. It features enhanced peak-shaving and frequency-regulating capabilities, improved transmission capacity, enhanced power quality of photovoltaic power generation, and coordinated its water balance. In 2022, the project has been awarded a Guinness World Record for the highest capacity hydro-solar power station in the world.

Qinghai Golmud Photovoltaic Power Station

The project has a controllable installed capacity of 690,000 KW, with the first phase of the power station having an installed capacity of 200 MW. In October 2011, it was connected to the grid and began operation, it is currently the world's largest single-use photovoltaic power station to be put into operation.

Jiangsu Jianhu Fishing and Photovoltaic Complementary Photovoltaic Power Station

With a controllable installed capacity of 66,000 KW, large-scale grid-connected photovoltaic power stations will be constructed using some local lakes and beaches and fish ponds. Multi-use of one place promotes increase in agricultural and fishery income, and enhances comprehensive land utilisation efficiency.

Jiangxi Leping Luci Town and Gaojia Town Agricultural (Forest) Photovoltaic Complementary Photovoltaic Power Station

The power station has a total capacity of 70,000 KW and is the first benchmark project in Jiangxi Province to implement the agricultural-photovoltaic complementary model. It utilises a dual-axis tracking technology with a "louvre structure" combined with "agricultural-photovoltaic integration" to enhance power generation efficiency. Without changing the original nature of the land, it extends the growth period of crops, improves the quality of crops, reduces power generation costs, and improving comprehensive land utilisation efficiency.

Distributed Photovoltaic Power Station Project

The Zhejiang Anji Huafei Renewable Resources 1.5 MW Roof Distributed Photovoltaic Power Generation Project uses building-integrated photovoltaics to replace traditional industrial factory roofs and reduce construction costs, adopts a system of grid-connected power system that expands photovoltaic power generation for use in cities to deliver green electricity to the grid.

Inner Mongolia Dengkou Photovoltaic Desertification Project

The Inner Mongolia Dengkou Photovoltaic Desertification Project is the nation's first photovoltaic desertification control projects with installed capacity of 50,000 KW and was put into full operation by the end of 2014.

Overseas power assets and investment

In line with its internationalisation strategy, the Group is also actively expanding in the overseas power generation market. The Group's overseas projects are located in 47 countries and regions including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil, and Australia, of which 38 are Belt and Road Initiative partner countries.

The Group's endeavours in its overseas business development have led to various achievements in different regions. The following illustrates the Highlights of the Group's international operation:

- *Chile*: by the end of 2024, the Group has a total installed capacity of 870 MW with 100 per cent. of clean energy. Hydropower contributes a controllable capacity of 492 MW, accounting for 8 per cent. of the hydropower market in Chile. The Punta Sierra Wind Farm is the first clean energy project directly invested and constructed by a Chinese company in Chile.

- *Australia*: by the end of 2024, the Group held 100 per cent. equity interest in Pacific Hydro Pty Ltd., which has a total controllable installed capacity of 666 MW in Australia, with 100 per cent. of clean energy. Hydropower contributes a controllable capacity of 42 MW, wind power contributes a controllable capacity of 522 MW, photovoltaic power contributes a controllable capacity of 100 MW and demand-side storage capacity of 2 MWh.

- *Brazil*: by the end of 2024, the Group has a total installed capacity of 2,948 MW with 100 per cent. of clean energy. Hydropower contributes a controllable capacity of 1,710 MW, gas-fired contributes a controllable capacity of 442 MW, wind power contributes a controllable capacity of 58 MW, and photovoltaic power contributes a controllable capacity of 738 MW. The Group held the 30-year concession right of operation of the São Simão Hydropower Station in Brazil with six hydropower units with total controllable installed capacity of 1,710 MW. The Group is currently constructing the largest natural gas power plant in the Port of Açu, Brazil, with the first phase having commenced operations in September 2021 with a total installed capacity of 1,338 MW and the second phase is under construction with a total installed capacity of 1,681 MW and is scheduled to put into operation in the first half of 2025.

- *Malta*: by the end of 2024, the Group had invested in the largest state-owned energy enterprise in Malta, Enemalta Corporation, becoming the major shareholder of its third power plant, Delimara 3, whose total controllable installed capacity reached 155 MW.

- *Japan*: by the end of 2024, the Group has built the Ibaraki Tsukuba Photovoltaic Power Plant, Japan's largest agri-photovoltaic power plant with total installed capacity of 35 MW, achieving "green agriculture" and "green electricity".

- *Mexico*: by the end of 2024, the Group's wholly-owned subsidiary Zuma Energia S.A. de C.V., the second largest independent renewable energy company in Mexico, has wind power with total controllable installed capacity of 474 MW and PV power with total controllable installed capacity of 856 MW, in total 1,330 MW.

- *Myanmar*: by the end of 2024, the Group has built the Chipwi Power Station with total installed capacity of 99,000 KW, accounting for 70 per cent. of the total installed capacity of the power generation in Kachin State, northern Myanmar and approximately 60 per cent. of the electricity generation in the region.

- *Bangladesh*: by the end of 2024, the Group was the first Chinese company who invested in and constructed the Koba Wind Farm, a centralised wind farm in Cox's Bazar with the capacity of clean energy of over 660 MW.

- *Pakistan*: by the end of 2024, the Group had invested in one of the largest coal-fired power general project in Hub Town, Balochistan Province with total installed capacity of 1.3 million KW and was put into operation in August 2019.

- *Saudi Arabia*: by the end of 2024, the Group had invested in the world's largest, digitised integrated smart energy project, the Red Sea integrated Smart Energy Project and upon completion, it will achieve 100 per cent. renewable energy supply.

- *Turkey*: by the end of 2024, the Group had invested in the largest Chinese direct investment project, the Hunutlu Project with total installed capacity of 1.3 million KW, of which two ultra-super critical coal-fired generating units were put into operation in June and October 2022, respectively.

- *Kazakhstan*: by the end of 2024, the Group has a total installed capacity of 560 MW with 100 per cent. clean energy. Wind power contributes a controllable capacity of 470 MW and photovoltaic power contributes a controllable capacity of 90 MW. The Group has successively built a wind farm in Zhanatas (Phase I and II), a key project on the China-Kazakhstan cooperation list, in light of the Belt and Road Initiative, as well as the largest operational renewable energy project in Central Asia, the 200 MW wind power station in Akmola.

- *Montenegro*: by the end of 2024, the Group's Mozura Wind Power Project has planned capacity of 46 MW, and the project generated 121 million KWh in 2024, accounting for approximately 3.5 per cent. of the country's total electricity generation.

As at 31 December 2024, the Group's overseas operation has a total controllable installed capacity up to 11.92 GW with clean energy accounting for 73.7 per cent. The Group has signed cooperation agreements with world-leading energy companies such as Westinghouse Electric Company LLC, Siemens Energy AG, Électricité de France, and Ansaldo Energia S.p.A., driving global energy innovation through strategic partnerships.

Energy storage

The Group is a leading force in the energy storage sector in the PRC. As at 31 December 2024, the Group's energy storage power stations have a total installed capacity of 6,713.11 MW, representing approximately 9.1 per cent. of the national total. The Group boasts a diverse portfolio of over 210 electrochemical energy storage power stations, including 128 power-side stations with a total installed capacity of 2,525.31 MW, 38 grid-side stations with a total installed capacity of 3,873.66 MW, and 44 user-side stations with a total installed capacity of 344.44 MW.

Beyond its infrastructure, the Group is actively driving innovation in energy storage technologies. The Group invests heavily in research and development, focusing on areas such as flywheel energy storage, lead-carbon batteries, flow batteries, and molten salt thermal energy storage.

The Group has a portfolio of demonstration projects, including the world's first megawatt-level air thermal cycle energy storage pilot project in Yunnan Province and China's first tri-mode hybrid energy storage project. This project utilises an iron-chromium flow battery system, the first of its kind in China at the megawatt level, setting a new global record in terms of capacity. The Group has also taken a pioneering approach to user-side energy storage and operates the Bishan BYD PV Storage Project in Chongqing, China's largest single user-side energy storage project. This project combines 60 MW of energy storage with 10 MW of PV power. As at 31 December 2024, the project assisted Chongqing Fudi Lithium Battery Co., Ltd. in reducing electricity, rental, and diesel fuel consumption, with an estimated revenue of RMB85.7 million. In 2022, the Group also promoted household energy storage, with 10 households in Jinshan High-tech Zone, Shanghai now using systems connected to a virtual power plant dispatch platform, contributing to energy security and generating revenue.

Electricity sale

Revenue of the Group's power business is primarily derived from the sale of electricity generated from the Group's power plants. According to relevant PRC regulations, a power plant's sole customer is the relevant grid company to which it is connected. The Group's power plants are connected and sell electricity to the grid company located in the same region. On-grid tariffs of the planned output of the Group's power plants are reviewed and determined by the relevant pricing authorities, taking into account various factors including the construction costs and fuel cost.

The table below sets forth the Group's average on-grid tariff for electricity from the Group's power plants in the PRC for the periods indicated.

	Year ended 31 December		
	2022	**2023**	**2024**
		(RMB per KWh)	
Average on-grid tariff (excluding VAT)	0.417	0.431	0.411

Apart from the Group's planned output, the Group's power plants also sell electricity generated in excess of the planned output, by way of bilateral trading output, competitive bidding output and substituting generation output. Bilateral trading output allows an electricity generation company to directly negotiate with and sell its electricity to licenced large customers. Competitive bidding output is an excess output mechanism to meet increased demand for electricity within a specific area covered by a particular grid company whereby such grid company invites electricity generation companies to tender bids to sell their excess output, which such grid company purchases from the winner and sells to customers. Substituting generation allows an electricity generation company to sell its electricity to other power generating companies (substituting the seller's excess output as the buyer's planned output).

Repair and maintenance

The Group's power plants have timetables for routine maintenance, regular inspections and repairs. Such timetables and the repair and maintenance are established by each plant pursuant to the relevant regulations. The Group's maintenance procedures are reasonably scheduled and coordinated to support stable power generation and high reliability of facilities.

Heating Business

Some of the Group's generating units are combined heat and power cogenerating units whereby the generation of electric energy produces heat as a by-product. The Group mainly supplies heat to industrial, commercial and residential customers located within their proximity. The simultaneous production of electricity and heat increases the Group's efficiency of energy conversion and use, provides additional competitiveness and diversifies the Group's revenue sources. In order to secure supplies for heat, local governments usually prioritise the operation of cogenerating units during the peak season with high demand for heat through measures, which improves the utilisation rate of the Group's generating units.

Revenue from the Group's heating business for the three years ended 31 December 2022, 2023 and 2024 amounted to RMB11,934 million, RMB12,352 million (for 2023 before restatement), RMB12,613 million (restated for 2023) and RMB12,978 million, respectively, accounting for approximately 3.4 per cent., 3.2 per cent. (for 2023 before restatement), 3.3 per cent. (restated for 2023) and 3.3 per cent., respectively, of its total revenue during the same period.

Coal Business

By the end of 2024, the Group had coal production capacity of 84.2 million tonnes and coal production of 80.95 million tonnes. Coal resources provide a sound guarantee for the supply of the Group's coal-fired power plants located within their proximity, and the Group is actively promoting coal-electricity synergy and joint operation. In 2024, approximately 70 per cent. of the coal consumed by the Group's coal-fired power plants in greater north-eastern China region was supplied by the Group internally and the sales volume of coal amounted to 57.92 million tonnes, and there are 2.52 billion tonnes of coal reserves.

Revenue from the Group's coal business for the three years ended 31 December 2022, 2023 and 2024 amounted to RMB15,531 million, RMB16,075 million (for 2023 before restatement), RMB20,519 million (restated for 2023) and RMB20,655 million, respectively, accounting for approximately 4.4 per cent., 4.2 per cent. (for 2023 before restatement), 5.3 per cent. (restated for 2023) and 5.2 per cent., respectively, of its total revenue during the same period.

Aluminium Business

The Group is focused on establishing an integrated competitive advantage in the "clean electricity + aluminium" sector, and is developing a new aluminium-powered green energy model. By the end of 2024, the Group's electrolytic aluminium production volume reached approximately 2.85 million tonnes (excluding production from its subsidiary Qinghai Green Energy Investment Management Co., Ltd.) mainly spread across Inner Mongolia, Ningxia and Qinghai. The reserves of bauxite resources is around 864.4 million tonnes, mainly in Guinea, Guizhou and Shanxi. In energy-rich regions such as eastern Mongolia, Ningxia and Qinghai regions, the Group has bauxite, alumina and electrolytic aluminium. Through the combination of and synergy among the coal-fired or wind power, hydropower and aluminium industry chains, the Group has reduced production costs and improved the efficiency of its resources utilisation. The Group's alumina products include aluminium alloy ladder and aluminium alloy solar PV support bracket systems, among other things. Through scientific and technological innovation system, the application of aluminium business and related products can effectively support the technological improvement of the power generation business (such as wind power and PV power), improve the efficiency of the core power industry, reduce production costs, and improve utilisation efficiency. An example of the aluminium business project is the Anhui Yuguang Complementary PV Power Plant Project.

Revenue from the Group's aluminium business for the three years ended 31 December 2022, 2023 and 2024 amounted to RMB41,685 million, RMB44,509 million (for 2023 before restatement), RMB48,522 million (restated for 2023) and RMB53,002 million, respectively, accounting for approximately 11.9 per cent., 11.7 per cent. (for 2023 before restatement), 12.6 per cent. (restated for 2023) and 13.4 per cent., respectively, of its total revenue during the same period.

Other Business

Apart from the principal business segments above, some members of the Group also operate in ancillary businesses, including sales of materials, logistics, processing and repair of facilities and equipment for power plants, lease of fixed assets, entrusted operation of power generation, employee training, electricity power transmission, clean development mechanisms (CDM), garbage disposal and transport subsidies, among others. The Group's ancillary business supports the integration of all business segments and the development of clean energy.

The Group's other businesses include financial businesses such as deposit and loan services, insurance brokerage, trust, futures, financial leasing, factoring, funds and assets management, providing services to industrial entities within the Group to lower the Group's financing costs and risks.

Environmental protection

Industry-leading environmental protection technology helps the Group to be independent in outsourcing environmental protection services, to reduce costs, and to create synergies and economic profits at the same time. It involves general contracting of desulphurisation, denitrification and dust removal projects, desulphurisation and denitrification franchise, denitrification catalyst manufacturing and regeneration, dust collector manufacturing, water treatment, nuclear power plant radioactive waste treatment and nuclear waste disposal site construction, energy conservation and other fields.

RAW MATERIALS AND SUPPLIERS

The Group's major suppliers include fuel suppliers (including coal, gas, oil and nuclear fuel), project construction service providers, technical services providers and mechanical and electronic equipment suppliers. Fuel costs represent the majority of the operating expense for the Group.

EMPLOYEES

As at 31 December 2024, the Group had 126,893 employees. The Group considers its relationship with its workforce to be good and the Group has not experienced a work stoppage or strike. In accordance with regulations applicable to enterprises and the relevant requirements of various local governments in areas in which the Group operates, the Group makes contributions to the pension contribution plan, employees' medical insurance, unemployment insurance, maternity insurance and workers' compensation injury insurance.

INTELLECTUAL PROPERTY

The Group places great importance on the creation, application, management and protection of its intellectual property rights. Through research and development and its ordinary course of business, the Group has obtained various intellectual property rights that are valuable to its business. The Group protects and will continue to seek to protect these intellectual property rights through copyrights, patents, trademarks and contractual rights. As at 31 December 2024, the Group obtained 13,227 authorised patents in the PRC, and established 1,321 technical standards. The Group led the development of two international standards including in May 2023, the International Electrotechnical Commission (IEC) officially released "Nuclear Facilities–Application of Artificial Intelligence in Instrumentation, Control, and Electrical Systems" (IECTR 63468) led by the Shanghai Nuclear Engineering Research and Design Institute and in December 2023, the International Organisation for

Standardisation (ISO) approved ISO 24173, "Measurement Guidelines for Orientation Using Microbeam Analysis and Electron Backscatter Diffraction" developed by the Shanghai Complete Engineering Institute.

HEALTH AND SAFETY COMPLIANCE

The Group's business operations, particularly the Group's power generation business, involve risks and hazards that are inherent in such activities. These risks and hazards could result in damage to, or destruction of, property or production facilities, personal injury, environmental damage, business interruption and possible legal liability. Nuclear power stations face special safety challenges because while generating electricity, nuclear power stations also produce radioactive by-products, which carry with them risks including personal injury, property damage and environmental contamination. All of the Group's power plants, power stations and wind farms have adopted various internal policies and taken protective measures to prevent health and safety risks and hazards in accordance with national standards, and the Group believes its nuclear safety policy comprises a myriad of measures to protect personnel, environment and society from possible radioactive hazards throughout the life cycle of a nuclear power generating unit. The Group's power plants, power stations or wind farms have not encountered any material unplanned outages due to health and safety issues.

ENVIRONMENTAL REGULATION

The Group is committed to conducting the Group's operations in a manner that complies with applicable environmental laws and regulations, and endeavours to mitigate the adverse effect of the Group's operations on the environment. The Group's operations are currently subject to environmental laws and regulations relating to the construction and operation of power generation facilities and power plants, noise control, air and water emissions, water and ground protection, hazardous substances, radioactive by-products and waste management. The Group has implemented a system that is designed to control pollution caused by the Group's power plants, including the establishment of an environmental protection and supervision department at each power plant, adoption of relevant control and evaluation procedures, and the installation of certain pollution control equipment. The Group operates under a number of licences and authorisations that are related to environmental regulations. The Group requires all of its members to comply with applicable environmental regulations in the relevant jurisdictions in which it operates. As at the date of this Offering Circular, the Group is not aware of any environmental proceedings or investigations to which it is or might become a party that could have a material adverse effect on its business, financial condition or results of operations.

INSURANCE

The Group's assets are covered by insurance with reputable insurance companies, such as property all-risk insurance, machinery breakdown insurance, and contractors/erection all-risk insurance. The Group's insurance policies are reviewed on a regular basis.

Consistent with what the Group believes to be a customary practise in the PRC, certain members of the Group carry third party liability insurance to cover claims in respect of personal injury, property or environmental damages arising from accidents on the Group's property or relating to the Group's operations, while the Group does not carry any business interruption insurance. The Group believes that the insurance coverage of the power plants, power stations and wind farms within the Group's insurance coverage is adequate and is standard for the power industry in the PRC. See "*Risk Factors – Risks Relating to the Group's Business and the Power Industry – Operation of power plants involves many risks, and the Group may not have adequate insurance to cover the economic losses if any of the Group's power plants' ordinary operations is interrupted.*"

LEGAL, COMPLIANCE AND PROCEEDINGS

The Group is from time to time involved in legal proceedings arising in the ordinary course of its business, including as plaintiff or defendant in litigation or arbitration proceedings. To the best of the Group's knowledge, save as disclosed in this Offering Circular, there are no current, pending or threatened litigation, arbitration or other proceedings against the Group that could have a material adverse effect on its businesses, financial condition or results of operations.

DIRECTORS

The members of the Board of Directors of the Company as at the date of this Offering Circular are as follows:

Name	Year of Birth	Position
Liu Mingsheng (劉明勝)	1969	Chairman of the Board of Directors
Li Baoqing (栗寶卿)	1965	General Manager, Director
Xu Shubiao (徐樹彪)	1972	Deputy General Manager
Xu Ping (徐平)	1957	External Director
Liu Deheng (劉德恒)	1957	External Director
Nie Xiaofu (聶曉夫)	1957	External Director
Wang Wei (王偉)	1965	External Director
Ning Fushun (寧福順)	1967	External Director
Lin Mingzhao (藺明照)	1974	Employee Representative Director

Mr. Liu Mingsheng, born in 1969, has a master's degree. Mr. Liu previously served as the Deputy Director of Planning and Development Department of China Power Investment Corporation (中國電力投資集團公司), an Executive Director of State Power Investment Corporation Limited Inner Mongolia Branch (國家電力投資集團有限公司內蒙古公司), the Chairman of the Board of Inner Mongolia Dian Tou Energy Corporation Limited (內蒙古電投能源股份有限公司), formerly known as Huolinhe Opencut Coal Industry Corporation Limited of Inner Mongolia (內蒙古霍林河露天煤業股份有限公司), the Deputy General Manager of the Company, and a Director and General Manager of China Datang Corporation Ltd. (中國大唐集團有限公司). Since January 2024, Mr. Liu has been the Chairman of the Board of Director of the Company.

Mr. Li Baoqing, born in 1965, is a graduate of the Department of Finance of the Chinese Academy of Fiscal Sciences (中國財政科學研究院財政部) majoring in finance, and is a doctorate degree holder in economics. Mr. Li previously served as the General Manager of China Datang Finance Co., Ltd. (中國大唐集團財務有限公司), the General Manager of China Datang Group Capital Holding Co., Ltd. (中國大唐集團資本控股有限公司), the Director of the Finance Management Department, the Director of the Human Resources Department, and the Deputy General Manager of China Datang Corporation Ltd., the Secretary of CPC committee of China Datang Corporation Renewable Power Co., Ltd. (大唐集團新能源股份有限公司), a Director and Deputy Secretary of the CPC committee of Ansteel Group (鞍鋼集團), and a Director and Communist Party Leadership Group Deputy Secretary of the Company. Since August 2023, Mr. Li has been the General Manager and a Director of the Company.

Mr. Xu Shubiao, born in 1972, has an engineering master's degree and is a senior engineer. Mr. Xu previously served as the Manager of the General Department and the Manager of the Planning Department of Guangxi Changzhou Hydro Power Development Co., Ltd. (廣西長洲水電公司), an Assistant General Manager, and the Deputy General Manager of China Power Investment Corporation Yunnan International Power Investment Co., Ltd. (中電投雲南國際電力投資有限公司), the Deputy General Manager and the Chairman of the Board of Yijiang Upstream Hydropower Co., Ltd. (伊江上游水電有限責任公司), the Deputy Director of the Hydropower and New Energy Department of the China Power Investment Corporation (中國電力投資集團公司), the Deputy Director and Deputy General

Manager of the Hydropower and New Energy Department of the Company, the General Manager and a Director of Wu Ling Power Corporation (五凌電力有限公司), and an Executive Director of the SPIC Yunnan International Power Investment Co., Ltd. (國家電投集團雲南國際電力投資有限公司). Mr. Xu currently serves as a Deputy General Manager of the Company.

Mr. Xu Ping, born in January 1957, has a bachelor's degree in power generation and power systems from the Department of Electrical Engineering at Hefei University of Technology and a Master of Business Administration from Tsinghua University. He is a senior engineer at the researcher level. Mr. Xu joined the Communist Party of China in October 1987 and began his career in February 1982. Mr. Xu currently serves as an External Director of China General Technology (Group) Holding Co., Ltd. (中國通用技術(集團)控股有限責任公司) and an External Director of the Company.

Mr. Liu Deheng, born in 1957, has a master's degree. Mr. Liu previously worked as the Deputy Director of the Integrated Department of the State Economic and Trade Commission (國家經貿委綜合司), the Deputy Director of the SASAC Statistics and Evaluation Bureau (Asset and Capital Verification Office)(國資委統計評價局(清產核資辦公室)), the Deputy Director and the Director of the Revenue Management Bureau (收益管理局), a Full-time External Director of the Pilot Central Enterprises (中央企業專職外部董事), an External Director of the Commercial Aircraft Corporation of China, Ltd. (中國商用飛機有限責任公司), an Independent Director of the Air China Limited (中國國際航空股份有限公司), and an External Director of the Aviation Industry Corporation of China, Ltd. (中國航空工業集團有限公司). Mr. Liu currently serves as an External Director of the Company.

Mr. Nie Xiaofu, born in 1957, has a bachelor's degree. Mr. Nie previously worked as the General Manager of the China North Industries Group Corporation Limited Southwest Technology Development Corporation (中國兵器工業總公司西南兵工局科技開發公司), the General Manager of the Wanyou Import and Export Corporation (萬友進出口公司), the Deputy Director of the Chongqing Dajiang Vehicle Factory (重慶大江車輛總廠), the Deputy Director of the Southwest Military Engineering Bureau (西南兵工局), and the Director of the Economic Operation Division, the Deputy General Manager of the China South Industries Group Corporation (中國兵器裝備集團有限公司). Mr. Nie currently serves as an External Director of the Aluminium Corporation of China Limited (中國鋁業集團有限公司) and an External Director of the Company.

Mr. Wang Wei, born in 1965, has a master's degree. Mr. Wang previously worked as the Director of the General Affairs Division of the Consumer Goods Industry Department, the Deputy Director of the Consumer Goods Industry Department, the Director of the Industry Development Promotion Centre, the Director of the Raw Materials Industry Department, the Director of the Rare Earth Office of the Raw Materials Industry Department, Chief of Staff and the Director of the Planning Department of the Ministry of Industry and Information Technology (工業和資訊化部). Mr. Wang currently serves as an External Director of the China Electronics Corporation Limited (中國電子信息產業集團有限公司) and an External Director of the Company.

Mr. Ning Fushun, born in 1967, has a master's degree. Mr. Ning previously worked as the Deputy General Manager and Chief Accounting Officer of AVIC Commercial Aircraft Co., Ltd. (中航商用飛機有限公司), the Deputy Director (Ministerial Level) of the Finance Department of Commercial Aircraft Corporation of China, Ltd. (中國商用飛機有限公司), an Executive Director and the General Manager of AVIC Engine (中航工業發動機), the Chairman of the Board and General Manager of Aero Engine Corporation of China (中航工業發動機有限公司), the Director, General Manager of China Aviation Power Co., Ltd. (中國航發動力股份有限公司), the interim head and the Director of the Finance Department of Aero Engine Corporation of China, and the Chairman of the Board of China Aviation Finance Corporation (中國航發財務公司). Mr. Ning currently serves as an External Director of China Southern Power Grid Co., Ltd. (中國南方電網有限責任公司), China General Nuclear Group Corporation (中國廣核集團有限公司) and the Company.

Ms. Lin Mingzhao, born in 1974, has a master's degree. Ms. Lin previously worked as the Secretary of the Youth League Committee, the Group Manager of the Communist Party Group Work Department (Discipline Inspection Office), the Deputy Director of the Party and Mass Work Department and Secretary of the Youth League Committee of State Nuclear Power Technology Corporation (國家核電技術公司), the Head of the Discipline Inspection Group and the Director of the Working Committee of the Company's Huabei Branch (國家電力投資集團公司華北分公司), the Secretary of the Discipline Inspection Commission and the Chairman of the Working Union of State Power Investment Group Beijing Electric Power Co., Ltd. (國家電投集團北京電力有限公司), and the Director of the News Centre, Deputy Director of the Publicity and Mass Work Department (Office of the Working Committee) of the Company. Ms. Lin currently serves as the Director of the Publicity and Mass Work Department (Office of the Working Committee), the Director of the News Centre and the Chairperson of the Working Union of the Company.

SENIOR MANAGEMENT

The members of the senior management of the Company as at the date of this Offering Circular are as follows:

Name	Year of Birth	Position
Liu Mingsheng (劉明勝)	1969	Chairman of the Board of Directors
Li Baoqing (栗寶卿)	1965	General Manager, Director
Xu Shubiao (徐樹彪)	1972	Deputy General Manager
Lu Hongzao (盧洪早)	1970	Deputy General Manager
Chen Haibin (陳海斌)	1968	Deputy General Manager
Liu Feng (劉豐)	1971	Deputy General Manager
Gao Boyu (高伯餘)	1969	Head of the Discipline Inspection Group
Yan Hang (嚴航)	1972	Chief Accounting Officer
Wang Shaomin (王紹民)	1972	Deputy General Manager

Mr. Liu Mingsheng, for details of Mr. Liu, see "*Directors*" above.

Mr. Li Baoqing, for details of Mr. Li, see "*Directors*" above.

Mr. Xu Shubiao, for details of Mr. Xu, see "*Directors*" above.

Mr. Lu Hongzao, born in 1970, is a master's degree holder and a senior engineer at the researcher level. Mr. Lu was awarded the National Government Special Allowance by the State Council and is an expert on the National Nuclear Safety Expert Committee. Mr. Lu previously served as the Deputy Chief of the Construction Division and the Chief of the Planning and Contract Division of the Heavy Water Reactor Nuclear Power Plant Engineering Management Department of Qinshan Nuclear Power Company (秦山核電公司), the Chief, Deputy Director and Director of the Engineering Planning Department of Qinshan Third Nuclear Power Co., Ltd. (秦山第三核電有限公司) and Assistant General Manager of Qinshan Third Nuclear Power Co., Ltd. (秦山第三核電有限公司), the Deputy General Manager (Site General Manager) of Project C2 (C2 項目) and the Deputy General Manager of China National Nuclear Corporation Overseas Ltd. (中國中原對外工程有限公司), the General Manager of Fujian Fuqing Nuclear Power Co., Ltd. (福建福清核電有限公司), the General Manager of Sanmen Nuclear Power Co., Ltd. (三門核電有限公司), the Director of the Nuclear Power Department of China National Nuclear

Corporation (中國核工業集團公司), the Chairman of the Board of China Nuclear Power Engineering Co., Ltd. (中國核電工程有限公司), an Assistant General Manager of the Company, and Chairman of the Board of State Nuclear Power Technology Corporation (Shanghai Nuclear Engineering Institute)(國家核電技術公司(上海核工院)). Mr. Lu currently serves as a Deputy General Manager of the Company.

Mr. Chen Haibin, born in 1968, has an engineering bachelor's degree and is a senior engineer. Mr. Chen previously served as the Deputy Director and Director of Wangting Power Plant (望亭發電廠) of China Huadian Corporation Ltd. (中國華電集團有限公司), the Deputy General Manager and General Manager of Jiangsu Huadian Wangting Natural Gas Power Generation Co., Ltd. (江蘇華電望亭天然氣發電有限公司), the Deputy General Manager and General Manager of Shanghai Huadian Wangting Power Generation Co., Ltd. (上海華電望亭發電有限公司), the General Manager and Chairman of the Board of Taicang Huadian Construction Development Co., Ltd. (太倉華電建設發展有限公司), the Deputy General Manager and General Manager of Shanghai Huadian Power Development Co., Ltd. (上海華電電力發展有限公司), the Deputy General Manager and General Manager of Jiangsu Branch of China Huadian Corporation Ltd. (中國華電集團公司江蘇分公司), an Executive Director and General Manager of Huadian Jiangsu Energy Co., Ltd. (華電江蘇能源有限公司), and the Director of the Strategic Planning Department and Office Director, the Secretary of the Board and an Assistant General Manager of China Huadian Corporation Ltd. Mr. Chen currently serves as a Deputy General Manager of the Company.

Mr. Liu Feng, born in 1971, has an engineering bachelor's degree. Mr. Liu previously served as the Chairman of the Board of China Power Investment Corporation's Ningxia Qingtongxia Energy and Aluminium Group Co., Ltd. (中電投寧夏青銅峽能源鋁業集團有限公司), the Chairman of the Board of State Power Investment Corporation Aluminium Power Investment Co., Ltd. (國家電投集團鋁電投資有限公司), the Chairman of the Board of State Power Investment Corporation Ningxia Energy Aluminium Co., Ltd. (國家電投集團寧夏能源鋁業有限公司), the Chairman of the Board of State Power Investment Corporation Aluminium International Trading Co., Ltd. (國家電投集團鋁業國際貿易有限公司), and the Director of the Communist Party Building Department, an Assistant General Manager and, the Secretary of the Board of the Company. Mr. Liu is currently a Deputy General Manager of the Company.

Mr. Gao Boyu, born in 1969, has a master's degree in public administration. Mr. Gao has served as the Deputy Director of the Ninth Discipline Inspection and Supervision Office of the Central Commission for Discipline Inspection (中紀委第九紀檢監察室), the Deputy Director of the Eleventh Discipline Inspection and Supervision Office of the Central Commission for Discipline Inspection (中紀委第十一紀檢監察室), the Deputy Director of the Organisation Department of the Central Commission for Discipline Inspection and the National Supervisory Commission (中央紀委國家監委), and the Director of the Petition Office of the Central Commission for Discipline Inspection and the National Supervisory Commission (中央紀委國家監委). Mr. Gao currently serves as the Head of the Discipline Inspection Group.

Mr. Yan Hang, born in 1972, has a bachelor's degree and a master's degree in economics and management of posts and telecommunications from Beijing University of Posts and Telecommunications. Mr. Yan has previously served as the Chief Accountant of Guangxi Telecom (廣西電信總會計), Deputy General Manager of the Procurement Division, Deputy General Manager and later General Manager of the Finance Department and General Manager of the Human Resources Department of China Telecom Group (中國電信集團). In November 2024, Mr. Yan was appointed as the Chief Accountant and a Member of the Party Leadership Group of the Company.

Mr. Wang Shaomin, born in 1972, has a bachelor's degree and a master's degree in engineering, and is a senior engineer at the professor level. Mr. Wang has previously served as the President and Deputy Party Secretary of China Huaneng Group Clean Energy Technology Research Institute Co., Ltd. (中國華能集團清潔能源技術研究院有限公司), General Manager and Deputy Party Secretary of the Fujian Branch of China Huaneng Group Co., Ltd. (中國華能集團有限公司), General Manager and Party Secretary of the Xiong'an Branch of China Huaneng Group Co., Ltd. (中國華能集團有限公司),

Executive Director and Party Secretary of the Xiong'an Branch of China Huaneng Group Co., Ltd.(中國華能集團有限公司), and Executive Director, General Manager, and Legal Representative of Huaneng (Xiong'an) Urban Integrated Energy Service Co., Ltd.(華能(雄安)城市綜合能源服務有限公司). He also served as Executive Director and Party Secretary of the Hebei Branch of China Huaneng Group Co., Ltd.(中國華能集團有限公司). In December 2024, Mr. Wang was appointed as Vice President and Member of the Party Leadership Group of the Company.

EXCHANGE RATE INFORMATION

The PBOC, the central bank of the PRC, sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. On 21 July 2005, the PRC Government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by 2 per cent. against the U.S. dollar. The PRC Government has since made and in the future may make further adjustments to the exchange rate system. On 18 May 2007, the PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the interbank spot exchange market of Renminbi against the U.S. dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5 per cent. above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0 per cent. on 16 April 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 26.9 per cent. from 21 July 2005 to 31 December 2013. On 14 March 2014, the PBOC further widened the floating band against the U.S. dollar to 2.0 per cent. On 11 August 2015, the PBOC announced to improve the central parity quotations of Renminbi against the U.S. dollar by authorising market-makers to provide central parity quotations to the China Foreign Exchange Trading Centre daily before the opening of the interbank foreign exchange market with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign exchange as well as changes in major international currency exchange rates. Following the announcement by the PBOC on 11 August 2015, Renminbi depreciated significantly against the U.S. dollar. On 11 December 2015, CFETS, a sub-institutional organisation of the PBOC, published the CFETS Renminbi exchange rate index for the first time which weighs the Renminbi based on 13 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. In January and February 2016, Renminbi experienced further fluctuations in value against the U.S. dollar. The PRC Government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future.

The following table sets forth the noon buying rates for U.S. dollars in New York City for cable transfers payable in Renminbi as certified by the Federal Reserve Bank of New York for customs purposes for and as at the periods indicated as set forth in the H.10 statistical release of the Federal Reserve Board.

	Noon Buying Rate			
Period	**Period End**	**Average[(1)]**	**High**	**Low**
		(Renminbi per U.S.$1.00)		
2013	6.0537	6.1412	6.2438	6.0537
2014	6.2046	6.1704	6.2591	6.0402
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6549	6.9580	6.4480
2017	6.5063	6.7350	6.9575	6.4773
2018	6.8755	6.6292	6.9737	6.2649
2019	6.9618	6.9014	7.1786	6.6822
2020	6.5250	6.8878	7.1681	6.5208
2021	6.3435	6.4508	6.5716	6.3726
2022	6.3084	6.7518	7.3048	6.8972
2023	6.7010	7.0896	7.3430	7.0999
2024	7.2993	7.1933	7.2993	7.0106
2025				
January	7.2422	7.2957	7.3326	7.2422
February	7.2828	7.2734	7.3088	7.2422
March	7.2567	7.2493	7.2843	7.2273
April	7.2706	7.2968	7.3499	7.2675
May	7.1991	7.2166	7.2706	7.1798
June (up to 13 June 2025)	7.1810	7.1846	7.1975	7.1726

(1) Averages are calculated by averaging the rates on the last business day of each month during the relevant year. Monthly averages are calculated by averaging the daily rates during the relevant monthly period.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Preference Shares is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Preference Shares and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Preference Shares or any persons acquiring, selling or otherwise dealing in the Preference Shares or on any tax implications arising from the acquisition, sale or other dealings in respect of the Preference Shares. Persons considering the purchase of the Preference Shares should consult their own tax advisers concerning the possible tax consequences of buying, holding or selling any Preference Shares under the laws of their country of citizenship, residence or domicile.

PRC TAXATION

The following summary accurately describes the principal PRC tax consequences of ownership of the Preference Shares by beneficial owners who, or which, are not residents of mainland China for the PRC tax purposes. These beneficial owners are referred to as non-resident Preference Shareholders in this "PRC Taxation" section. In considering whether to invest in the Preference Shares, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2008.

Pursuant to the EIT Law effective on 1 January 2008, as amended on 29 December 2018, and the PRC Individual Income Tax Law, as amended on 31 August 2018 and effective on 1 January 2019, and their implementation regulations, an income tax is imposed on the Dividends by way of withholding in respect of the Preference Shares, paid by the Issuer (if such Dividends are regarded as income derived from sources within the PRC under the EIT Law and/or the Individual Income Tax Law) to non-resident Preference Shareholders, including non- resident enterprises and non-resident individuals. The current rates of such income tax are 20 per cent. (for non-resident individuals) and 10 per cent. (for non-resident enterprises) of the gross amount of the Dividends. However, the tax so charged on Dividends paid on the Preference Shares to non-resident Preference Shareholders who or which are residents of Hong Kong (including enterprise holders and individual holders) as defined under the Arrangement between mainland China and Hong Kong for Purpose of the Avoidance of Double Taxation will be up to 10 per cent. (up to 5 per cent. if the Preference Shareholders which are residents of Hong Kong directly own at least 25 per cent. of the Issuer) of the gross amount of the Dividends pursuant to the arrangement between mainland China and Hong Kong and relevant interpretation of the arrangement formulated by the State Administration of Taxation of China.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Preference Shares by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as incomes derived from sources within the PRC. Under the EIT Law, a "**non-resident enterprise**" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained incomes derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Preference Shares by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Preference Shares minus all costs and expenses that are permitted under PRC tax laws to be deducted

from the income. According to an arrangement between mainland China and Hong Kong for avoidance of double taxation, Preference Shareholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Preference Shares.

On 23 March 2016, MOF and the State Administration of Taxation issued Circular 36, which introduced a new value-added tax ("**VAT**") from 1 May 2016. Under Circular 36, VAT is applicable where the entities or individuals provide services within the PRC. The operating income generated from the provision of taxable sale of services by entities and individuals, such as financial services, shall be subject to PRC VAT if the seller or buyer of the services is within PRC. In the event that foreign entities or individuals do not have a business establishment in the PRC, the purchaser of services shall act as the withholding agent. According to the Explanatory Notes to Sale of Services, Intangible Assets and Real Property attached to Circular 36, financial services refer to the business activities of financial and insurance operation, including loan processing services, financial services of direct charges, insurance services and the transfer of financial instruments, and the VAT rate is 6 per cent. Accordingly, in respect of the interest and other interest like earnings received by a non-PRC resident Preference Shareholder from, if the Issuer is treated as a PRC resident enterprise, the Issuer will be subject to PRC VAT at the rate of 6 per cent. The Issuer will be obligated to withhold VAT of 6 per cent. for payments of Dividends and certain other amounts on the Preference Shares paid by the Issuer to Preference Shareholders that are non-resident enterprises or individuals if the Issuer is treated as a PRC resident enterprise. And as the withholding agent, if the Issuer is treated as a PRC resident enterprise, the Issuer shall calculate the withholding tax according to the following formula: withholding tax = price paid by the purchaser ÷ (1 + tax rate) × tax rate. However, there is uncertainty as to whether gains derived from a sale or exchange of Preference Shares consummated outside of the PRC between non-PRC resident Preference Shareholders will be subject to PRC VAT. VAT is unlikely to be applicable to any transfer of Preference Shares between entities or individuals located outside of the PRC and therefore unlikely to be applicable to gains realised upon such transfers of Preference Shares, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Preference Shares is located inside the PRC. The interpretation and enforcement of such laws and regulations involve uncertainties.

No PRC stamp duty will be imposed on non-resident Preference Shareholders either upon issuance of the Preference Shares or upon a subsequent transfer of Preference Shares.

CAYMAN ISLANDS TAXATION

Under existing Cayman Islands law, payments of the Liquidation Preference and Dividends on the Preference Shares will not be subject to taxation in Cayman Islands and no withholding will be required on the payment of the Liquidation Preference and Dividends to any holder of the Preference Shares, as the case may be, nor will gains derived from the disposal of the Preference Shares be subject to Cayman Islands income or corporate tax. The Cayman Islands currently has no income, corporate or capital gains tax and no estate duty, inheritance tax or gift tax.

There is no exchange control legislation under Cayman Islands law and accordingly there are no exchange control regulations imposed under Cayman Islands law.

No stamp duty is payable in respect of the issue of the Preference Shares. An instrument of transfer in respect of the Preference Shares is stampable if executed in or brought into the Cayman Islands.

HONG KONG TAXATION

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of Dividends on the Preference Shares or in respect of any capital gains arising from the sale of the Preference Shares.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under current practise, no profits tax is payable in Hong Kong in respect of Dividends paid by the Issuer.

No profits tax is imposed in Hong Kong in respect of capital gains from the sale of the Preference Shares. However, trading gains from the sale of the Preference Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business in Hong Kong, will be subject to Hong Kong profits tax (unless otherwise specifically exempted), which is currently imposed at the maximum rate of 16.5 per cent. on corporations and at the maximum rate of 15 per cent. on unincorporated businesses, with the first HK$2 million of assessment profits charged at 8.25 per cent. for corporations and 7.5 per cent. for unincorporated businesses, subject to certain conditions being met. Certain categories of taxpayers are likely to be regarded as deriving trading gains rather than capital gains (for example, financial institutions, insurance companies and securities dealers) unless these taxpayers can rely on a specific exemption.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issuance of the Preference Shares. Hong Kong stamp duty will also not be chargeable upon the transfer of the Preference Shares so long as the register of the Preference Shareholders is maintained outside Hong Kong and such transfer is not required to be registered in Hong Kong.

SUBSCRIPTION AND SALE

The Issuer and the Parent have entered into a subscription agreement with the Joint Lead Managers dated 23 June 2025 (the "**Subscription Agreement**") pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers severally and not jointly agree to subscribe and pay for, or to procure subscribers to subscribe and pay for the aggregate Liquidation Preference of the Preference Shares in the amounts set forth opposite their names below at the Issue Price:

Joint Lead Manager	Liquidation Preference of the Preference Shares to be subscribed
Merrill Lynch (Asia Pacific) Limited	U.S.$175,000,000
BOCI Asia Limited	U.S.$175,000,000
Industrial and Commercial Bank of China (Asia) Limited	U.S.$175,000,000
J.P. Morgan Securities (Asia Pacific) Limited	U.S.$175,000,000
ABCI Capital Limited	U.S.$20,000,000
BOCOM International Securities Limited	U.S.$20,000,000
China CITIC Bank International Limited	U.S.$20,000,000
China International Capital Corporation Hong Kong Securities Limited	U.S.$20,000,000
China Minsheng Banking Corp., Ltd. Hong Kong Branch	U.S.$20,000,000
China Securities (International) Corporate Finance Company Limited	U.S.$20,000,000
CLSA Limited	U.S.$20,000,000
CMB International Capital Limited	U.S.$20,000,000
DBS Bank Ltd.	U.S.$20,000,000
Guotai Junan Securities (Hong Kong) Limited	U.S.$20,000,000
Huatai Financial Holdings (Hong Kong) Limited	U.S.$20,000,000
ICBC International Securities Limited	U.S.$20,000,000
Natixis	U.S.$20,000,000
Oversea-Chinese Banking Corporation Limited	U.S.$20,000,000
Standard Chartered Bank	U.S.$20,000,000
Total	**U.S.$1,000,000,000**

The Subscription Agreement provides that the Issuer and the Parent will jointly and severally indemnify the Joint Lead Managers and their affiliates against certain liabilities in connection with the offer and sale of the Preference Shares. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Issuer or, as the case may be, the Parent will pay the Joint Lead Managers' customary fees and commissions in connection with the offering and will reimburse the Joint Lead Managers for certain fees and expenses incurred in connection with the offering. The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities ("**Banking Services or Transactions**"). The Joint Lead Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services or Transactions with the Issuer and the Parent for which they have received, or will receive, fees and expenses.

In connection with the offering of the Preference Shares, the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Parent, may act as investors and place orders, receive allocations and trade the Preference Shares for their own account (without a view to distributing such Preference Shares) and such orders, allocations or trading of the Preference Shares may be material. Such entities may hold or sell such Preference Shares or purchase further Preference Shares for their own account in the secondary market or deal in any other securities of the Issuer or the Parent, and therefore, they may offer or sell the Preference Shares or other securities otherwise than in connection with the Offering of the Preference Shares. Accordingly, references herein to the offering of the Preference Shares should be read as including any offering of the Preference Shares to the Joint Lead Managers and/or their respective affiliates, or affiliates of the Issuer or the Parent as investors for their

own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any applicable legal or regulatory requirement. If such transactions occur, the trading price and liquidity of the Preference Shares may be impacted. Furthermore, it is possible that a significant proportion of the Preference Shares may be initially allocated to, and subsequently held by, a limited number of investors. If this is the case, liquidity of trading in the Preference Shares may be constrained (see "*Risk Factors – Risks Relating to the Market – An active trading market for the Preference Shares may not develop*"). The Issuer, the Parent and the Joint Lead Managers are under no obligation to disclose the extent of the distribution of the Preference Shares amongst individual investors, otherwise than in accordance with any applicable legal or regulatory requirements.

In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer and/or the Parent, including the Preference Shares and could adversely affect the trading prices of the Preference Shares. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Preference Shares or other financial instruments of the Issuer or the Parent, and may recommend to their clients that they acquire long and/or short positions in the Preference Shares or other financial instruments of the Issuer and the Parent.

In connection with the issue of the Preference Shares, any of the Joint Lead Managers appointed and acting as stabilisation manager (or persons acting on behalf of any of them) (the "**Stabilisation Manager**") may, to the extent permitted by applicable laws and directives, over-allot the Preference Shares or effect transactions with a view to supporting the price of the Preference Shares at a level higher than that which might otherwise prevail, but in so doing, the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager shall act as principal and not as agent of the Issuer or the Parent. However, there is no assurance that the Stabilisation Manager or any person acting on behalf of the Stabilisation Manager will undertake stabilisation action. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Joint Lead Managers. Such stabilisation shall be conducted in accordance with all applicable laws and rules.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks): This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Parent, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Parent, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Preference Shares. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Parent or any CMI (including its group companies) and inform the Joint Lead Managers accordingly.

CMIs are informed that, the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Preference Shares (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer or the Parent. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Preference Shares.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Preference Shares, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Joint Lead Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code); and
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: bofa_dcm_syndicate_pb_orders@bofa.com, debt.syndicate@bocigroup.com, huwenqi.vincent@icbcasia.com, investor.info.hk.oc.bond.deals@jpmorgan.com, abcic.dcm@abci.com.hk, TMG_Syndicate@cncbinternational.com, debtsyndicate@csci.hk, dcm_hk@csci.hk, ib.dcm.centralSOE@clsa.com, dcm.ig@gtjas.com.hk, Project.PrefShare2025@natixis.com and OCBCBonds@ocbc.com.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents

from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that it and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Parent, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint Lead Manager with such evidence within the timeline requested.

GENERAL

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Preference Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

No action has been or will be taken in any jurisdiction by the Issuer, the Parent or the Joint Lead Managers that would permit a public offering, or any other offering under circumstances not permitted by applicable law, of the Preference Shares, or possession or distribution of this Offering Circular, any amendment or supplement thereto issued in connection with the proposed resale of the Preference Shares or any other offering or publicity material relating to the Preference Shares, in any country or jurisdiction where action for that purpose is required. Accordingly, the Preference Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisements in connection with the Preference Shares may be distributed or published, by the Issuer, the Parent or the Joint Lead Managers, in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer, the Parent or the Joint Lead Managers.

If a jurisdiction requires that the offering be made by a licenced broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers are licenced brokers or dealers in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Preference Shares to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of Insurance Distribution Directive, where that customer would not qualify as professional client as defined in point (10) of Article 4(1) of MiFID II.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Preference Shares to any retail investor in the United Kingdom. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

UNITED STATES

The Preference Shares have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Preference Shares are being offered and sold outside the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Preference Shares, an offer or sale of the Preference Shares within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

UNITED KINGDOM

Each of the Joint Lead Managers has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Preference Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Parent; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Preference Shares in, from or otherwise involving the United Kingdom.

HONG KONG

Each of the Joint Lead Managers has represented, warranted and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Preference Shares other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Preference Shares, which is directed at, or the contents of

which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Preference Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

SINGAPORE

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Joint Lead Managers has represented and agreed that it has not offered or sold any Preference Shares or caused such Preference Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such Preference Shares or cause such Preference Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Preference Shares, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

JAPAN

The Preference Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Joint Lead Managers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Preference Shares in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

THE PEOPLE'S REPUBLIC OF CHINA

Each of the Joint Lead Managers has represented and agreed that the Preference Shares are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan Region) except as permitted by the securities laws of the People's Republic of China.

CAYMAN ISLANDS

Each of the Joint Lead Managers has represented and agreed that the offer to sell the Preference Shares is private and not intended for the public and, further that each Joint Lead Manager has not made and will not make any invitation to the public in the Cayman Islands or to residents of the Cayman Islands to offer or sell the Preference Shares.

GENERAL INFORMATION

1. **Clearing Systems**: The Preference Shares have been accepted for clearance through Euroclear and Clearstream under Common Code 309630165 and ISIN XS3096301653. The Legal Entity Identifier of the Issuer is 254900KGQD1NFOL10Y84.

2. **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Preference Shares and the entry into the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees. The issue of the Preference Shares and the entry into the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees were authorised by written resolution of the sole director of the Issuer on 17 June 2025 and written resolution of the sole shareholder of the Issuer on 17 June 2025. The Parent has obtained all consents, approvals and authorisations in connection with the entry into and performance of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees necessarily required as at the date of this Offering Circular. The entry into and performance of the Keepwell Deed, the Intragroup Financing Agreements and the Financing Guarantees were authorised by the meeting minutes of the board of managers of the Parent.

3. **No Material Adverse Change**: There has been no material adverse change, or any development or event likely to involve a prospective change, in the condition (financial or otherwise), prospects, properties, results of operations, business or general affairs of the Group since 31 December 2024.

4. **Litigation**: Save as disclosed in this Offering Circular, the Group is not involved in any litigation or arbitration proceedings that the Parent believes are material in the context of the Preference Shares, nor is the Parent aware that any such proceedings are pending or threatened.

5. **Reliance on Certificates**: Pursuant to the Terms and Conditions of the Preference Shares and the Trust Deed, the Trustee may rely conclusively, and may act or refrain from acting, in each case without liability to the Preference Shareholders, the Issuer, the Parent or any other person on any report, confirmation, certificate or information from or any advice or opinion of any accountants, auditors, lawyers, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter entered into in relation thereto by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely conclusively on any such report, confirmation, certificate, information, advice or opinion, in which event such report, confirmation, certificate, information, advice or opinion shall be binding on the Preference Shareholders.

6. **Available Documents**: So long as any of the Preference Shares is outstanding, copies of the following documents will be available (i) for inspection from the Issue Date at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), from Monday to Friday (excluding public holidays)) at the principal place of business of the Trustee (being at the date of this Offering Circular at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) and (ii) electronically from the Principal Paying Agent, in each case following prior written request and proof of holding and identity satisfactory to the Trustee or the Principal Paying Agent, as the case may be:

   - the Trust Deed;
   - the Keepwell Deed;
   - the Agency Agreement; and
   - (subject to the same having been provided to the Trustee by the Parent) the Audited Financial Statements and the Articles of Association.

7. **Financial Statements**: The Audited Financial Statements, which are included elsewhere in this Offering Circular, have been audited by BDO, the Parent's independent auditor, as stated in its report appearing herein.

8. **Listing**: Application has been made to the SGX-ST for the listing of and quotation for the Preference Shares on the Official List of the SGX-ST.

INDEX TO FINANCIAL STATEMENTS

English translation of audited consolidated financial statements of the Parent as at and for the year ended 31 December 2024

Auditors' Report F-4

Consolidated Balance Sheet F-8

Company's Balance Sheet F-12

Consolidated Income Statement F-16

Company's Income Statement F-19

Consolidated Statement of Cash Flows F-21

Company's Statement of Cash Flows F-23

Consolidated Statement of Changes in Owners' Equity F-25

Company's Statement of Changes in Owners' Equity F-29

Notes to the Financial Statements F-33

English translation of audited consolidated financial statements of the Parent as at and for the year ended 31 December 2023

Auditors' Report F-320

Consolidated Balance Sheet F-324

Company's Balance Sheet F-328

Consolidated Income Statement F-332

Company's Income Statement F-334

Consolidated Statement of Cash Flows F-336

Company's Statement of Cash Flows F-338

Consolidated Statement of Changes in Owners' Equity F-340

Company's Statement of Changes in Owners' Equity F-344

Notes to the Financial Statements F-348

STATE POWER INVESTMENT CORPORATION LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

XIN KUAI SHI BAO ZI [2025] No.ZG220377

ENGLISH TRANSLATION OF AUDITOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

IF THERE IS ANY CONFLICT BETWEEN THE CHINESE VERSION AND ITS ENGLISH TRANSLATION, THE CHINESE VERSION WILL PREVAIL

State Power Investment Corporation Limited

Auditor's Report and Financial Statements
(From January 1, 2024 to December 31, 2024)

	Table of Contents	Page
I.	Auditor's Report	1-4
II.	Financial Statements	
	Consolidated and Company's Balance Sheets	1-8
	Consolidated and Company's Income Statements	9-13
	Consolidated and Company's Statements of Cash Flows	14-17
	Consolidated and Company's Statements of Changes in Owners' Equity	18-25
	Notes to the Financial Statements	1-285

Auditor's Report

(English Translation for Reference Only)

Xin Kuai Shi Bao Zi [2025] No. ZG220377

To the Board of Directors of State Power Investment Corporation Limited:

Opinion

We have audited the accompanying financial statements of State Power Investment Corporation Limited ("SPIC"), which comprise the consolidated and company's balance sheets as at December 31, 2024, the consolidated and company's income statements, the consolidated and company's statements of cash flows, and the consolidated and company's statements of changes in owners' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at December 31, 2024 and the consolidated and company's financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of SPIC in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters in our audit:

Key Audit Matters	How these matters were addressed in the audit
(I) Impairment of goodwill	
As described in Note 8.28, the original carrying amount of SPIC's goodwill totaled RMB16.298 billion with an impairment of RMB9.599 billion as at December 31, 2024. According to the Accounting Standards for Business Enterprises, management of the Company ("management") performed goodwill impairment test by comparing the recoverable amount of the relevant asset group which goodwill is allocated to with the carrying amount of corresponding asset group and allocated goodwill. Estimate of the recoverable amount involves forecasting present value of the asset group's future cash flows, which requires significant management judgment and assumption. As the related impairment assessment and test require significant management judgment, goodwill impairment test is determined as a key audit matter.	Our audit procedures consisted primarily of: 1. evaluating and testing the design and operation effectiveness of internal controls related to goodwill impairment test; 2. evaluating appropriateness of methodology applied to the impairment test, verifying the underlying data on which management's impairment test was based, and using valuation experts to assess reasonableness of key assumptions and judgments used in management's impairment test; 3. evaluating the independence, competence, professional quality and objectivity of the valuer; and 4. verifying the mathematical accuracy of goodwill impairment test model.
(II) Recognition of accounts receivable and operating income	
As mentioned in Note 8.5 and Note 8.60, the Company's accounts receivable amounted to RMB164.037 billion as at December 31, 2024, including RMB 141.084 billion of electric charge receivable, accounting for 86.01% of total balance. Operating income from primary business for current period was RMB 389.743 billion, including RMB 261.259 billion of electricity revenue, accounting for 67.03% of revenue for current period. Both accounts receivable and operating income are significant to the financial statements, and it takes a relatively long time to receive renewable energy subsidies of the electricity receivables. As such, recognition of accounts receivable and operating income is determined as a key audit matter.	Our audit procedures consisted primarily of: 1. evaluating and testing the design and operation effectiveness of key internal controls related to the recognition of accounts receivable and operating income; 2. performing analytical procedures on revenue and cost, including comparative analysis of revenue, cost and gross profit margin between current period and prior period, and analysis of fluctuations by each month of current period; 3. inspecting relevant documents such as project permits, tariff approvals and notification of grid connection to determine on-grid electricity price, and recalculating revenue from the benchmark tariff and subsidized tariff based on the settlement power reflected in the monthly statements issued by local state grid offices in accordance with the Administrative Measures for the Additional Subsidy Fund for Renewable Electricity Price; 4. performing external confirmation procedure for transaction and period-end balance of accounts receivable, to confirm existence of revenue in conjunction with examining subsequent receipt post balance sheet date; 5. performing cut-off tests on power generation revenue to verify whether the revenue is recognized in correct accounting period.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing SPIC's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate SPIC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing SPIC's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SPIC's internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SPIC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause SPIC to cease to continue as a going concern.

(5) Evaluate the overall presentation (including the disclosures), structure and contents of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within SPIC to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO CHINA Shu Lun Pan
Certified Public Accountants LLP

Certified Public Accountant of China:

Certified Public Accountant of China:

Shanghai, China

April 28, 2025

State Power Investment Corporation Limited
Consolidated Balance Sheet
As at December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current assets:			
Monetary funds	8.1	48,488,984,154.20	34,391,949,324.45
△Balances with clearing companies			
△Loans to banks and other financial institutions			
Financial assets held for trading	8.2	23,560,625,160.25	27,969,633,441.99
☆Financial assets measured at fair value through current profit and loss			
Derivative financial assets	8.3	457,480,626.22	355,997,232.72
Notes receivable	8.4	1,796,136,314.78	2,844,714,411.02
Accounts receivable	8.5	164,036,699,142.50	130,607,225,552.39
Receivables financing	8.6	2,767,263,793.07	3,415,354,694.70
Advances to suppliers	8.7	14,784,159,018.63	17,692,607,574.62
▲Premiums receivable			
▲Reinsurance accounts payable			
▲Reinsurance contract reserves receivable			
Receivables from collective funds income			
Other receivables	8.8	29,391,601,513.73	42,787,224,798.37
Including: dividends receivable		1,929,151,781.16	1,994,318,334.07
△Financial assets purchased under resale agreements	8.9	1,000,010.00	
Inventories	8.10	27,811,882,231.24	26,009,419,322.25
Including: raw materials		19,244,503,135.04	16,002,552,745.43
Stock commodities (finished goods)		3,570,996,953.15	4,629,958,739.77
Contract assets	8.11	29,635,253,317.37	20,364,231,137.67
△Insurance contract assets			
△Ceded reinsurance contract assets			
Assets held for sale	8.12		1,284,250,904.78
Non-current assets maturing within one year	8.13	1,294,856,273.12	1,131,863,554.06
Other current assets	8.14	30,549,041,677.11	32,452,472,315.79
Total current assets		374,574,983,232.22	341,306,944,264.81
Non-current assets:			
△Loans and advances	8.15	990,425,092.88	1,451,319,786.51
Creditor's right investment	8.16	6,766,212,653.59	1,250,314,201.34
☆ Available-for-sale financial assets			
Other creditor's right investment	8.17		3,128,137,600.84
☆ Held-to-maturity investments			
Long-term receivables	8.18	10,506,043,586.54	11,809,581,718.25
Long-term equity investments	8.19	86,823,743,420.66	78,341,392,655.11
Other equity instrument investments	8.20	13,575,646,435.68	15,323,419,420.77
Other non-current financial assets	8.21	1,479,317,855.07	1,605,885,446.50
Investment properties	8.22	2,829,653,721.18	3,404,230,324.12
Fixed assets	8.23	1,005,213,558,564.43	900,227,245,228.81
Including: original cost of fixed		1,564,843,386,446.10	1,394,337,024,165.41

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
assets			
Accumulated depreciation		530,431,362,869.13	470,096,392,763.93
Provision for fixed asset impairment		29,317,915,069.27	24,109,544,479.17
Construction in progress	8.24	208,602,482,452.36	232,974,781,313.92
Productive biological assets			
Oil and gas assets			
Right-of-use assets	8.25	20,341,837,113.07	17,857,126,295.08
Intangible assets	8.26	68,570,591,886.80	65,691,736,486.25
Development expenses	8.27	12,873,155,688.74	11,238,588,061.77
Goodwill	8.28	6,699,282,989.42	7,624,228,878.09
Long-term deferred expenses	8.29	4,444,381,053.97	5,992,967,578.92
Deferred income tax assets	8.30	4,674,770,569.30	5,044,872,393.29
Other non-current assets	8.31	48,082,922,464.99	46,731,826,298.38
Including: special reserve materials			
Total non-current assets		1,502,474,025,548.68	1,409,697,653,687.95
Total assets		1,877,049,008,780.90	1,751,004,597,952.76

Remarks: Items marked with △ are only used for financial enterprises; items marked with ▲ are only used for enterprises that have not implemented the New Standards on Insurance Contracts; items marked with # are only used for foreign-invested enterprises; and items marked with ☆ are only used for enterprises that have not implemented the New Standards on Financial Instruments.

The accompanying notes to the financial statements form an integral part of the financial statements. The same below.

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Consolidated Balance Sheet (Continued)
As at December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current liabilities:			
Short-term borrowings	8.32	204,288,532,076.31	189,127,922,951.35
△Borrowings from central bank			
△Loans from banks and other financial institutions	8.33		4,999,967,034.34
Financial liabilities held for trading			
☆Financial liabilities measured at fair value through current profit and loss			
Derivative financial liabilities	8.34	151,696,129.21	34,131,415.03
Notes payable	8.35	6,757,043,249.40	8,273,987,050.05
Accounts payable	8.36	101,093,278,410.54	102,582,993,714.98
Advances from customers	8.37	259,244,461.51	825,575,927.79
Contract liabilities	8.38	17,503,855,224.42	14,617,770,203.19
△Financial assets sold under repurchase agreements			
△Absorption of deposits and interbank deposit	8.39	5,191,495,700.17	6,492,940,734.36
△Receivings from vicariously traded securities			
△Receivings from vicariously sold securities			
△Premiums received in advance			
Employee compensation payable	8.40	4,375,490,595.65	4,669,576,003.84
Including: accrued payroll		2,470,823,101.46	2,631,718,211.74
Welfare payable		626,577.50	552,977.02
#Including: employee bonus and welfare fund			
Taxes and surcharges payable	8.41	7,733,959,726.79	7,175,511,275.37
Including: taxes payable excluding surcharges		7,146,410,191.17	6,395,960,368.81
Other payables	8.42	35,406,729,485.38	44,101,876,669.05
Including: dividends payable		2,270,796,171.46	1,654,821,830.05
▲Handling charges and commissions payable			
▲Accounts payable for reinsurance			
Liabilities held for sale			83,789,875.67
Non-current liabilities maturing within one year	8.43	138,788,553,431.94	114,972,836,824.67
Other current liabilities	8.44	20,718,392,085.24	21,216,169,764.01
Total current assets		542,268,270,576.56	519,175,049,443.70
Non-current liabilities:			
▲Reserves for insurance contracts			
Long-term borrowings	8.45	588,558,750,058.39	526,059,207,761.12
Bonds payable	8.46	75,176,166,235.97	88,839,804,184.31
Including: preferred stock			
Perpetual bond			

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
△Insurance contract liabilities			
△Ceded reinsurance contract liabilities			
Lease liabilities	8.48	15,815,620,145.47	13,701,210,599.80
Long-term payables	8.49	47,256,040,428.98	39,214,695,701.97
Long-term employee compensation payable	8.50	424,317,031.96	346,199,261.78
Estimated liabilities	8.51	2,658,255,837.14	1,729,228,372.48
Deferred income	8.52	6,790,040,299.61	7,162,445,589.38
Deferred income tax liabilities		3,996,820,928.06	3,986,016,637.12
Other non-current liabilities	8.53	4,709,366,703.90	3,684,572,910.81
Including: special reserve funds			
Total non-current liabilities		745,385,377,669.48	684,723,381,018.77
Total liabilities		1,287,653,648,246.04	1,203,898,430,462.47
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	8.54	35,000,000,000.00	35,000,000,000.00
State-owned capital		35,000,000,000.00	35,000,000,000.00
State-owned legal person's capital			
Collective capital			
Private capital			
Foreign capital			
#Less: investment returned			
Net paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
Other equity instruments	8.55	145,700,000,000.00	150,500,000,000.00
Including: preferred stock			
Perpetual bond	8.47	145,700,000,000.00	150,500,000,000.00
Capital reserves	8.56	37,131,554,849.71	34,258,722,537.56
Less: treasury stock			
Other comprehensive income		-965,746,035.84	839,932,037.50
Including: foreign currency translation differences		-3,410,816,469.39	-873,130,191.26
Special reserves	8.57	1,096,833,838.90	770,916,653.54
Surplus reserves	8.58	1,529,549,692.19	
Including: statutory reserve funds		1,529,549,692.19	
Discretionary reserve funds			
#Reserve funds			
#Enterprise expansion funds			
#Profit capitalized on return of investments			
△General risk reserve			
Retained earnings	8.59	6,076,955,898.31	-2,184,148,723.15
Total equity attributable to owners (or shareholders) of the company		225,569,148,243.27	219,185,422,505.45
Minority equity		363,826,212,291.59	327,920,744,984.84
Total owners' equity (or shareholders' equity)		589,395,360,534.86	547,106,167,490.29
Total liabilities and owners' equity (or shareholders' equity)		1,877,049,008,780.90	1,751,004,597,952.76

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Balance Sheet
As at December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current assets:			
Monetary funds		4,730,326,229.35	3,646,612,948.27
△Balances with clearing companies			
△Loans to banks and other financial institutions			
Financial assets held for trading			
☆Financial assets measured at fair value through current profit and loss			
Derivative financial assets			
Notes receivable		31,515,340.17	559,018,326.28
Accounts receivable	12.1	2,919,949,006.57	3,373,605,480.47
Receivables financing			
Advances to suppliers		772,891,725.73	421,732,062.98
▲Premiums receivable			
▲Reinsurance accounts payable			
▲Reinsurance contract reserves receivable			
Receivables from collective funds income			
Other receivables	12.2	5,340,220,053.57	11,291,205,738.12
Including: dividends receivable		2,488,662,143.93	2,793,605,874.83
△Financial assets purchased under resale agreements			
Inventories			
Including: raw materials			
Stock commodities (finished goods)			
Contract assets			
△Insurance contract assets			
△Ceded reinsurance contract assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets		15,039,009,695.61	14,003,026,173.04
Total current assets		28,833,912,051.00	33,295,200,729.16
Non-current assets:			
△Loans and advances			
Creditor's right investment			
☆Available-for-sale financial assets			
Other creditor's right investment			
☆Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	12.3	209,335,909,595.10	203,062,579,007.85
Other equity instrument investments		41,693,393,588.72	41,652,478,853.20
Other non-current financial assets			
Investment properties		2,153,110,200.00	2,250,958,600.00
Fixed assets		47,032,802.02	47,006,976.48
Including: original cost of fixed		214,645,885.68	205,598,057.99

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
assets			
Accumulated depreciation		167,613,083.66	158,591,081.51
Provision for fixed asset impairment			
Construction in progress		6,957,833.12	66,115,334.17
Productive biological assets			
Oil and gas assets			
Right-of-use assets		173,567,392.40	195,724,931.84
Intangible assets		705,020,921.64	711,453,310.82
Development expenses		47,895,094.35	47,895,094.35
Goodwill			
Long-term deferred expenses		51,107,364.78	68,150,677.64
Deferred income tax assets		23,101,874.44	503,743.38
Other non-current assets		44,209,560,000.00	43,769,560,000.00
Including: special reserve materials			
Total non-current assets		298,446,656,666.57	291,872,426,529.73
Total assets		327,280,568,717.57	325,167,627,258.89

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Balance Sheet (Continued)
As at December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
Current liabilities:			
Short-term borrowings		57,430,000,000.00	50,900,000,000.00
△Borrowings from central bank			
△Loans from banks and other financial institutions			999,967,034.34
Financial liabilities held for trading			
☆Financial liabilities measured at fair value through current profit and loss			
Derivative financial liabilities			
Notes payable			
Accounts payable		1,160,847,132.81	1,636,490,893.82
Advances from customers		99,825.20	99,825.20
Contract liabilities		3,971,901,335.39	2,533,887,369.85
△Financial assets sold under repurchase agreements			
△Absorption of deposits and interbank deposit			
△Receivings from vicariously traded securities			
△Receivings from vicariously sold securities			
△Premiums received in advance			
Employee compensation payable		695,798,884.46	693,758,340.49
Including: accrued payroll		660,389,757.54	660,302,277.54
Welfare payable			
#Including: bonus and welfare fund			
taxes and surcharges payable		244,245,524.90	104,695,103.95
Including: taxes payable excluding surcharges		244,245,524.90	102,221,402.01
Other payables		711,376,411.15	1,226,549,663.38
Including: dividends payable			
▲Handling charges and commissions payable			
▲Accounts payable for reinsurance			
Liabilities held for sale			
Non-current liabilities maturing within one year		10,755,652,971.23	18,674,584,696.87
Other current liabilities		531,877,089.64	1,287,585,566.72
Total current assets		75,501,799,174.78	78,057,618,494.62
Non-current liabilities:			
▲Reserves for insurance contracts			
Long-term borrowings			200,000,000.00
Bonds payable		30,739,043,781.43	23,913,144,257.41
Including: preferred stock			
Perpetual bond			
△Insurance contract liabilities			

Item	Note	Balance as at December 31, 2024	Balance as at January 1, 2024
△Ceded reinsurance contract liabilities			
Lease liabilities		156,649,434.94	167,004,031.90
Long-term payables		74,229,600.00	45,124,000.00
Long-term employee compensation payable			
Estimated liabilities			
Deferred income		454,500.00	568,125.00
Deferred income tax liabilities		668,031,356.49	666,870,478.19
Other non-current liabilities			
Including: special reserve funds			
Total non-current liabilities		31,638,408,672.86	24,992,710,892.50
Total liabilities		107,140,207,847.64	103,050,329,387.12
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
State-owned capital		35,000,000,000.00	35,000,000,000.00
State-owned legal person's capital			
Collective capital			
Private capital			
Foreign capital			
#Less: investment returned			
Net paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
Other equity instruments		145,700,000,000.00	150,500,000,000.00
Including: preferred stock			
Perpetual bond		145,700,000,000.00	150,500,000,000.00
Capital reserves		15,627,557,053.37	14,816,622,284.13
Less: treasury stock			
Other comprehensive income		2,188,531,802.17	2,111,662,867.32
Including: foreign currency translation differences			
Special reserves			
Surplus reserves		1,529,549,692.19	
Including: statutory reserve funds		1,529,549,692.19	
Discretionary reserve funds			
#Reserve funds			
#Enterprise expansion funds			
#Profit capitalized on return of investments			
△General risk reserve			
Retained earnings		20,094,722,322.20	19,689,012,720.32
Total owners' equity (or shareholders' equity)		220,140,360,869.93	222,117,297,871.77
Total liabilities and owners' equity (or shareholders' equity)		327,280,568,717.57	325,167,627,258.89

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Consolidated Income Statement
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	2024	2023
I. Total operating income		395,467,871,472.33	385,612,534,241.73
Including: operating income	8.60	395,467,871,472.33	385,612,534,241.73
△ Interest income			
△Income from insurance service			
▲Premiums earned			
△Income from handling charges and commissions			
II. Total operating costs		353,842,485,486.17	352,107,066,373.27
Including: operating costs	8.60	300,537,624,011.13	297,241,111,736.31
△ Interest expenses			
△Expenses from handling charges and commissions			
△Insurance service costs			
△Apportionment of ceded insurance premiums			
△Less: amortized insurance service costs			
△Loss of underwritten property			
△Less: financial income from ceded reinsurance			
▲Surrender value			
▲Net amount of compensation payout			
▲Net amount withdrawn for insurance contract reserves			
▲Policy dividend payment			
▲Reinsurance costs			
Taxes and surcharges		6,848,639,868.21	6,219,539,467.08
Selling and distribution expenses		984,361,301.21	1,055,166,518.52
Administrative expenses	8.61	14,165,146,310.05	14,495,456,311.34
Research and development expenses	8.61	4,646,818,336.54	4,851,432,049.68
Financial expenses	8.61	26,659,895,659.03	28,244,360,290.34
Including: interest expenses		26,380,624,999.45	27,917,348,960.78
Interest income		1,114,476,723.17	975,651,264.57
Net loss from foreign exchange ("-" for net gain)		416,708,067.61	635,934,189.18
Others			
Plus: Other income	8.62	3,115,434,898.03	3,257,228,699.57
Investment income ("-" for losses)	8.63	17,997,326,335.58	9,553,378,359.14
Including: income from investment in associates and joint ventures		6,626,693,976.31	6,700,924,225.13
Gains from derecognition of financial assets measured at amortized cost		-92,353,539.48	-120,013,539.07
△Gains from foreign exchange ("-" for losses)		-5,700,240.94	6,965,309.62
Gains from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)	8.64	-386,357,339.92	159,660,244.53
Losses from credit impairment ("-" for	8.65	-4,644,543,892.67	-194,854,742.48

Item	Note	2024	2023
losses)			
Losses from asset impairment ("-" for losses)	8.66	-8,188,051,494.47	-6,423,842,039.45
Gains from disposal of assets ("-" for losses)	8.67	116,315,703.08	336,212,065.79
III. Operating profits ("-" for loss)		49,629,809,954.85	40,200,215,765.18
Plus: non-operating income	8.68	1,938,584,781.11	1,797,059,659.67
Including: government subsidies		196,331,928.91	153,642,451.58
Less: non-operating expenses	8.69	1,828,192,804.22	1,333,474,863.21
IV. Total profits ("-" for total losses)		49,740,201,931.74	40,663,800,561.64
Less: income tax expenses	8.70	11,926,126,147.67	7,579,178,290.83
V. Net profit ("-" for net loss)		37,814,075,784.07	33,084,622,270.81
(I) Classified by ownership:			
Net profit attributable to owners of the company		15,295,496,921.93	11,460,824,709.13
Minority interest income		22,518,578,862.14	21,623,797,561.68
(II) Classified by operating sustainability:			
Net profit from continued operation		37,814,075,784.07	33,084,622,270.81
Net profit of discontinued operation			
VI. Other comprehensive income, net of tax		-3,059,534,261.94	564,873,545.06
Other comprehensive income, net of tax attributable to owners of the company	8.71	-2,179,582,546.97	462,357,797.97
(I) Other comprehensive income that cannot be reclassified into profit or loss		918,212,732.60	-86,751,701.32
1. Changes in remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred into profit or loss under equity method		31,080,668.39	-35,925,259.91
3. Changes in fair value of other equity instruments		887,132,064.21	-50,826,441.41
4. Changes in the fair value of the Company's own credit risk			
△5. Financial changes in insurance contracts that cannot be transferred to profit or loss			
6. Others			
(II) Other comprehensive income that will be reclassified into profit or loss		-3,097,795,279.57	549,109,499.29
1. Other comprehensive income that can be transferred into profit or loss under equity method		-64,830,120.23	379,665,045.50
2. Changes in fair value of other creditor's right investments			
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Amount of financial assets reclassified into other comprehensive income			
☆5. Profits or losses from reclassification of held-to-maturity investments as available-for-sale financial assets			
6. Provision for credit impairment of other creditor's right investments			

Item	Note	2024	2023
7. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)		-510,009,955.51	-80,040,509.95
8. Translation differences of foreign currency financial statements		-2,537,827,578.22	194,074,946.14
△9. Financial changes in insurance contracts that can be transferred to profit or loss			
△10. Financial changes in ceded reinsurance contracts that can be transferred to profit or loss			
11. Others		14,872,374.39	55,410,017.60
Other comprehensive income, net of tax attributable to minority shareholders		-879,951,714.97	102,515,747.09
VII. Total comprehensive income		34,754,541,522.13	33,649,495,815.87
Total comprehensive income attributable to owners of the company		13,115,914,374.96	11,923,182,507.10
Total comprehensive income attributable to minority shareholders		21,638,627,147.17	21,726,313,308.77
VIII. Earnings per share:			
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Income Statement
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	2024	2023
I. Total operating income		1,155,116,628.41	1,173,287,777.01
Including: operating income	12.4	1,155,116,628.41	1,173,287,777.01
△ Interest income			
△Income from insurance service			
▲Premiums earned			
△Income from handling charges and commissions			
II. Total operating costs		3,507,548,333.56	3,891,523,790.16
Including: operating costs	12.4	338,861,487.73	483,447,859.19
△ Interest expenses			
△Expenses from handling charges and commissions			
△Insurance service costs			
△Apportionment of ceded insurance premiums			
△Less: amortized insurance service costs			
△Loss of underwritten property			
△Less: financial income from ceded reinsurance			
▲Surrender value			
▲Net amount of compensation payout			
▲Net amount withdrawn for insurance contract reserves			
▲Policy dividend payment			
▲Reinsurance costs			
Taxes and surcharges		48,957,831.13	49,365,185.11
Selling and distribution expenses			
Administrative expenses		756,686,837.40	699,306,739.73
Research and development expenses			
Financial expenses		2,363,042,177.30	2,659,404,006.13
Including: interest expenses		2,452,447,485.92	2,674,964,747.18
Interest income		44,417,249.83	21,343,087.87
Net loss from foreign exchange ("-" for net gain)		-1,826,110.03	-5,808,720.49
Others			
Plus: Other income		967,363.81	552,397.99
Investment income ("-" for losses)	12.5	10,381,083,280.12	7,081,707,256.80
Including: income from investment in associates and joint ventures		661,951,288.34	561,715,191.93
Gains from derecognition of financial assets measured at amortized cost			
△Income from foreign exchange ("-" for losses)			
Gains from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)		-97,848,400.00	-147,871,800.00
Losses from credit impairment ("-" for losses)		-84,790,531.58	14,856,608.41
Losses from asset impairment ("-" for losses)			
Gains from disposal of assets ("-" for losses)			
III. Operating profits ("-" for loss)		7,846,980,007.20	4,231,008,450.05
Plus: non-operating income		1,641,479.37	535,397.87
Including: government subsidies		113,625.00	113,625.00
Less: non-operating expenses		50,424,541.75	621,613.81
IV. Total profits ("-" for total losses)		7,798,196,944.82	4,230,922,234.11
Less: income tax expenses		168,749,550.77	-2,668,186.44

Item	Note	2024	2023
V. Net profit ("-" for net loss)		7,629,447,394.05	4,233,590,420.55
(I) Net profit from continued operation		7,629,447,394.05	4,233,590,420.55
(II) Net profit from discontinued operation			
VI. Other comprehensive income, net of tax		76,868,934.85	511,258,271.95
(I) Other comprehensive income that cannot be reclassified into profit or loss		76,868,934.85	511,258,271.95
1. Changes in remeasurement of defined benefit plans			
2. Other comprehensive income that cannot be transferred into profit or loss under equity method			
3. Changes in fair value of other equity instruments		76,868,934.85	511,258,271.95
4. Changes in the fair value of the Company's own credit risk			
△5. Financial changes in insurance contracts that cannot be transferred to profit or loss			
6. Others			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that can be transferred into profit or loss under equity method			
2. Changes in fair value of other creditor's right investments			
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Amount of financial assets reclassified into other comprehensive income			
☆5. Profits or losses from reclassification of held-to-maturity investments as available-for-sale financial assets			
6. Provision for credit impairment of other creditor's right investments			
7. Reserves of cash flow hedges (effective portion of cash flow hedging profit or loss)			
8. Translation differences of foreign currency financial statements			
△9. Financial changes in insurance contracts that can be transferred to profit or loss			
△10. Financial changes in ceded reinsurance contracts that can be transferred to profit or loss			
11. Others			
VII. Total comprehensive income		7,706,316,328.90	4,744,848,692.50
VIII. Earnings per share:			
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	2024	2023
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering of services		383,842,724,931.20	399,338,917,586.06
△Net increase in customer bank deposits and placement from banks and other financial institutions		-1,447,233,417.96	2,893,440,409.18
△Net increase in borrowings from central bank			
△Net increase in loans from other financial institutions			
△Cash received from receiving insurance premiums of issued insurance contracts			
△Net cash received from reinsurance contracts ceded in			
▲Cash received from receiving insurance premiums of original insurance contracts			
▲Net cash received from reinsurance business			
▲Net increase in deposits and investments from policyholders			
△Net increase received from disposal of financial assets measured at fair value through current profit or loss		5,729,019,376.88	-2,571,308,402.05
△Cash received from interest, handling charges and commissions		1,625,706,847.47	1,424,526,439.41
△Net increase in loans from banks and other financial institutions		-4,000,000,000.00	4,999,967,034.34
△Net capital increase in repurchase business			
△ Net cash received from vicariously traded securities			
Refunds of taxes and surcharges received		3,293,722,147.18	4,646,170,196.64
Cash received from other operating activities		41,407,049,509.37	28,748,839,093.25
Sub-total of cash inflows from operating activities		430,450,989,394.14	439,480,552,356.83
Cash paid for purchase of goods or receipt of services		221,908,197,961.00	253,497,881,530.67
△Net increase in loans and advances to customers		-735,902,973.14	-2,179,695,188.45
△Net increase in deposits in central bank, other banks and financial institutions		301,886,327.64	-130,799,546.64
△Cash paid for original insurance contract claims			
△Net cash paid for ceded reinsurance contracts			
△Net increase in the loan on policy			
▲Cash paid for original insurance contract claims			
△ Net increase in loans to banks and other financial institutions			
△Cash paid for interest, handling charges and commissions		1,021,284,348.30	830,528,653.73
▲Cash paid for policy dividends			
Cash paid to and on behalf of employees		46,277,505,903.35	41,939,142,213.57
Taxes and fees paid		38,907,309,814.55	34,176,646,210.47

Item	Note	2024	2023
Cash paid for other operating activities		43,444,503,145.18	39,318,094,782.72
Sub-total of cash outflows from operating activities		351,124,784,526.88	367,451,798,656.07
Net cash flows from operating activities		79,326,204,867.26	72,028,753,700.76
II. Cash flows from investing activities:			
Cash received from investors		20,323,847,929.88	42,175,739,646.52
Cash received from investment income		4,867,673,406.30	3,936,582,515.09
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		256,093,708.17	847,422,597.17
Net cash received from disposal of subsidiaries and other business units		6,111,315,634.00	1,621,953,244.51
Cash received from other investing activities		4,672,550,224.01	8,503,929,267.61
Sub-total of cash inflows from investing activities		36,231,480,902.36	57,085,627,270.90
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		130,875,200,630.77	150,174,688,459.86
Cash paid for investments		38,897,577,808.96	37,682,679,481.30
▲Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units		3,386,726,904.54	5,963,617,603.90
Cash paid for other investing activities		4,357,707,095.16	6,992,954,362.76
Sub-total of cash outflows from investing activities		177,517,212,439.43	200,813,939,907.82
Net cash flows from investing activities		-141,285,731,537.07	-143,728,312,636.92
III. Cash flows from financing activities:			
Cash received from investors		52,013,754,541.88	44,392,216,738.83
Including: cash received by subsidiaries from investment by minority shareholders		46,022,942,984.03	40,536,263,182.63
Cash received from borrowings		615,445,475,776.85	593,693,118,080.58
Cash received from other financing activities		17,339,064,710.40	17,815,610,248.93
Sub-total of cash inflows from financing activities		684,798,295,029.13	655,900,945,068.34
Cash paid for debt repayments		510,616,876,355.49	503,211,736,910.09
Cash paid for distribution of dividends and profits or payment of interest		46,899,823,192.78	41,643,761,280.20
Including: dividends and profits paid to minority shareholders by subsidiaries		4,256,497,818.41	12,698,274,457.10
Cash paid for other financing activities		51,390,377,046.40	40,397,315,576.47
Sub-total of cash outflows from financing activities		608,907,076,594.67	585,252,813,766.76
Net cash flows from financing activities		75,891,218,434.46	70,648,131,301.58
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		-883,806,373.14	202,539,286.92
V. Net increase in cash and cash equivalents		13,047,885,391.51	-848,888,347.66
Plus: cash and balance of cash equivalents at the beginning of the period		29,154,982,362.26	30,003,870,709.92
VI. Ending balance of cash and cash equivalents		42,202,867,753.77	29,154,982,362.26

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Statement of Cash Flows
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	2024	2023
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering of services		1,004,921,040.37	942,122,682.25
△Net increase in customer bank deposits and placement from banks and other financial institutions			
△Net increase in borrowings from central bank			
△Net increase in loans from other financial institutions			
△Cash received from receiving insurance premiums of issued insurance contracts			
△Net cash received from reinsurance contracts ceded in			
▲Cash received from receiving insurance premiums of original insurance contracts			
▲Net cash received from reinsurance business			
▲Net increase in deposits and investments from policyholders			
△Net increase received from disposal of financial assets measured at fair value through current profit or loss			
△Cash received from interest, handling charges and commissions			
△Net increase in loans from banks and other financial institutions			999,967,034.34
△Net capital increase in repurchase business			
△ Net cash received from vicariously traded securities			
Refunds of taxes and surcharges received			
Cash received from other operating activities		11,124,083,751.49	6,344,885,810.78
Sub-total of cash inflows from operating activities		12,129,004,791.86	8,286,975,527.37
Cash paid for purchase of goods or receipt of services		200,571,546.54	217,352,665.97
△Net increase in loans and advances to customers			
△Net increase in deposits in central bank, other banks and financial institutions			
△Cash paid for indemnity of insurance contracts issued			
△Net cash paid for ceded reinsurance contracts			
△Net increase in policy loans			
▲Cash paid for original insurance contract claims			
△ Net increase in loans to banks and other financial institutions			
△Cash paid for interest, handling charges and commissions			

Item	Note	2024	2023
▲Cash paid for policy dividends			
Cash paid to and on behalf of employees		301,826,900.59	329,543,546.76
Taxes and fees paid		283,413,030.98	226,881,743.69
Cash paid for other operating activities		7,434,546,150.64	5,067,311,330.45
Sub-total of cash outflows from operating activities		8,220,357,628.75	5,841,089,286.87
Net cash flows from operating activities		3,908,647,163.11	2,445,886,240.50
II. Cash flows from investing activities:			
Cash received from investors		23,975,813,099.29	37,926,239,870.84
Cash received from investment income		10,593,079,908.95	7,122,791,368.96
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		26,710.00	258,925.68
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities			
Sub-total of cash inflows from investing activities		34,568,919,718.24	45,049,290,165.48
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		26,244,013.53	65,644,131.38
Cash paid for investments		25,548,587,091.09	67,758,752,509.35
▲Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		11,080,890.00	20,000,000.00
Sub-total of cash outflows from investing activities		25,585,911,994.62	67,844,396,640.73
Net cash flows from investing activities		8,983,007,723.62	-22,795,106,475.25
III. Cash flows from financing activities:			
Cash received from investors		900,000,000.00	3,000,000,000.00
Cash received from borrowings		96,730,000,000.00	94,130,000,000.00
Cash received from other financing activities		105,039,741,450.78	78,964,458,006.43
Sub-total of cash inflows from financing activities		202,669,741,450.78	176,094,458,006.43
Cash paid for debt repayments		95,999,967,034.34	101,900,000,000.00
Cash paid for distribution of dividends and profits or payment of interest		9,831,143,113.15	7,555,938,398.20
Cash paid for other financing activities		108,646,572,908.94	43,649,087,344.70
Sub-total of cash outflows from financing activities		214,477,683,056.43	153,105,025,742.90
Net cash flows from financing activities		-11,807,941,605.65	22,989,432,263.53
IV. Effect of fluctuation in exchange rate on cash and cash equivalents			
V. Net increase in cash and cash equivalents		1,083,713,281.08	2,640,212,028.78
Plus: cash and balance of cash equivalents at the beginning of the period		3,646,612,948.27	1,006,400,919.49
VI. Ending balance of cash and cash equivalents		4,730,326,229.35	3,646,612,948.27

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Consolidated Statements of Changes in Owners' Equity
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	2024												
	Equity attributable to owners of the company											Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Sub-total	
		Preferred stock	Perpetual bond	Others									
I. Balance at the end of last year	35,000,000,000.00		150,500,000,000.00		34,316,264,682.30		845,154,418.70	770,916,653.54			-80,361,106.42	221,351,974,648.12	329,067,481,847.36	550,419,456,495.48
Plus: changes in accounting policies														
Correction of accounting errors in prior periods					-57,542,144.74		-5,222,381.20				-2,103,787,616.73	-2,166,552,142.67	-1,146,736,862.52	-3,313,289,005.19
Others														
II. Balance at the beginning of the year	35,000,000,000.00		150,500,000,000.00		34,258,722,537.56		839,932,037.50	770,916,653.54			-2,184,148,723.15	219,185,422,505.45	327,920,744,984.84	547,106,167,490.29
III. Increases/decreases in the current year ("-" for decreases)			-4,800,000,000.00		2,872,832,312.15		-1,805,678,073.34	325,917,185.36	1,529,549,692.19		8,261,104,621.46	6,383,725,737.82	35,905,467,306.75	42,289,193,044.57
(I) Total comprehensive income							-2,179,582,546.97				15,295,496,921.93	13,115,914,374.96	21,638,627,147.17	34,754,541,522.13
(II) Capital contributed or reduced by owners			-4,800,000,000.00		2,872,832,312.15		-98,907,163.65				662,157,129.00	-1,363,917,722.50	28,459,967,144.95	27,096,049,422.45
1. Common stock contributed by owners					1,295,499,020.50							1,295,499,020.50	36,003,046,619.42	37,298,545,639.92
2. Capital invested by the holders of other equity instruments			-4,800,000,000.00									-4,800,000,000.00	-2,131,796,700.00	-6,931,796,700.00
3. Amounts of share-based payments recognized in owners' equity					19,627,098.84							19,627,098.84	8,946,321.16	28,573,420.00
4. Others					1,557,706,192.81		-98,907,163.65				662,157,129.00	2,120,956,158.16	-5,420,229,095.63	-3,299,272,937.47
(III) Withdrawal and use of special reserves								325,917,185.36				325,917,185.36	419,606,029.53	745,523,214.89
1. Withdrawal of special reserves								2,877,444,017.57				2,877,444,017.57	2,054,801,508.42	4,932,245,525.99
2. Use of special reserves								-2,551,526,832.21				-2,551,526,832.21	-1,635,195,478.89	-4,186,722,311.10
(IV) Profit distribution									1,529,549,692.19		-7,223,737,792.19	-5,694,188,100.00	-14,612,733,014.90	-20,306,921,114.90
1. Withdrawal of surplus reserves									1,529,549,692.19		-1,529,549,692.19			

Item	2024													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Sub-total		
		Preferred stock	Perpetual bond	Others										
Including: statutory reserve funds									1,529,549,692.19		-1,529,549,692.19			
Discretionary reserve funds														
#Reserve funds														
#Enterprise expansion funds														
#Profit capitalized on return of investments														
△2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)											-663,153,100.00	-663,153,100.00	-14,154,101,257.69	-14,817,254,357.69
4. Others											-5,031,035,000.00	-5,031,035,000.00	-458,631,757.21	-5,489,666,757.21
(V) Internal carry-forward of owners' equity							472,811,637.28				-472,811,637.28			
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Losses to be recovered														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings							472,811,637.28				-472,811,637.28			
6. Others														
IV. Balance as at the end of the current year	35,000,000,000.00		145,700,000,000.00		37,131,554,849.71		-965,746,035.84	1,096,833,838.90	1,529,549,692.19		6,076,955,898.31	225,569,148,243.27	363,826,212,291.59	589,395,360,534.86

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Consolidated Statement of Changes in Owners' Equity (Continued)
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	2023													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Sub-total		
		Preferred stock	Perpetual bond	Others										
I. Balance at the end of last year	35,000,000,000.00		127,700,000,000.00		30,579,328,456.25		174,905,489.39	387,174,799.33			-7,285,950,279.03	186,555,458,465.94	289,458,865,514.72	476,014,323,980.66
Plus: changes in accounting policies											-6,583,405.02	-6,583,405.02	25,800,464.97	19,217,059.95
Correction of accounting errors in prior periods					-41,159,830.94		-9,561,991.10	-1,280,106.25			-2,541,011,472.29	-2,593,013,400.58	-1,421,468,876.83	-4,014,482,277.41
Others														
II. Balance at the beginning of the year	35,000,000,000.00		127,700,000,000.00		30,538,168,625.31		165,343,498.29	385,894,693.08			-9,833,545,156.34	183,955,861,660.34	288,063,197,102.86	472,019,058,763.20
III. Increases/decreases in the current year ("-" for decreases)			22,800,000,000.00		3,720,553,912.25		674,588,539.21	385,021,960.46			7,649,396,433.19	35,229,560,845.11	39,857,547,881.98	75,087,108,727.09
(I) Total comprehensive income							462,357,797.97				11,460,824,709.13	11,923,182,507.10	21,726,313,308.77	33,649,495,815.87
(II) Capital contributed or reduced by owners			22,800,000,000.00		3,720,553,912.25		-3,325,716.20				1,093,550,681.51	27,610,778,877.56	31,331,345,932.91	58,942,124,810.47
1. Common stock contributed by owners					3,384,879,551.93							3,384,879,551.93	36,917,010,741.24	40,301,890,293.17
2. Capital invested by the holders of other equity instruments			22,800,000,000.00		-48,845,448.32							22,751,154,551.68	-1,571,954,422.20	21,179,200,129.48
3. Amounts of share-based payments recognized in owners' equity					5,658,571.59							5,658,571.59	5,557,823.84	11,216,395.43
4. Others					378,861,237.05		-3,325,716.20				1,093,550,681.51	1,469,086,202.36	-4,019,268,209.97	-2,550,182,007.61
(III) Withdrawal and use of special reserves								385,021,960.46				385,021,960.46	371,717,329.07	756,739,289.53
1. Withdrawal of special reserves								2,888,424,447.28				2,888,424,447.28	1,906,684,458.33	4,795,108,905.61
2. Use of special reserves								-2,503,402,486.82				-2,503,402,486.82	-1,534,967,129.26	-4,038,369,616.08
(IV) Profit distribution											-4,689,422,500.01	-4,689,422,500.01	-13,571,828,688.77	-18,261,251,188.78
1. Withdrawal of surplus reserves														

Item	2023													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Sub-total		
		Preferred stock	Perpetual bond	Others										
Including: statutory reserve funds														
Discretionary reserve funds														
#Reserve funds														
#Enterprise expansion funds														
#Profit capitalized on return of investments														
△2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)													-11,660,043,714.78	-11,660,043,714.78
4. Others											-4,689,422,500.01	-4,689,422,500.01	-1,911,784,973.99	-6,601,207,474.00
(V) Internal carry-forward of owners' equity							215,556,457.44				-215,556,457.44			
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Losses to be recovered														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings							215,556,457.44				-215,556,457.44			
6. Others														
IV. Balance as at the end of the current year	35,000,000,000.00		150,500,000,000.00		34,258,722,537.56		839,932,037.50	770,916,653.54			-2,184,148,723.15	219,185,422,505.45	327,920,744,984.84	547,106,167,490.29

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Statement of Changes in Owners' Equity
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	2024											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bond	Others								
I. Balance at the end of last year	35,000,000,000.00		150,500,000,000.00		14,816,622,284.13		2,111,662,867.32				19,689,012,720.32	222,117,297,871.77
Plus: changes in accounting policies												
Correction of accounting errors in prior periods												
Others												
II. Balance at the beginning of the year	35,000,000,000.00		150,500,000,000.00		14,816,622,284.13		2,111,662,867.32				19,689,012,720.32	222,117,297,871.77
III. Increases/decreases in the current year ("-" for decreases)			-4,800,000,000.00		810,934,769.24		76,868,934.85		1,529,549,692.19		405,709,601.88	-1,976,937,001.84
(I) Total comprehensive income							76,868,934.85				7,629,447,394.05	7,706,316,328.90
(II) Capital contributed or reduced by owners			-4,800,000,000.00		810,934,769.24						0.02	-3,989,065,230.74
1. Common stock contributed by owners					900,000,000.00							900,000,000.00
2. Capital invested by the holders of other equity instruments			-4,800,000,000.00									-4,800,000,000.00
3. Amounts of share-based payments recognized in owners' equity												
4. Others					-89,065,230.76						0.02	-89,065,230.74
(III) Withdrawal and use of special reserves												
1. Withdrawal of special reserves												
2. Use of special reserves												
(IV) Profit distribution									1,529,549,692.19		-7,223,737,792.19	-5,694,188,100.00
1. Withdrawal of surplus reserves									1,529,549,692.19		-1,529,549,692.19	
Including: statutory reserve funds									1,529,549,692.19		-1,529,549,692.19	
Discretionary reserve funds												
#Reserve funds												
#Enterprise expansion												

Item	2024											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bond	Others								
funds												
#Profit capitalized on return of investments												
△2. Withdrawal of general risk reserves												
3. Profit distributed to owners (or shareholders)											-663,153,100.00	-663,153,100.00
4. Others											-5,031,035,000.00	-5,031,035,000.00
(V) Internal carry-forward of owners' equity												
1. Conversion of capital reserves into paid-in capital (or share capital)												
2. Conversion of surplus reserves into paid-in capital (or share capital)												
3. Losses to be recovered												
4. Carry-forward of changes in the defined benefit plan for retained earnings												
5. Carry-forward of other comprehensive income for retained earnings												
6. Others												
IV. Balance as at the end of the current year	35,000,000,000.00		145,700,000,000.00		15,627,557,053.37		2,188,531,802.17		1,529,549,692.19		20,094,722,322.20	220,140,360,869.93

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Company's Statement of Changes in Owners' Equity (Continued)
For the Year Ended December 31, 2024
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	2023											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bond	Others								
I. Balance at the end of last year	35,000,000,000.00		127,700,000,000.00		11,862,126,596.45		1,600,404,595.37				20,144,844,799.78	196,307,375,991.60
Plus: changes in accounting policies												
Correction of accounting errors in prior periods												
Others												
II. Balance at the beginning of the year	35,000,000,000.00		127,700,000,000.00		11,862,126,596.45		1,600,404,595.37				20,144,844,799.78	196,307,375,991.60
III. Increases/decreases in the current year ("-" for decreases)			22,800,000,000.00		2,954,495,687.68		511,258,271.95				-455,832,079.46	25,809,921,880.17
(I) Total comprehensive income							511,258,271.95				4,233,590,420.55	4,744,848,692.50
(II) Capital contributed or reduced by owners			22,800,000,000.00		2,954,495,687.68							25,754,495,687.68
1. Common stock contributed by owners					3,000,000,000.00							3,000,000,000.00
2. Capital invested by the holders of other equity instruments			22,800,000,000.00		-45,504,312.32							22,754,495,687.68
3. Amounts of share-based payments recognized in owners' equity												
4. Others												
(III) Withdrawal and use of special reserves												
1. Withdrawal of special reserves												
2. Use of special reserves												
(IV) Profit distribution											-4,689,422,500.01	-4,689,422,500.01
1. Withdrawal of surplus reserves	—											
Including: statutory reserve funds												
Discretionary reserve funds												
#Reserve funds												
#Enterprise expansion												

Item	2023											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserve	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bond	Others								
funds												
#Profit capitalized on return of investments												
△2. Withdrawal of general risk reserves												
3. Profit distributed to owners (or shareholders)												
4. Others											-4,689,422,500.01	-4,689,422,500.01
(V) Internal carry-forward of owners' equity												
1. Conversion of capital reserves into paid-in capital (or share capital)		—	—	—								
2. Conversion of surplus reserves into paid-in capital (or share capital)												
3. Losses to be recovered												
4. Carry-forward of changes in the defined benefit plan for retained earnings												
5. Carry-forward of other comprehensive income for retained earnings												
6. Others												
IV. Balance as at the end of the current year	35,000,000,000.00		150,500,000,000.00		14,816,622,284.13		2,111,662,867.32				19,689,012,720.32	222,117,297,871.77

Legal Representative: Chief Accountant: Chief Finance Officer:

State Power Investment Corporation Limited
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Amounts herein are expressed in Renminbi unless otherwise stated)
(English Translation for Reference Only)

1. Company profile

1.1 History, place of registration, organization form and headquarters address of the Company

State Power Investment Corporation Limited (hereinafter referred to as the "Group Company", "the Company" or the "Company") was established in June 2015 through the reorganization of China Power Investment Corporation and State Nuclear Power Technology Corporation.

China Power Investment Corporation is a state-owned enterprise established based on partial enterprises and public institutions of the former State Power Corporation in accordance with the Official Reply of the State Council to Issues concerning the Establishment of China Power Investment Corporation (Guo Han [2003] No.17) in the process of national electricity system reform, a pilot institution and national holding company in which the State Council agrees to authorize the investment and one of the five largest state-owned power generation enterprise groups. It was formally established on December 29, 2002 pursuant to the spirit of the Circular of the State Council on Issuing the Plan for the Power System Reform (Guo Fa [2002] No.5). In December 2017, the Group Company was transform from an enterprise owned by the whole people to a wholly state-owned company. According to the Official Reply of the State-owned Assets Supervision and Administration Commission of the State Council (Guo Zi Gai Ge [2017] No.1090), the registered capital was adjusted from RMB 45 billion to RMB 35 billion.

Approved by the State Council, State Nuclear Power Technology Corporation is a limited liability company jointly invested and established by the State-owned Assets Supervision and Administration Commission of the State Council, China National Nuclear Corporation, China Power Investment Corporation (now renamed as "State Power Investment Corporation Limited"), China Guangdong Nuclear Power Group Co., Ltd. (now renamed as "China General Nuclear Power Corporation") and China National Technical Imp. & Exp. Corp. in May 2007 in Beijing.

The Group Company is an integrated energy group with power as its core. By the end of 2024, SPIC had total installed capacity of 260 million kilowatts, including that for clean energy of 189 million kilowatts, accounting for 72.71%; it had 5 5 A-share listed companies, 1 Hong Kong red chip company and 2 companies listed on the NEEQ. It had listed the first publicly offered new energy REIT of central government-owned enterprises in China, and successfully built two unicorn enterprises, SPIC Hydrogen Energy and Qiyuan Green Power. Its business covers 47 countries and regions including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil and Australia, among which 38 countries have jointly built the "Belt and Road"; it had overseas installed capacity of 10.35 million kilowatts.

The Group Company has 5 A-share listed companies: Shanghai Electric Power Co., Ltd. (Shanghai Power 600021), SPIC Yuanda Environmental Protection Co., Ltd. (Yuanda Environmental Protection 600292), Jilin Electric Power Co., Ltd. (Jilin Electric 000875), Inner Mongolia Dian Tou Energy Corporation Limited (Dian Tou Energy 002128) and SPIC Industry-Finance Holdings Co., Ltd. (SPIC Industry-Finance 000958); one Hong Kong red chip company: China Power International Development Limited (China Power HK2380); and two companies listed on the NEEQ: SPIC Xianrong Futures Co., Ltd. (Xianrong Futures 870115) and SPIC Guizhou Jinyuan Weineng Energy Co., Ltd. (Weining Energy 873359).

2. Basis of preparation for the financial statements

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards and various concrete accounting standards issued by the Ministry of Finance, as well as the Accounting Standards for Business Enterprises – Application Guidelines, and the Accounting Standards for Business Enterprises – Interpretations and other relevant provisions (collectively known as "Accounting Standards for Business Enterprises").

The financial statements are prepared on a going concern basis.

3. Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements meet the Accounting Standards for Business Enterprises issued by the Ministry of Finance and truly and completely reflect the consolidated and company's financial position as at December 31, 2024 and consolidated and company's financial performance and cash flows for the year then ended.

4. Significant accounting policies and accounting estimates

Tips for specific accounting policies and accounting estimates:
The following disclosures have covered the specific accounting policies and accounting estimates formulated by the Company according to the features of its actual production and operation.

4.1 Accounting period

The accounting year is from January 1 to December 31 in calendar year.

4.2 Functional currency

The Company adopts RMB as its functional currency.

The Company's subsidiaries, joint ventures and associates determine their functional currencies by themselves in accordance with the main economic environment in which they operate and convert the accounts into the amount in RMB upon preparation of financial statements.

4.3 Accounting basis and measurement principle

Accounting is based on the accrual basis. Except for the valuation basis specifically stated, historical cost is used as the valuation principle.

4.4 Business combination

Business combinations are classified into business combination under common control and business combination not under common control.

4.4.1 Business combination under common control

Assets and liabilities acquired from business combination by the acquirer (including the goodwill formed by the ultimate controller's acquisition of the acquiree) are measured at the book value of assets and liabilities of the acquiree in the financial statements of the ultimate controller on the combination date. If the accounting policies adopted by the acquiree are inconsistent with those of the acquirer, the acquirer shall make adjustments in accordance with the accounting policies of the Company on the combination date and recognize accounts at the adjusted book value on this basis.

The stock premium in the capital reserve is adjusted according to the difference between the book value of net assets acquired through combination and the book value of consideration paid for the combination (or total par value of shares issued). If the stock premium in the capital reserves is insufficient to cover the differences, the remaining amount shall be charged against retained earnings.

Expenses occurred directly related to the business combination are included into the current profit or loss when they occur.

Handling fees, and commissions, etc. paid for bonds issued for business combinations or for other debts undertaken are included in the initially measured amount of the issued bonds and other debts. The handling charges, commissions and other expenses for the issuance of equity securities for the business combination are deducted from premium income of the equity securities; if the premium income is insufficient to cover, the retained earnings shall be deducted.

4.4.2 Business combination not under common control

The acquirer shall, on the acquisition date, measure the assets paid for the consideration and liabilities incurred or assumed for a business combination at their fair values. The difference between the fair value and the book value shall be included in current profit and loss. The Company shall recognize the difference of the combination costs in excess of the fair value of the identifiable net assets acquired from the acquiree as goodwill. The Company shall recognize the difference of the combination costs in short of the fair value of the identifiable net assets acquired from the acquiree in the current profit and loss. Various identifiable assets, identifiable liabilities and contingent liabilities which are obtained from the combinee in the course of business combination and eligible for recognition are measured at fair value on the acquisition date. For the measurement of fair value, see "Note 4.36 Measurement of fair value" for details.

For business combination not under common control, the expenses directly incurred by the acquirer for business combination shall be included in the current profit and loss upon occurrence; the transaction costs for the issuance of equity securities or debt securities for business combination shall be included in the initially recognized amount of such equity securities or debt securities.

Acquisition date refers to the date when the acquirer has actually obtained the control over the acquiree.

It can be judged generally that the control has been transferred when all of the following conditions are met:

1) Business combination contract or agreement has been approved by a general meeting and other internal authority;

2) Business combination matters that shall be approved by the relevant national competent departments have been approved;

3) The necessary property rights transfer formalities have been handled by the parties to the combination;

4) The acquirer has paid most (generally over 50%) of the combination price and has the ability to repay the remaining payment in a planned way;

5) The acquirer actually has taken control of the acquiree's financial and operating policies and enjoys the corresponding benefits and bears the corresponding risks.

Determination method for selling date: generally speaking, the time of loss of control after the end of the transaction shall be the selling time.

4.5 Preparation method for consolidated financial statements

4.5.1 Scope of consolidation

The consolidation scope of consolidated financial statements is determined on the basis

of control, including the Company and all the subsidiaries of the Group.

Control means that the Company has the power over the investee and enjoys the variable return through participating in activities related to the investee, and has the ability to affect its return by using the power over the investee.

4.5.2 Consolidation procedures

The Company prepares the consolidated financial statements according to the uniform accounting policies by taking the enterprise group as a whole accounting entity, to reflect the overall financial position, financial performance and cash flows of the enterprise group. Impacts of the internal transaction between the Company and its subsidiary or among subsidiaries of the Company should be offset. If any internal transaction indicates that relevant assets have been impaired, the impairment loss should be recognized in full.

If the accounting policy or accounting period of any subsidiary is different from that of the Company, the consolidated financial statements of the subsidiary, upon preparation, will be adjusted according to the accounting policy and accounting period of the Company.

The share of owners' equity, current net profit or loss and current comprehensive income of subsidiaries attributable to minority owners are respectively and separately presented under the owners' equity in the consolidated balance sheet, the net profit in the consolidated income statement, and the total comprehensive income in the consolidated income statement. If the current loss shared by a minority shareholder of a subsidiary exceeds the balances arising from the shares enjoyed by the minority shareholder in the owners' equity of the subsidiary at the beginning of the period, minority equity will be written down accordingly.

(1) Increase of subsidiaries or business

During the reporting period, if the Company acquired subsidiaries or business from the business combination under common control, the operating results and cash flows for the period from the beginning of the period for such business combination to the end of the reporting period will be included in the consolidated financial statements. Meanwhile, the beginning amounts in the consolidated financial statements and relevant items in the comparative financial statements will be adjusted accordingly, as if the reporting entity after the business combination has been existing since the time-point when the ultimate controller has the control.

Where control can be exercised on the investee under the common control for additional investment or other reasons, equity investments held before the control over the combinee is obtained, the related gains and losses, other comprehensive income as well as other changes in net assets recognized from the later of the date when the original equity is obtained or the date when the acquirer and the acquiree are under the same control, to the combination date will respectively write down the retained earnings or current profit or loss in the comparative statements.

During the reporting period, subsidiaries or business acquired from the business combination not under common control are included in the consolidated financial statements from the acquisition date based on the fair value of various identifiable assets, identifiable liabilities or contingent liabilities determined on the acquisition date.

If there is control over the investee not under the common control due to additional investments or other reasons, for the equity of the acquiree held before the acquisition date, the Company will re-measure the equity on the acquisition date at its fair value and include the difference between the fair value and book value in current investment income. Other comprehensive income and other changes in owners' equity under the equity method that are involved in the equity of the acquiree held prior to the acquisition date and can be reclassified into profits or losses later are transferred to investment income of the period to which the acquisition date belongs.

(2) Disposal of subsidiaries

① General treatment methods

When the Company losses the control over the investee due to disposal of partial equity investment or other reasons, the remaining equity investment after the disposal should be remeasured by the Company at the fair value thereof on the date of losing the control. The difference between the sum of the equity disposal consideration and the fair value of the remaining equity and the sum of the share calculated at the original shareholding ratio in net assets enjoyed in the original subsidiary and continuously calculated from the acquisition date or combination date and the goodwill will be included in the investment income for the period where the control is lost. Other comprehensive income that will be reclassified into profit or loss and other change in owners' equity calculated by the equity method, associated with the equity investments of original subsidiaries should be transferred into the investment income for the period where the control is lost.

② Disposal of subsidiaries by stages

If the control is lost due to disposal of the equities in subsidiaries through multiple transactions by stages, and the terms, conditions and economic impact of the transactions related to the enterprise's disposal of its investment in the subsidiaries meet one or more of the following circumstances, it usually indicates that multiple transactions should be included in a package:

i. The transactions are concluded at the same time or under the consideration of mutual effect;

ii. These transactions as a whole can reach a complete business result;

iii. The occurrence of a transaction depends on that of at least one other transactions; and/or

iv. A single transaction is uneconomical but it is economical when considered together with other transactions.

When these transactions are deemed as a package deal, they are accounted for as a transaction of disposing subsidiary and losing control; the difference between the accumulated disposal considerations before loss of control and the Group's share of the net assets of the subsidiary is recognized as other comprehensive income in the consolidated financial statements, and is transferred into current profit and loss upon loss of control.

Where various transactions do not belong to a package deal, before the loss of the control, accounting treatment shall be made as for partial disposal of equity investments in the subsidiary without losing control; at the loss of the control,

accounting treatment shall be made according to general treatment methods for disposal of subsidiaries.

(3) Purchase of minority interest of subsidiaries

The share premium in the capital reserves under the consolidated balance sheet will be adjusted at the difference between the long-term equity investment acquired for the purchase of minority interest and the share of net assets calculated constantly from the acquisition date or combination date according to the newly increased shareholding ratio. Where the share premium is insufficient to offset, retained earnings will be adjusted.

Partial disposal of equity investments in subsidiaries without losing control

The share premium under capital reserve in the consolidated balance sheet will be adjusted at the difference between the proceeds achieved from the partial disposal of equity investment in subsidiaries and the share of net assets of subsidiaries attributable to the Company corresponding to the disposal of long-term equity investment and calculated constantly from the acquisition date or combination date without losing the control rights. Where the share premium is insufficient to offset, retained earnings will be adjusted.

4.6 Classification of joint venture arrangements and accounting treatment methods of joint operation

Joint venture arrangements are classified into joint operation and joint venture.

Joint operation refers to a joint arrangement in which the joint venturers are entitled to the assets and are liable for the liabilities related to such arrangement.

The Company shall recognize the following items related to its share of benefits in the joint operation:

(1) Assets it solely holds and its share of jointly-held assets based on its percentage;

(2) Liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage;

(3) Income from sale of output enjoyed by it from the joint operation;

(4) Income from sale of output from the joint operation based on its percentage; and

(5) Separate costs and costs for the joint operation based on its percentage.

The Company's investments in its joint ventures are calculated under the equity method. For details, please refer to Note "4.13 Long-term equity investment".

4.7 Recognition criteria of cash and cash equivalents

Cash refers to the Company's cash on hand and the unrestricted deposits. Cash equivalents refer to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.8 Foreign currency transactions and translation of foreign currency financial statements

4.8.1 Foreign currency transactions

Foreign currency transactions are translated into RMB for recording purpose at the spot exchange rate prevailing on the transaction date.

The balance of foreign currency monetary items as at the balance sheet date are translated at the spot exchange rate on the balance sheet date and the exchange differences arising therefrom shall be included in the current profit and loss, except those exchange differences arising from the special borrowings of foreign currency related to the acquired and constructed assets qualified for capitalization that will be capitalized at the borrowing expenses. Foreign currency non-monetary items measured at historical cost on the balance sheet date are still converted at the spot exchange rate on the transaction occurrence date; foreign currency non-monetary items measured at fair value are converted at the spot exchange rate on the date when the fair value is determined, and the resulting exchange difference is recognized in other comprehensive income if it is the difference of equity instrument investments designated to be measured at fair value through other comprehensive income, or recognized in the current profit or loss if it is other differences.

4.8.2 Translation of foreign currency financial statements

Assets and liabilities in the balance sheet are translated at the spot exchange rates on balance sheet date; owners' equity items, except for the item of "retained earnings", are translated at the spot exchange rates on the dates when the transactions occur.

Revenue and expenses presented in the income statement shall be translated at the spot exchange rate on the date when relevant transactions occur.

Items in the statement of cash flows are translated at the spot exchange rate on the date when these cash flows occur. The cash amount affected due to the fluctuation in exchange rate shall, as an adjustment item, be separately presented as "effect of fluctuation in exchange rate on cash and cash equivalents" in the statement of cash flows.

Differences arising from such translation of financial statements are separately presented as other comprehensive income under the owners' equity in the balance sheet.

When the Company disposes of an overseas business, the translation differences in foreign currency financial statements related to such overseas business shall be transferred into the current profit and loss from the item of owners' equity.

4.9 Financial instruments

When the Company becomes a party to a contract for financial instrument, a financial asset, financial liability or equity instrument should be recognized.

4.9.1 Classification of financial instruments

According to the business model of financial assets and contractual cash flow features of the same, which are subject to the management of the Company, financial assets are classified at the initial recognition as: financial assets measured at the amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through the current profit or loss.

The Company classifies the financial assets not designated to be measured at fair value through the current profit or loss in line with the following conditions as the financial assets measured at amortized cost:

- The business model is adopted for the purpose of obtaining the contractual cash flow;

- The contractual cash flow is only used for the payment for the principal and the interest based on the outstanding principal amount.

The Company classifies the financial assets not designated to be measured at fair value through the current profit or loss in line with the following conditions as the financial assets (debt instruments) measured at fair value through other comprehensive income:

- The business model is adopted for the purpose of obtaining the contractual cash flow and selling such financial assets;

- The contractual cash flow is only used for the payment for the principal and the interest based on the outstanding principal amount.

At the initial recognition, the Company may irrevocably designate the non-trading equity instrument investments as financial assets (equity instruments) measured at fair value through other comprehensive income. The designation is made based on a single investment and the relevant investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income, the Company classifies other financial assets as financial assets measured at fair value through the current profit or loss.

At the initial recognition, financial liabilities are classified as: financial liabilities measured at fair value through the current profit or loss and financial liabilities measured at the amortized cost.

At the initial recognition, financial liabilities meeting one of the following conditions can be designated as the financial liabilities measured at fair value through the current profit or loss:

1) This designation can eliminate or significantly reduce the accounting mismatch.

2) According to the enterprise risk management or investment strategies specified in formal written documents, the management and performance evaluation of financial liability portfolios or portfolios of financial assets and financial liabilities is carried out based on fair value, and the report to key officer in the enterprise has been made based on such management and performance evaluation.

3) The financial liabilities contain the embedded derivative which needs to be separated.

4.9.2 Recognition basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, and investment in debt securities, etc., which are initially measured at fair value, and related transaction expenses are included in the initial recognition amount; The accounts receivable excluding significant financing component and accounts receivable with a financing component of no more than one year which the Company decides not to consider are initially measured at the contractual transaction price.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At recovery or disposal, the difference between the purchase price obtained and the book value of such financial assets is included in the current profit or loss.

(2) Financial assets (debt instruments) measured at fair value through other comprehensive income

Financial assets (debt instruments) measured at fair value through other comprehensive income include receivables financing and investment in debt securities, and are initially measured at fair value. Relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value. Changes in fair value are included in other comprehensive income except for interest, impairment losses or gains and exchange gains or losses calculated by the effective interest method.

At derecognition, the accumulated gains or losses previously included in other comprehensive income will be transferred from the other comprehensive income to current profit or loss.

(3) Financial assets (equity instruments) measured at fair value through other comprehensive income

Financial assets (equity instruments) measured at fair value through the other comprehensive income include other equity instrument investment, of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount. The financial assets are subsequently measured at fair value. Changes in fair value shall be included in other comprehensive income. The dividends obtained are included in the current profit and loss.

At derecognition, the accumulated gains or losses previously included in other comprehensive income will be transferred from the other comprehensive income to the retained earnings.

(4) Financial assets measured at fair value through the current profit or loss

Financial assets measured at fair value through current profit and loss include financial assets held for trading, derivative financial assets, other non-current financial assets, and are initially measured at fair value. Relevant transaction costs are included in the current profit and loss. The financial assets are subsequently measured at fair value. Changes in fair value shall be included in current profit and loss.

(5) Financial liabilities measured at fair value through the current profit or loss

Financial liabilities measured at fair value through current profit and loss include financial liabilities held for trading, derivative financial liabilities, etc., which are initially measured at fair value, and related transaction expenses are included in the current profit and loss. The financial liabilities are subsequently measured at fair value. Changes in fair value shall be included in current profit and loss.

Difference between the fair value and the consideration paid is included in the current profit and loss upon nonrecognition.

(6) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables, which are initially measured at fair value, and related transaction expenses are included in the initial recognition amount.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At derecognition, the difference between the consideration paid and the book value of such financial liabilities is included in the current profit or loss.

4.9.3 Derecognition of financial assets and transfer of financial assets

In case one of the following conditions is met, the Company will derecognize financial assets:

- The contractual right of collecting cash flows of financial assets is terminated;
- The financial assets have been transferred, and nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee;
- The financial assets have been transferred, and the Company neither transfers nor retains nearly all the risks and rewards associated with the ownership of the financial assets but does not retain its control over the financial assets.

At the transfer of financial assets, where nearly all of the risks and rewards related to the ownership of the financial assets have been retained, such financial assets should not be derecognized.

When determining whether the transfer of a financial asset meets the above derecognition criteria of financial assets, the Company adopts the principle of substance over form. The Company classifies the transfer of a financial asset into entire transfer and partial transfer. If the entire transfer of financial asset satisfies the criteria for derecognition, the difference between the amounts of the following two items shall be included in the current profit and loss:

(1) The book value of the transferred financial asset;

(2) The sum of consideration received from the transfer, and the accumulated change amount of fair value originally included in owners' equity (where the financial assets transferred are the financial assets (debt instruments) measured at fair value through other comprehensive income).

Where partial transfer of a financial asset meets the derecognition conditions, the entire book value of the financial assets transferred will be allocated between the derecognized part and the recognized part based on the relative fair value, and the difference between the following two amounts will be included in the current profit or loss:

(1) The book value of the derecognized part;

(2) The sum of the consideration for the derecognized part and the amount corresponding to the derecognition part in the accumulated change amount of fair value originally and directly included in owners' equity (where the financial assets transferred are the financial assets (debt instruments) measured at fair value through the other comprehensive income).

If the transfer of financial assets does not meet the derecognition criteria, the financial assets shall continue to be recognized, and the consideration received shall be recognized as a financial liability.

4.9.4 Derecognition of financial liabilities

Where the present obligations of financial liabilities have been discharged in whole or in part, the financial liability is derecognized or any part thereof shall be derecognized; if the Company signs an agreement with creditors to replace the existing financial

liabilities by undertaking new financial liabilities, and the new financial liabilities are substantially different from the existing ones in terms of contract terms, the existing financial liabilities shall be derecognized, and at the same time, the new financial liability shall be recognized.

Where substantive changes are made to the contract terms of existing financial liability in whole or in part, the existing financial liabilities shall be derecognized in whole or in part, and the financial liability of which terms have been modified shall be recognized as a new financial liability.

Where financial liabilities are derecognized is whole or in part, the difference between the book value of the financial liabilities derecognized and the consideration paid (including non-cash assets transferred out or new financial liabilities borne) shall be included in current profit or loss.

Where the Company repurchases part of a financial liability, the entire book value of the financial liability shall be split into the de-recognized part and continuously-recognized part according to their respective fair value on the repurchase date. The difference between the book value of the derecognized part and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) shall be included in the current profit and loss.

4.9.5 Recognition method for fair value of financial assets and financial liabilities

The fair value of a financial instrument having an active market is determined on the basis of quoted price in the active market. The fair value of a financial instrument, for which there is no active market, is determined by using valuation techniques. At the time of valuation, the Company adopts the techniques that are applicable in the current situation and supported by enough available data and other information, selects the input values that are consistent with the features of assets or liabilities as considered by market participants in relevant asset or liability transactions, and gives priority to use relevant observable inputs. Unobservable input values are used only when relevant observable input values cannot be available or such values obtained are infeasible.

4.9.6 Testing method and accounting treatment of depreciation of financial assets

The Company estimates the expected credit loss of financial assets measured at the amortized cost, financial assets (debt instruments) measured at fair value through other comprehensive income and financial guarantee contract individually or in portfolio.

The Company recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, taking into account reasonable and substantiated information about past events, current conditions and forecasts of future economic conditions, weighted by the risk of default. If the credit risk of the financial instrument has increased significantly since its initial recognition, the provision for losses shall be measured at an amount equal to the lifetime expected credit loss of the financial instrument. If the credit risk of the financial instrument has not increased significantly since its initial recognition, the provision for losses is measured at an amount equal to the expected credit loss of the financial instrument in the next 12 months. The increase or reversal of provision for losses arising therefrom shall be included in the current profit or loss as impairment losses or gains.

By comparing the default risk in financial instruments on the balance sheet date with the default risk in financial instruments on the initial recognition date, the Company determines the relative change in default risk in financial instruments during the estimated duration to assess whether the credit risk of financial instruments has greatly increased following the initial recognition of such financial instruments. Generally,

once the overdue period is more than 30 days, the Company may consider that there is obvious increase in credit risk of such financial instrument, unless there is unambiguous evidence that there is no obvious increase in credit risk of such financial instrument following the initial recognition.
If the credit risk of the financial instrument is low on the balance sheet date, the Company will immediately consider that there is no obvious increase in credit risk of such financial instrument following the initial recognition.

If there is objective evidence that there is credit impairment for a financial asset, the Company shall make provision for impairment of the financial asset on a single basis.

For accounts receivable and contract assets formed by the transaction specified in the Accounting Standard for Business Enterprises No.14 - Income (2017), regardless of whether there is a significant financing component, the Company always measures their provision for loss according to the amount of expected credit losses for the entire duration.

For lease receivables, the Company chooses to always measure their provision for loss according to the amount of expected credit losses for the entire duration.

If the Company no longer reasonably expects that the contractual cash flow of the financial asset can be fully or partially recovered, the book balance of the financial asset will be directly written down.

4.9.7 Offset of financial assets and financial liabilities

When the Company has a legal right to offset the credit and debt and the legal right is executable currently, meanwhile the parties to the transaction plan to settle with net amount or to settle assets and liabilities at the same time, the financial assets and financial liabilities shall be presented in the balance sheet by the net amount after offsetting.

4.9.8 Difference between financial liabilities and equity instruments and their relevant disposal methods

Equity instrument refers to a contract which can prove the remaining equity in assets of an enterprise after deducting all liabilities; if a company cannot unconditionally avoid to fulfill any contractual obligation via the payment in cash or other financial assets, such contractual obligation is a financial liability.

Where a financial instrument is a financial liability, then the relevant interest, dividends, gains, losses, as well as the gains or losses arising from redemption or refinancing, shall be included in the current profit or loss.

Where a financial instrument is an equity instrument, in case of any relevant issuance, repurchase, sale or cancellation, the issuer shall treat the said activities as changes in equity, changes in the fair value of the equity instruments shall not be recognized, and the distribution by the issuer to the holder of such equity instruments should be taken as profit distribution.

4.10 Hedging instruments

4.10.1 Classification of hedging

(1) The term "fair value hedging" refers to a hedging of the risk of changes in the fair value of a recognized asset or liability or an unrecognized firm commitment (except for foreign exchange risk).

(2) The term "cash flow hedging" refers to a hedging of the risk of changes in cash flow. Such changes in cash flow are attributable to a particular risk associated with a recognized asset or liability and a highly probable forecast transaction, or a foreign exchange risk contained in an unrecognized firm commitment.

(3) The term "hedging of net investment in overseas operations" refers to a hedging of the foreign exchange risks of net investment in overseas operations. The term "net investment in overseas operations" refers to the equity share of an enterprise in its net assets of overseas operations.

4.11 Inventories

4.11.1 Classification of inventories

Inventories are classified into goods in transit, raw materials, consigned processing materials, goods in progress, low-cost consumables, packaging materials, stock commodities, dispatched goods, development costs, development products, etc.

4.11.2 Evaluation methods of acquisition and dispatching of inventories, inventory system and amortization of inventories

Inventories are initially measured at cost, and the inventory cost includes the procurement cost, processing cost and other expenses arising from making the inventory at their present location and condition.

The weighted average method is adopted when raw materials, goods in progress, stock commodities, and dispatched goods are dispatched; the low-cost consumables are amortized at one-off write-off method when fetched; the circulating packaging materials are included in the costs and expenses based on the estimated number of use.

The perpetual inventory system is adopted for inventory system.

4.11.3 Recognition criteria for and method for provision for inventory depreciation

On the balance sheet date, the inventories shall be valuated at the lower of their costs or net realizable values. Where the inventory cost is higher than its realizable value, the provision for inventory depreciation should be made.

The provisions for inventory depreciation reserve are made on an individual basis at the end of the period, for inventories with large quantities and relatively low unit prices, the provisions for inventory depreciation reserve are made on a category basis. For inventories related to the product portfolios manufactured and sold in the same area, and of which the final usage or purpose is identical or similar thereto, and which is difficult to separate from other items for measurement purposes, the provisions for inventory depreciation reserve are made on a portfolio basis.

4.11.4 Determination method for net realizable values of inventories

Net realizable value of inventories refers to the estimated selling price of inventories in the daily business activities, less costs estimated to be incurred to and until completion, estimated selling expenses, as well as related taxes and surcharges.

The net realizable values of merchandise inventories held directly for sale, such as finished goods, stock commodities, and available-for-sale materials, are measured at the estimated selling prices less estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realizable values of material inventories which need further processing are measured at the estimated selling prices less the estimated costs of completion, estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realizable values of inventories held for the purpose of fulfillment of sales contracts or service contracts are calculated on the basis of the contract prices; if the quantity of inventories held exceeds that stated in the contract, the net realizable values of the excessive part are calculated on the basis of normal selling prices.

4.11.5 Designation of hedging relationship and recognition of hedging effectiveness

At the commencement of the hedging relationship, the Company formally designates the hedging relationship and prepares a formal written document about the hedging relationship, risk management objectives and the strategies of hedging. This document specifies the nature and quantity of the hedging instrument and the hedged item, the nature of the hedged risk, type of hedging, and the assessment by the Company on the effectiveness of the hedging instruments. Hedging effectiveness refers to the degree of the changes in fair value or cash flow of the hedging instrument offsetting the changes in fair value or cash flow of the hedged item arising from hedged risks.

The Company continues to evaluate the hedging effectiveness, and ensures that whether the hedging meets the requirement for effectiveness by use of the hedging accounting during the accounting period designated as to the hedging relationship. If it doesn't meet the requirement, the hedging relationship will be terminated.

For the application of hedging accounting, the following requirements of hedging effectiveness shall be met:

(1) There is the economic relationship existing between the hedged item and the hedging instrument.

(2) For the value change caused by the economic relationship between the hedged item and the hedging instrument, the impact of credit risk is not dominant.

(3) It is required to adopt the proper hedging rate, which will not form an imbalance of relative weight between the hedged item and the hedging instrument, resulting in an accounting result that is inconsistent with the hedging accounting objective. If the hedging rate is no longer proper, but the hedge risk management objective does not change, the number of hedged items or hedging instruments should be adjusted so as to make the hedging rate meet the requirements for effectiveness again.

4.11.6 Accounting treatment of hedging

(1) Fair value hedges

Changes in the fair value of hedging derivative instruments are recognized in the current profit or loss. Changes in fair value of the hedged item attributable to hedged risk shall be included in the current profit or loss, and book value of the hedged item shall be adjusted simultaneously.

For fair value hedges related to financial instruments measured at the amortized cost, an adjustment made to the book value of the hedged item should be amortized during the remaining period from the adjustment date to the maturity date and should be recorded in the current profit or loss. Amortization with the effective interest method may begin immediately after the adjustment of the book value and shall not be later than the date when the hedged item terminates the adjustment to changes in fair value from hedging risks.

If the hedged item is derecognized, the unamortized fair value will be recognized as the current profit or loss.

If a hedged item is an unrecognized firm commitment, the accumulative amount of the changes in the fair value of the firm commitment incurred by the hedged risk should be recognized as an asset or liability and the relevant profit or loss shall be recorded into the current profit or loss. Changes in the fair value of hedging instruments are recognized in the current profit or loss.

(2) Cash flow hedges

The portion of profit or loss on the hedging instrument that is attributable to the effective hedging is directly recognized as other comprehensive income; while the portion that is attributable to the ineffective hedging is included in the current profit or loss.

Where the hedged transaction affects the current profit or loss, amount recognized in other comprehensive income shall be transferred into the current profit or loss when the hedged financial revenues or financial expenses are recognized or anticipated sales occur. If the hedged item is the cost of a non-financial asset or non-financial liability, then the amount previously recognized in other comprehensive income should be transferred into the initially recognized amount of the non-financial asset or the non-financial liability (or then the amount previously recognized in other comprehensive income should be transferred in the same period when the non-financial asset or the non-financial liability affects profit or loss and should be included in the current profit or loss).

If the forecast transaction or firm commitment is expected not to occur, the accumulative gain or loss of hedging instruments previously included in other comprehensive income should be transferred out and included in the current profit or loss. If the hedging instrument has matured or been sold, or the contract is terminated or has been exercised (but not replaced or extended), or the designation of the hedging relationship has been revoked, the amount previously recognized in other comprehensive income should not be transferred until forecast transaction or firm commitment affects the current profit or loss.

(3) Hedges of net investment in an overseas operation

A hedge of net investment in an overseas operation includes the hedge of a monetary item as a part of net investment and shall be treated according to the provisions similar to cash flow hedging. The portion of profit or loss on the hedging instrument attributable to the effective hedge shall be recognized as other comprehensive income, and that attributable to the ineffective hedge shall be recorded in the current profit or loss. When overseas operation is disposed, any accumulated profit or loss recognized in other comprehensive income shall be transferred out and included in current profit or loss.

4.12 Contract assets

4.12.1 Recognition method and criteria of contract assets

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance of fulfillment obligations and customer payments. The Company's right to receive consideration for transfer of goods or provision of services to customers (and the right depends on other factors than the passage of time) is listed as contract assets. Contract assets and contract liabilities under the same contract are presented by their net amounts. The unconditional (only depending on the passage of time) right to the charge of consideration from the customer, possessed by the Company, is presented as receivables.

4.12.2 Determination method and accounting treatment of expected credit losses of contract assets

For the recognition method and accounting treatment method for the expected credit loss of contract assets, please refer to Note "4.9 Testing method and accounting treatment method for impairment of financial instruments - financial assets".

4.13 Long-term equity investments

4.13.1 Judgment criteria for common control and significant influence

Joint control refers to the control that is shared over an arrangement in accordance with the relevant agreement, and the related activities of the arrangement must be unanimously agreed upon by the participants sharing the control before decisions can be made. Where the Company exercises joint control over the investee together with other parties to the joint venture and enjoys the right on the investee's net assets, the investee is a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control or jointly control the formulation of such policies with other parties. Where the Company is able to exert significant influence over the investee, the investee is its associate.

4.13.2 Determination of initial investment costs

(1) Long-term equity investments acquired through business combination

For long-term equity investments in subsidiaries acquired from business combinations under common control, the initial investment cost thereof shall be recognized at the share of book value of the owners' equity of the combinee in the consolidated financial statements of the ultimate controller on the combination date. The stock premium in the capital reserve is adjusted according to the difference between the initial cost of long-term equity investment and the book value of the consideration paid; if there is no sufficient premium in the capital reserve for write-downs, the retained earnings are adjusted. In case the Company can exercise control over the investee under common control for additional investment or other reasons, the capital premium will be adjusted at the difference between the initial investment cost of long-term equity investment recognized in accordance with the above principles and the sum of the book value of long-term equity investment before the combination plus the book value of the new consideration paid for further acquisition of shares on the combination date. If the capital premium is insufficient to offset, retained earnings will be offset.

For long-term equity investments in subsidiaries acquired from business combinations not under common control, the initial investment cost thereof shall be recognized at the combination costs determined on the date of acquisition. If the Company can exercise control over the investee not under common control as a result of additional investment or other reasons, the sum of the book value of the equity investment previously held plus the newly increased investment costs shall be regarded as the initial investment costs.

(2) For long-term equity investments obtained by means other than business combination

For long-term equity investments acquired from cash payment, the initial investment cost is the actually paid purchasing cost.

For the long-term equity investments acquired through issuing the equity securities, the fair value of equity securities issued shall be recognized as the initial investment cost.

4.13.3 Subsequent measurements and recognition of profit or loss

(1) Long-term equity investments accounted for under cost method

Long-term equity investments of the Company in its subsidiaries are accounted for under the cost method, unless the investments meet the conditions for holding for sale. Except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognizes the investment income in the current period at the cash dividends or profits declared by the investee.

(2) Long-term equity investments accounted for under the equity method

The Company's long-term equity investment in its associates and joint ventures are calculated under the equity method. If the cost of initial investment is in excess of the proportion of the fair value of the net identifiable assets in the investee when the investment is made, the difference will not be adjusted to the initial cost of the long-term equity investment; if the cost of initial investment is in short of the proportion of the fair value of the net identifiable assets in the investee when the investment is made, the difference will be included in the current profit and loss, and the costs of long-term equity investment will be adjusted.

The Company shall, in accordance with its attributable share of the net profit or loss and other comprehensive income realized by the investee, respectively recognize the investment income and other comprehensive income and simultaneously adjust the book value of the long-term equity investment. The Company shall, in the light of the profits or cash dividends that the investee declares to distribute, reduce the book value of the long-term equity investment correspondingly. As to any change in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution (hereinafter referred to as "other changes in owners' equity"), the Company shall adjust the book value of the long-term equity investment and include such change into the owners' equity.

The Company should, based on the fair value of net identifiable assets of the investee when the investment is made, recognize its attributable share of the net profits or losses, other comprehensive income and other changes in owners' equity of the investee after the adjustment made to the net profit and other comprehensive income of the investee according to the accounting policies and accounting period adopted by the Company.

The profit and loss of the internal transactions that are not realized arising among the Company, affiliated enterprises, and joint ventures will be offset at the part attributable to the Company and the investment income will be recognized on that basis, except where those assets investments or sale constitute business. Unrealized internal transaction loss incurred between the Company and the investee shall be recognized in full amount if such loss belongs to the asset impairment.

For net losses on joint ventures or associates, apart from the obligation of assuming the extra loss, the Company should write down such losses with the book value of long-term equity investments and the long-term equity where net investments in joint ventures or associates have been formed substantially; and the maximum of such losses should be the sum of the book value and long-term equity mentioned above. Where any joint venture or associate realizes net profit in the future, the Company should recognize the income sharing amount when

the unrecognized loss sharing amount is offset with the income sharing amount.

(3) Disposal of long-term equity investments

For disposal of long-term equity investment, the difference between the book value and the actual payments shall be included into the current profit and loss

For partial disposal of long-term equity investment accounted for under the equity method, if the remaining equity is still accounted for under the equity method, other comprehensive income originally accounted for and recognized under the equity method shall be carried forward in proportion on the basis same as that for the direct disposal of related assets or liabilities by the investee, and other changes in owners' equity shall be carried forward to current profit and loss in proportion.

In case the joint control or significant influence over the investee is lost for disposing of equity investment or other reasons, other comprehensive income recognized from original equity investment by using the equity method shall be subject to accounting treatment on the basis same as that for the direct disposal of related assets or liabilities by the investee when the equity method is terminated, and other changes in owners' equity shall be transferred to current profits or losses when the equity method is terminated.

Where the Company loses the control over the investee due to disposal of partial equity investment or other reasons, when it prepares individual financial statements, if the remaining equity can exercise joint control or significant influence on the investee, such investment should be changed to be accounted for under the equity method and the remaining equity should be deemed to have been accounted for by adopting the equity method on acquisition and adjusted; other comprehensive income recognized before the control of the investee is obtained will be carried forward on the basis same as that for the direct disposal of related assets or liabilities by the investee, and other changes in owners' equity accounted for and recognized under the equity method will be carried forward to current profits or losses in proportion; if the remaining equity cannot exercise joint control or significant influence on the investee, such equity will be recognized as financial assets, and the difference between fair value and book value on the date of loss of the control should be included in the current profits or losses; other comprehensive income and other changes in owners' equity recognized before the control of the investee is obtained will be carried forward.

Where the Company disposes of equity investments in subsidiaries through multiple transactions and by stages until loss of the control, if the above transactions belong to a package deal, accounting treatment shall be made on the transactions as a transaction to dispose equity investments of subsidiaries and lose the control. The difference between each disposal cost and the book value of long-term equity investments corresponding to disposed equities before the loss of the control should be firstly recognized as other comprehensive income in individual financial statements and then transferred into current profit or loss at the loss of the control. If the transactions are not under a package of transactions, each transaction shall be subject to accounting treatment separately.

4.13.4 Recognition criteria and provision method for provision for impairment of long-term equity investments

On the balance sheet date, the Company judges whether there are signs of possible impairment of long-term equity investments.

Where there are signs of impairment of long-term equity investments, including that the book value of long-term equity investments is greater than the enjoyed share of the book value of owners' equity of the investee or similar situations occur, the Company conducts an impairment test on long-term equity investments.

If the result of the impairment test shows that the recoverable amount of long-term equity investments is lower than the book value, the provision for impairment shall be made at the difference and included in losses from impairment. Once recognized, losses from impairment cannot be reversed in subsequent accounting periods.

4.14 Investment properties

The investment properties refer to the properties held for earning rentals or/and capital appreciation, including leased land use right, land use right held for transfer upon appreciation, and leased building (including self-built buildings or buildings developed for renting or buildings under construction or development for future renting).

Subsequent expenditures related to investment properties are included in the cost of investment properties if it is probable that an inflow of related economic benefits will occur and its cost can be measured reliably; otherwise, such subsequent expenditures are included in the current profit or loss when incurred.

The Company's investment properties are initially measured at the cost at the time of their acquisition, and is subsequently measured under the fair value mode on the balance sheet date. No depreciation or amortization is made by the Company for the investment properties, whose book value is adjusted based on the fair value of the investment properties on the balance sheet date, and the difference between the fair value and the original book value thereof is included in the current profit or loss.

4.15 Fixed assets

4.15.1 Recognition criteria of fixed assets

Fixed assets are tangible assets that are held for the purpose of producing goods, providing services, leasing or operating management, and having a life span of more than one fiscal year.

Fixed assets are recognized when they simultaneously meet the following conditions:

(1) It is probable that the economic benefits relating to the fixed assets will flow into the Company; and

(2) The costs of the fixed assets can be measured reliably.

A fixed asset shall be initially measured at its cost with the consideration of the expected discard expenses.

4.15.2 Classification and depreciation policies for fixed assets

The provision for depreciation of fixed assets is made by category and by using the straight-line method and the depreciation rates are determined according to the categories, estimated useful lives and estimated net residual rates of fixed assets. For fixed assets with provision for impairment, the depreciation amount shall be determined in the future according to the book value after deducting the provision for impairment and the remaining useful life. If the components of a fixed asset have different useful lives or cause economic benefit for the Company in different ways, different depreciation rate or method shall be adopted for depreciation on an individual component basis.

The provision for depreciation of fixed assets begins when they reach the predetermined usable state and stops when they are derecognized or classified as non-current assets held for sale.

The depreciation methods, depreciation years, residual value rates and annual depreciation rates of fixed assets are presented by categories as follows:

Type	Depreciation method	Depreciation life (year)	Residual value rate (%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line method	8-55 years	0-10	1.64-12.50
Machinery equipment	Straight-line method	6-30 years	0-10	3.00-16.67
Transportation facilities	Straight-line method	6-10 years	3-10	9.00-16.17
Electronic equipment	Straight-line method	Year 5	0-10	18.00-20.00

4.15.3 Accounting treatment of subsequent expenses on fixed assets

Subsequent expenses on fixed assets refer to the expenses for renewal and transformation, and repair costs, etc. incurred during the use of fixed assets.

The subsequent expenditures relating to fixed assets shall be included in the costs of fixed assets when the relevant economic interests are much likely to flow in the Company and their costs may be measured reliably; as for the part replaced, the book value shall be derecognized; all other subsequent expenditures shall be included in the current profit or loss when incurred.

4.15.4 Recognition criteria and provision method for provision for impairment of fixed assets

The Company makes a judgment on whether there is any indication that fixed assets may be impaired at the end of each period.

If there is any indication that a fixed asset may be impaired, the Company shall estimate the recoverable amount of the asset. The recoverable amount of the fixed asset is determined at the higher of the net amount of its fair value less disposal expenses or the present value of its estimated future cash flows.

If the recoverable amount of a fixed asset is lower than its book value, the book value of the asset shall be written down to its recoverable amount. The write-downs shall be recognized as losses from impairment of the fixed assets and charged to current profit or loss. Provisions for impairment of the fixed assets are made accordingly at the same time.

After the losses from impairment of fixed assets are recognized, the depreciation for the impaired fixed assets is adjusted accordingly in future periods so as to amortize the post-adjustment book values of the fixed assets (less their estimated net residual values) over their remaining useful lives on a systematic basis.

Once recognized, the impairment losses on fixed assets shall not be reversed in subsequent accounting period.

If there are indications of possible impairment of a fixed asset, the Company will estimate its recoverable amount on an individual basis. If it is difficult for the Company to estimate the recoverable amount of the individual fixed asset, the recoverable

amount of an asset group to which the said asset belongs to will be determined.

4.15.5 Disposal of fixed assets

When fixed assets are disposed of or are expected to fail to generate economic benefits after the use or disposal, the fixed assets shall be derecognized. The difference of the income from sales, transfer, retirement or damage of fixed assets deducting the book value and related taxes should be included in the current profit or loss.

4.16 Construction in progress

4.16.1 Standards for initial measurement of construction in progress and transfer of construction in progress to fixed assets

The cost of construction in progress is measured at the actual cost incurred. The actual cost includes the construction cost, installation cost, borrowing cost eligible for capitalization and other necessary expenditure incurred before making the construction in progress reach the working condition for intended use. When the construction in progress reaches the working condition for intended use, it will be transferred to fixed assets, and the provision for depreciation of the construction in progress will be made in the next month.

4.16.2 Recognition criteria and provision method for provision for impairment of construction in progress

The Company assesses whether there is any indication that construction in progress may be impaired at the end of each period.

If there is any indication that construction in process may be impaired, the Group estimates its recoverable amounts. If there is any indication that construction in progress may be impaired, the Company shall estimate the recoverable amount on the basis of single construction in progress. If it is difficult to estimate the recoverable amount of single construction in progress, the Company shall determine the recoverable amount of the asset group that such construction in progress belongs to.

The recoverable amount of construction in progress is the higher of their fair value less costs to disposal and the present value of the estimated future cash flows of the construction in progress.

If the recoverable amount of construction in progress is lower than their book value, the book value of the construction in progress shall be written down to their recoverable amount. The write-downs will be recognized as losses from impairment of construction in progress and included in current profit or loss. Provisions for impairment of the construction in progress shall be made accordingly.

Once recognized, the impairment loss of construction in progress shall be no longer reversed in subsequent accounting period.

4.17 Borrowing costs

4.17.1 Recognition criteria of capitalization of borrowing costs

The borrowing costs incurred to the Company and directly attributable to the acquisition and construction or production of assets eligible for capitalization should be capitalized and included in relevant asset costs; other borrowing costs should be recognized as costs based on the amount incurred and be included in the current profit or loss.

Assets eligible for capitalization refer to fixed assets, investment property, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.

4.17.2 Capitalization period for borrowing costs

Capitalization period refers to the period from the commencement of capitalization of borrowing costs to its cessation, excluding the period of capitalization suspension of borrowing costs.

Borrowing costs may be capitalized only when all the following conditions are met:

(1) Asset disbursements, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization, have already been incurred;

(2) Borrowing costs have already been incurred; and

(3) The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have been in progress.

Capitalization of borrowing costs should cease when the acquired and constructed or produced assets eligible for capitalization have reached the working condition for their intended use or sale.

4.17.3 Period of capitalization suspension of borrowing costs

If the acquisition and construction or production activities of assets eligible for capitalization are abnormally interrupted and such condition lasts for more than three months, the capitalization of borrowing costs should be suspended; if the interruption is necessary procedures for the acquired, constructed or produced assets eligible for capitalization to reach the working conditions for its intended use or sale, the borrowing costs continue to be capitalized. Borrowing costs incurred during the interruption are recognized as the current profit and loss and continue to be capitalized until the acquisition, construction or production of the asset restarts.

4.17.4 Calculation method of capitalized amounts of borrowing costs

For special borrowings gained for acquiring, constructing or producing assets eligible for capitalization, their borrowing costs actually incurred in the current period, less the interest income from undrawn borrowings deposited in the bank or investment income from temporary investment, should be recognized as the capitalization amount of borrowing costs.

For general borrowings for the acquisition, construction or production of a qualifying asset conditions and occupancy, according to the weighted average asset disbursement of accumulated assets exceed the special loans with the general borrowing by multiplying the capitalization rate, calculate and determine the general loan should be capitalized. The capitalization rate is determined based on the weighted and average effective interest rate for general borrowings.

During the period for capitalization, the balance of exchange from the principal and interest of the special borrowings in foreign currency should be capitalized, and included in the cost of assets eligible for capitalization. Exchange differences arising from the principal amount of foreign currency borrowings other than special borrowings in foreign currencies and interest thereon are recognized in the current profit or loss.

4.18 Intangible assets

4.18.1 Recognition of intangible assets

"Intangible assets" refer to the identifiable non-monetary assets possessed or controlled by the Company without physical shape. Intangible assets can be recognized only when all the following conditions are met at the same time:

(1) It is probable that the economic benefits relating to the intangible assets will flow into the Company; and

(2) The costs of the intangible assets can be measured reliably.

4.18.2 Measurement of intangible assets

(1) The Company initially measures intangible assets at cost on acquisition;
The costs of externally purchased intangible assets include purchase prices, relevant taxes and surcharges and other directly attributable expenditures incurred to prepare the assets for their intended uses.

(2) Subsequent measurement
The useful lives of the intangible assets are analyzed and determined on acquisition.

Intangible assets with definite useful lives shall be amortized within the period during which they can bring economic benefits to the Company; if the period during which they can bring economic benefits to the Company cannot be forecast, those intangible assets shall be deemed as assets with indefinite lives and not be amortized.

4.18.3 Determination basis and procedure for review of useful life for intangible assets with indefinite useful life

The useful life of intangible assets with indefinite useful life is reviewed at the end of each period.

Upon review, the useful lives of such intangible assets are still indefinite.

4.18.4 Provision for impairment of intangible assets

For the intangible assets with definite useful lives, in case of any obvious indication of impairment, the impairment test will be conducted at the end of the period.

For the intangible assets with indefinite useful lives, the impairment test should be conducted at the end of the period.

The Company conducts an impairment test on intangible assets and estimates their recoverable amounts. If there are indications of possible impairment of an intangible asset, the Company will estimate its recoverable amount on an individual basis. If it is difficult for the Company to estimate the recoverable amount of the individual intangible asset, the recoverable amount of an asset group to which the said asset belongs to will be determined.

The recoverable amount is the net amount of the fair value of the intangible asset less the disposal expense thereon or the present value of estimated future cash flow of the intangible asset, whichever is higher.

Where the recoverable amount of an intangible asset is lower than its book value, the book value will be written down to the recoverable amount. The amount written down should be recognized as impairment loss of the intangible asset and included in the current profit or loss; meanwhile, corresponding provision for impairment of the intangible asset should be made.

After the impairment loss of the intangible asset is recognized, the depreciation or the amortization fees of the intangible asset impaired will be adjusted in the future periods accordingly so that the book value (less the net estimated residual value) of the intangible asset after the above adjustment can be systematically amortized over the remaining useful life.

Impairment loss on the intangible assets should not be reversed in subsequent accounting periods, once recognized.

4.18.5 Specific standards for classification of research and development phases of internal research and development projects

The Company's expenditures for its internal research and development projects are classified into research expenditures and development expenditures.

Research phase: Research phase is the stage when creative and planned investigation and research activities are conducted to acquire and understand new scientific or technological knowledge.

Development phase: Development phase is the stage when the research achievements and other knowledge are applied to a plan or design, prior to the commercial production or use, so as to produce any new or substantially improved material, device or product.

4.18.6 Criteria for capitalization of qualifying expenditures during the development phase

The expenditures in research phase will be included in current profit or loss on occurrence. Expenditures in the development stage will be recognized as intangible assets only when the following conditions are simultaneously satisfied, and included in current profit or loss if the following conditions are not satisfied:

(1) It is technically feasible to finish intangible assets for use or sale;

(2) It is intended to finish and use or sell the intangible assets;

(3) The usefulness of methods for intangible assets to generate economic benefits should be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets themselves or the intangible assets will be used internally;

(4) With the support of sufficient technologies, financial resources and other resources, it is able to finish the development of the intangible assets, and it is able to use or sell the intangible assets; and

(5) The expenditures attributable to the intangible assets during their development phase can be reliably measured.

The expenditures in development phase which fail to satisfy the above-mentioned conditions are included in the current profit or loss when they occur. The expenditures in research phase will be included in current profit or loss on occurrence.

4.19 Goodwill

For goodwill arising from business combination under common control, its initial cost is the difference of the acquisition cost in excess of the share of fair value of the acquiree's net identifiable assets acquired in the combination.

Goodwill will be transferred out upon the disposal of the related asset group or portfolio of

asset groups, and included in the current profit or loss.
The Company does not amortize the goodwill, but conducts the impairment test for goodwill at least once at the end of each year, no matter whether the impairment indication exists.

The Company conducts an impairment test for the goodwill. The book value of goodwill arising from business combinations is amortized to relevant asset groups with a reasonable method since the date of acquisition; or amortized to relevant combination of asset groups if it is difficult to be amortized to relevant asset groups. The related asset group or combination of asset groups shall be the asset group or combination of asset groups that can benefit from the synergy effect of business combination.

When making an impairment test on the relevant asset groups or combination of asset groups containing goodwill, if any indication shows that the asset groups or combinations of asset groups related to the goodwill may be impaired, the Company shall first conduct an impairment test on the asset groups or combinations of asset groups not containing goodwill, calculate the recoverable amount and compare it with the relevant book value to recognize the corresponding impairment loss. Then, the Group shall conduct an impairment test on the asset groups or asset groups portfolio containing goodwill, and compare it book value and recoverable amount: if the recoverable amount is lower than book value, the amount of impairment losses should be firstly used to deduct book value of goodwill allocated to the asset group or the asset group portfolio, and then deduct book value of other assets according to the proportion of the book value of other assets other than the goodwill in the asset group or the asset group portfolio. The above losses from impairment of goodwill cannot be reversed in subsequent accounting periods, once recognized.

4.20 Long-term deferred expenses

Long-term deferred expenses incurred in the Company are measured by the actual cost and evenly amortized over the estimated period of benefit. For items of long-term deferred expenses that fails to benefit the Company during the subsequent accounting period, their amortized values are fully included in the current profit and loss when such failure is confirmed.

4.21 Contract liabilities

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance of fulfillment obligations and customer payments. The Company's obligations in transferring goods or rendering services to customers on the ground that it has received or will receive relevant considerations from these customers are presented as contract liabilities. Contract assets and contract liabilities under the same contract are presented by their net amounts.

4.22 Employee compensation

4.22.1 Short-term compensation

During the accounting period where employees serve the Company, the short-term remuneration actually incurred should be recognized as a liability and included in the current profit and loss or the assets-related cost.

The social insurance premiums including medical insurance premiums, work-related injury insurance premiums, and maternity insurance premiums and the housing provident fund paid by the Company for its employees, together with the labor union expenditures and employee education drew as required are used to calculate and determine the relevant employee remuneration amount based on the prescribed accrual basis and accrual proportion during the accounting period in which the employees provide services to the Company.

The employee welfare expenses incurred in the Company are included in the current

profit and loss or assets-related cost based on the actually incurred amount, in which the non-monetary benefits are measured at fair value.

4.22.2 Dismissal welfare

Where the Company provides dismissal benefits to employees, employee compensation incurred from dismissal benefits are recognized as liabilities and included into the current profit or loss at the earlier date of: when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal; when the Company recognizes the cost or expense related to restructuring concerning payment of dismissal benefits.

4.22.3 Post-employment benefits

(1) Defined contribution plan

The Company pays the basic endowment insurance premiums and unemployment insurance for employees according to the relevant provisions of the local governments. During the accounting period when employees serve the Company, the paid amount which is calculated based on the payment base and proportion as stipulated in the provisions of the local place is recognized as liabilities and included in the current profit or loss or assets-related cost.

In addition, the Company also participates in the enterprise annuity plans/supplementary pension funds approved by the relevant state authorities. The Company makes payments to the annuity plans or local social insurance institutions in a certain proportion to the total employee wage, with corresponding expenses included in the current profit or loss or related asset costs.

(2) Defined benefit plans

According to the formula determined based on expected cumulative unit method, the Company will set the period that the welfare obligations deriving from the defined benefit plan, which will be included in current profit or loss or assets-related cost.

The deficit or surplus formed by the difference between the present value under defined benefit plan and the fair value of assets under defined benefit plan is recognized as a net defined benefit liability or asset. For a surplus of defined benefit plan, the Company shall measure net assets of such defined benefit plan by the lower one between the surplus of defined benefit plan and the upper limit of assets thereof.

Obligations under the defined benefit plan, including the payment obligation that is expected to be done within 12 months following the annual reporting period when the employees serve for the Company, are discounted at the market yield of the national debt matching with the obligatory term of the defined benefit plan and the currency on the balance sheet date or the bonds of the high-quality companies in the active market.

The service costs of the defined benefit plan and net interest on the net liabilities or net assets in respect of the defined benefit plan are included in the current profit or loss or assets-related costs; changes in the re-measurement of net liabilities or net assets under the defined benefit plans should be included in other comprehensive income and should not be reversed in subsequent accounting periods. When the original defined benefit plan terminates, the portion originally included in other comprehensive income will all be transferred to the Retained earnings.

For the settlement of the defined benefit plan, the balance between the present value and the settlement price in regard to the defined benefit plan confirmed on the settlement date shall be recognized and settled as gains or losses.

4.23 Share-based payment

The Company's share-based payment refers to the transaction where it grants the equity instrument or assumes the liability determined based on the equity instrument for the purpose of acquiring services rendered by employees or other parties. The share-based payments of the Company consist of equity-settled share-based payments and cash-settled share-based payments.

4.23.1 Equity-settled share-based payment and equity instrument

Where the Company acquires services rendered by employees via the equity-settled share-based payment, such payment should be calculated at the fair value of equity instruments granted to employees. For share-based payment transactions where the right may be immediately exercised after the grant, the fair value of the equity instruments shall, on the date of the grant, be included in the relevant cost or expense and the capital reserves shall be increased accordingly. As to a share-based payment transaction, if the right cannot be exercised until the waiting period comes to an end or until the prescribed performance conditions are met, then on each balance sheet date within the waiting period, the services obtained in the current period shall, based on the best estimate of the number of vested equity instruments, be included in the relevant costs or expenses at the fair value of the equity instruments on the date of the grant, and the capital reserves shall be increased accordingly.

If the Company cancels equity instruments granted during the waiting period, it shall treat such cancellation as acceleration of the exercisable rights and shall immediately include the amount that should be recognized during the remaining waiting period in the current profit and loss. Capital reserves should be also recognized. However, if a new equity instrument is granted, and it is confirmed to replace the equity instrument which is canceled on the grant date, then the handling of such equity instrument shall be subject to the same way modifying the terms and conditions of the original equity instrument.

4.23.2 Cash-settled share-based payment and equity instrument

Cash-settled share-based payment is measured at the fair value of the liability which is assumed by the Company and calculated based on share or other equity instrument. The Company includes the share-based payment for which relevant right can be exercised subsequent to the grant of equity instruments in relevant costs or expenses on the grant date at the fair value of the liability it assumes, and increase liabilities accordingly. For the share-based payment for which relevant right can be exercised after the grant of equity instruments only when the services during the waiting period are completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the Company, based on the best estimate on the situation of exercising relevant right, includes the services acquired during that period in relevant costs or expenses and in liabilities according, at the fair value of the liability the Company assumes. On each balance sheet date and settlement date prior to the settlement of relevant liabilities, the fair value of liability should be remeasured through the current profit and loss.

Where the Company modifies terms and conditions of the agreement on cash-settled share-based payment so as to realize the equity-settled share-based payment, on the date of modification (no matter whether the modification is carried out during or after the waiting period), the equity-settled share-based payment shall be measured at the fair value prevailing on the date of modifying the equity instrument granted, and services obtained shall be included in capital reserves; meanwhile, liabilities recognized based

on cash-settled share-based payment on the date of modification shall be derecognized, and the difference between the cash-settled share-based payment and the equity-settled share-based payment shall be included in the current profit or loss. If the waiting period is extended or shortened on account of the modification made by the Company, the Company will make the accounting treatment according to the modified waiting period.

4.23.3 Method for determining the fair value of equity instrument

The Company determines the fair value of such equity instrument as granted shares with an active market at the price quoted in the active market and based on the terms and conditions on granting these shares. It determines the fair value of such equity instrument as granted share option without an active market by such valuation technique as option pricing model and based on the terms and conditions on granting these shares.

4.23.4 Basis for determining the optimum estimate of equity instrument with exercisable right

On each balance sheet date within the waiting period, the Company makes the optimum estimate based on such newly-obtained subsequent information as the change in the number of employees with exercisable right, and modifies the estimated quantity of equity instruments with exercisable right. On the vesting date, the finally estimated quantity of equity instruments with exercisable right should be consistent with the actual quantity of exercisable rights.

4.24 Bonds payable

The publicly offered bonds are initially measured at the amount of the fair value less the transaction cost amount and are measured subsequently based on the amortized cost under the effective interest rate method during the remaining period.

The interest costs are capitalized when they are eligible for capitalization, otherwise they are directly included in the current profit or loss.

4.25 Estimated liabilities

When an obligation relating to a contingency meets all the following conditions at the same time, it will be recognized as an estimated liability by the Company:

(1) Such obligation is a present obligation of the Company;

(2) The performance of such obligation is likely to result in outflow of economic benefits from the Company;

(3) The amount of the obligation can be measured reliably.

Estimated liabilities are initially measured at the best estimate of expenses required for the performance of relevant present obligations.

When determining the best estimates, the Hotel comprehensively considers the risks, uncertainties, time value of money, and other factors relating to the contingencies. If the time value of money is significant, the best estimate shall be determined after discounting the relevant future outflow of cash.

If there is continuous range for the necessary expenses, and probabilities of occurrence of all the outcomes within this range are equal, the best estimate will be determined at the intermediate value; in other cases, the best estimate is subject to the treatment for the following circumstances:

- If the contingency involves a single item, it shall be determined at the most likely

outcome; or

- If the contingency involves multiple items, the best estimate shall be recognized at the various possible outcomes and the associated probabilities.

When all or some of the expenses necessary for the liquidation of estimated liabilities are expected to be compensated by a third party, the compensation should be separately recognized as an asset only when it is virtually certain that the reimbursement will be obtained. The amount recognized for the reimbursement should not exceed the book value of estimated liabilities.
The Company reviews the book value of estimated liabilities on the balance sheet date. If there is unambiguous evidence indicating that such book value cannot reflect the current best estimate, such book value will be adjusted based on the current best estimate.

4.26 Preferred stock, perpetual bond and other financial instruments

According to the contract terms on preferred stock/perpetual bond issued and the economic essence reflected by the preferred stock/perpetual bond rather than just in legal form, the Company classifies such financial instruments or its constituent part as financial assets, financial liabilities or equity instruments, at the initial recognition.

The financial instruments issued by the Company, such as the preferred stock and perpetual bond are classified as financial liabilities in whole or in the constituent part at the initial recognition, as long as they meet one of the following conditions:

(1) Including the contract obligation where the Company cannot unconditionally avoid to pay with cash or other financial assets;

(2) Covering the contract obligation of delivering the own equity instruments with variable number for settlement;

(3) Including the derivative instrument settled with the own equity (such as the convertibility), and the settlement of such derivative instrument does not be conducted by exchanging the cash or other financial assets of fixed assets with the own equity instrument with fixed number;

(4) Including the contract term where the contract obligation can be formed indirectly;

(5) On the liquidation of the issuer, the perpetual bond is at the same liquidation order with the ordinary bonds and other obligations issued by the issuer.

Where the financial instruments, including the preferred stock/ perpetual bond, fail to meet one of the above conditions, they may be classified as equity instruments in whole or in the constituent part at the initial recognition.

For preferred stock or perpetual bond issued by the Company and including both equity component and liability component, the Company adopts the accounting policy for convertible financial instruments including the equity component for treatment. For preferred stock or perpetual bond issued by the Company and not including the equity component, the Company adopts the accounting policy for convertible financial instruments not including the equity component for treatment.

For the preferred stock which is issued by the Company and should be classified into the equity instruments, the Company includes the paid-in amount of the preferred stock in the equity instruments. If the distribution of dividends and interest exists over the duration, it should be taken as profit distribution. If the preferred stock has been redeemed according to contract terms, the redemption price will be used to offset relevant equity.

4.27 Income

4.27.1 Accounting policies adopted for revenue recognition and measurement

If the Company fulfills its performance obligations in a contract, it will recognize income when relevant customer obtains right of control over relevant goods or services. Obtaining the right of control over relevant goods or services means that the customer is able to make decisions on the use of the goods or the rendering of the services, and can obtain almost all of the economic benefits therefrom.

If two or more performance obligations are covered in the contract, on the contract commencement date, the transaction price will be amortized to individual performance obligation based on the relative proportion of the individual selling price of goods or services involved in the individual performance obligation. The Company measures income at the transaction price amortized to individual performance obligation.

The transaction price refers to the amount of consideration the Company is expected to have the right to take on account of the transfer of goods or services to the customer, excluding the payments charged by any third party and the payments expected to be refunded to the customer. The Company determines the transaction price according to the contract terms and in light of its previous regular practice, in the meantime, factors such as variable consideration, significant financing composition existing in the contract, non-cash consideration, and consideration payable to customers will be taken into account. The Company determines the transaction price involving the variable consideration at the amount that should not exceed the amount of accumulatively recognized income that is highly unlikely to have a major reversal when relevant uncertainty is eliminated. If the significant financing component is covered in the contract, the Company will determine the transaction price based on the amount of cash payable at once by the customer when the customer acquires the right of control over goods or services, as assumed, and amortize the difference between such transaction price and the contract price by the effective interest method during the contract period.

The obligation performance belongs to certain period in case one of the following conditions is met; otherwise, it belongs to certain time-point:

- The customer obtains and consumes the economic benefits brought by the performance of the Company while the Company is performing the obligation.

- Customers are able to control the goods under construction by the Company in the course of performing obligations.

- The goods produced in the course of performing obligations have irreplaceable uses, and the Company has the right to receive payments for the portion of the performance that has been completed to date.

For a performance obligation to be performed within a certain period, the Company recognizes the income according to the performance progress during such period, except for the case that the performance progress cannot be reasonably determined. The Company may determine the performance progress by the output method or input method based on the nature of goods or service. When the performance progress cannot be reasonably determined, if the cost incurred is expected to be compensated, the income will be recognized by the Company at the amount of the cost incurred until the performance progress can be reasonably determined.

For a performance obligation performed at a certain point in time, the Company recognizes the income when the customer obtains control of the relevant goods or

services. The Company will consider the following signs when judging whether the customer has acquired the right of control over relevant goods or services:

- The customer has the current payment obligation for such goods or service, i.e. the Company enjoys the current right to collect the payment for such goods or service.

- The Company has transferred the legal ownership of such goods to the customer, i.e. the customer possesses the legal ownership of such goods.

- The Company has transferred goods to the customer in kind, i.e. the customer has possessed such goods in kind.

- The substantial risks and rewards of the ownership of such goods have been transferred by the Company to the customer, i.e. the customer has acquired the substantial risks and rewards of the ownership of such goods.

- The customer has accepted the goods or services.

4.28 Contract costs

Contract costs include the contract performance cost and the contract acquisition cost.

The costs incurred by the Company for performance of the contract, if not within the scope regulated by other accounting standards for business enterprises and simultaneously meeting the following conditions, shall be regarded as contract performance costs and recognized as assets:

1. The costs are directly related to a current or expected contract obtained;

2. The costs increase the resources of the Company to fulfill its performance obligations in the future.

3. The costs are expected to be recovered.

If the incremental cost incurred by the Company for obtaining the contract is expected to be recovered, the contract acquisition cost is recognized as an asset.

Assets related to contract costs are amortized on the same basis as the recognition of income from the goods or services related to such asset; however, if the amortization period of contract acquisition costs does not exceed one year, the Company will include them in the current profit or loss at the time of occurrence.

If the assets related to contract costs whose carrying amount is higher than the difference between the following two items, the Company will make provision for impairment for the excess part and recognize it as loss from asset impairment:

1. The remaining consideration expected to be obtained due to the transfer of goods or services related to the asset;

2. Estimate the costs that will occur in order to transfer the relevant goods or services.

If the factors of impairment in the previous period have changed later, causing that the aforesaid difference is higher than the book value of the asset, the Company will reverse the provision for asset impairment that was originally accrued and include it in the current profit or loss, but the book value of the reversed asset shall not exceed that of the asset on the date of reversal under the assumption that no provision for impairment is made. 3.20 Government subsidies 3.20.1 Category

4.29 Government subsidies

4.29.1 Classification of government subsidies

Government subsidies are monetary assets and non-monetary assets freely obtained by the Company from the government. Government subsidies are classified into asset-related government subsidies and income-related government subsidies.

Asset-related government subsidies are government subsidies that the Company acquires for acquisition, construction or otherwise form long-term assets. Income-related government subsidies refer to government subsidies other than asset-related ones.

4.29.2 Measurement and derecognition of government subsidies

Government subsidies shall be recognized only if the Company is able to comply with the conditions for the government subsidies, and is likely to receive the government subsidies.

Where government subsidies are monetary assets, they should be measured at the amount received or receivable. If government subsidies are non-monetary assets, they should be measured at the fair value; if the fair value cannot be reliably obtained, they shall be measured at the nominal amount.

Asset-related government subsidies shall be used to offset the book value of relevant assets or recognized as deferred income. Where such grants are recognized as the deferred income, they will be included in current profit or loss by reasonable and systematic methods within useful lives of related assets (where such grants are related to the routine activities of the Company, they will be included in other income; where such grants are not related to the routine activities of the Company, they will be included in non-operating income). If relevant assets are sold, transferred, scrapped or damaged before the end of the useful life, the unallocated balance of deferred income shall be transferred to the current profit or loss from asset disposal.

Income-related government subsidies used to compensate for relevant costs or losses which will occur in the following period in the Company shall be recognized as the deferred income, and, during the period when relevant costs or losses are recognized, be included in the current profit or loss (where income-related government subsidies are relevant to routine activities of the Company, such grants shall be included in the other income; where income-related government subsidies are irrelevant to routine activities of the Company, such grants shall be included in the non-operating income) or used to offset relevant costs or losses; income-related government subsidies used to compensate for relevant costs or losses incurred in the Company shall be directly included in the current profit or loss (where income-related government subsidies are relevant to routine activities of the Company, such grants shall be included in the other income; where income-related government subsidies are irrelevant to routine activities of the Company, such grants shall be included in the non-operating income) or used to offset relevant costs or losses.

Government subsidies measured at nominal amount are directly included in the current profit or loss.

The interest subsidies of policy-based preferential loans obtained by the Company are subject to the following accounting treatments according to two situations:

(1) When the finance department appropriates the interest subsidies to the lending bank, and the lending bank provides the loan at the policy-based preferential interest rate to the Company, the Company will take the book-entry value at the

loan amount actually received, and relevant loan expenses are calculated based on the principal of the loan and the policy-based preferential interest rate.

(2) Where the finance department directly appropriates the interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset related borrowing costs.

4.29.3 Accounting treatment of refund of government subsidies

For the recognized government subsidies that need to be refunded, the Company carries out accounting treatment according to the circumstances in the current period when the refund is required:

(1) If the book value of the relevant assets is written down at the initial recognition, the book value of the assets is adjusted;

(2) If there is relevant deferred income, the grants shall offset against the book balance of the relevant deferred income, and the remainder shall be recorded in current profit or loss;

(3) Under other circumstances, the grants will be recorded directly in current profit or loss.

4.30 Deferred income tax assets and deferred income tax liabilities

Income tax includes the current income tax and deferred income tax. The Company recognizes current and deferred income taxes in the current profit or loss, except for income taxes arising from business combinations and transactions or events directly recognized in owners' equity (including other comprehensive income).

Deferred income tax assets and deferred income tax liabilities are calculated and recognized based on differences (temporary differences) between tax bases and book values of the assets and liabilities.

Deferred income tax assets are recognized for deductible temporary differences to the extent that it shall not exceed the taxable income probably obtained in future period to be against the deductible temporary difference. For deductible losses and tax credits that can be carried forward to subsequent periods, the Company recognized deferred tax assets to the extent that it is probable that taxable profit will be available against which the deductible losses and tax credits can be utilized.

Taxable temporary differences are recognized as deferred income tax liabilities except in special circumstances.

Such special circumstances include:

- Initial recognition of goodwill;

- The transaction or matter that is not a business combination and that affects neither accounting profit nor taxable income (or deductible loss) when it occurs, and in which the initially recognized asset or liability does not cause equal taxable temporary difference and deductible temporary difference.

For the taxable temporary differences related to the investments in subsidiaries, associates and joint ventures, the deferred tax liabilities should be recognized, unless that the timing of the reversal of the temporary differences is able to be controlled by the Company and the temporary differences will be probable not to be reversed in the foreseeable future. For the deductible temporary differences related to investments in subsidiaries, associates and joint

ventures, the deferred income tax assets are recognized when the temporary differences may be reversed in the foreseeable future and they are likely to be obtained to offset the taxable income of deductible temporary differences in the future.

On the balance sheet date, deferred tax assets and deferred tax liabilities should be measured at the applicable tax rate during the period of expected recovery of the relevant assets or liquidation of the relevant assets according to the provisions of tax laws.

On the balance sheet date, the Company reviews the book value of deferred income tax assets. If it is unlikely to obtain sufficient taxable income taxes to offset the benefit of the deferred tax assets, the book value of the deferred tax assets shall be written down. When it is likely to earn sufficient taxable income, the write-down amount should be reversed.
If the Company has the legal right to settle in net amounts and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current tax assets and current tax liabilities of the Company shall be presented based on the net amount after offset.

At the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented at net amounts after offsetting when the following conditions are met:

- The taxpayer has the statutory right to settle the current income tax assets and current income tax liabilities with net amount;

- Deferred income tax assets and deferred income tax liabilities are related to the income tax which is imposed on the same taxpayer by the same tax collection authority or to different taxpayers, but, in each important future period in connection with the reversal of deferred income tax assets and liabilities, the involved taxpayers intend to settle the current income tax assets and current income tax liabilities with net amount or to obtain assets and discharge liabilities simultaneously.

4.31 Lease

Lease refers to a contract where the lessor transfers the asset use right to the lessee for a certain period to get relevant consideration. On the commencement date of a contract, the Company evaluates whether the contract is concluded for lease or involved with lease. If any party to a contract has exchanged the right to control the use of one or more identified assets within a certain period for consideration, the contract is concluded for lease or involved with lease.

If the contract is involved with several individual leases at the same time, the Company will divide the contract and carry out the accounting treatment for lease individually. If the contract includes both the lease part and non-lease part, the lessee and the lessor will separate the lease part from the non-lease part.

4.31.1 The Company as the lessee

(1) Right-of-use assets

On the commencement date of the lease term, the Company recognizes leases other than short-term lease and low-value asset lease as the right-of-use assets. Right-of-use assets are initially measured at cost. Such costs include:

- The initial measurement amount of the lease liability;

- The lease payment made on or before the commencement of the lease term, or the relevant amount after deducting the lease incentive already enjoyed if any;

- Initial direct costs incurred by the Company;

- The cost expected to be incurred by the Company for dismantling and removing the leased assets, restoring the site where the leased assets are

located, or restoring the leased assets to the state agreed in the lease terms, excluding the costs incurred to produce inventories.

The Company subsequently depreciates right-of-use assets using the straight-line method. Where the Company can reasonably confirm that the ownership of the leased assets can be obtained at the expiration of the lease term, the provision for depreciation of right-of-use assets should be made over the remaining useful life for the leased assets; otherwise, such provision should be made over the lease term or the remaining useful life for the leased assets, whichever is shorter.

The Company determines whether the right-to-use assets have been impaired in accordance with the principles stated in Note "4.15 Fixed assets", and conducts accounting treatment on the identified impairment losses.

(2) Lease liabilities

At the commencement of the lease term, the Company recognizes lease liabilities for leases other than short-term and low-value asset leases. The lease liabilities are initially measured at the present value of unpaid lease payment. The lease payment includes:

- Fixed payments (including substantial fixed payments), or the relevant amount after deducting the lease incentive if any;
- Variable lease payments depending on index or ratio;
- The payments expected to be payable based on the residual value of the guarantee provided by the Company;
- The exercise price of purchase option, provided that the Company reasonably determines that it will exercise the option;
- The amount to be paid to exercise the lease termination option, provided that it is reflected that the Company will exercise the lease termination option during the lease period;

The Company uses the interest rate implicit in lease as the discount rate, but if the interest rate implicit in the lease cannot be reasonably determined, the Company uses the incremental borrowing rate as the discount rate.

The Company calculates the interest expense of the lease liabilities in each the lease term at a fixed periodic interest rate, and includes it in the current profit and loss or related asset costs.

Variable lease payments that are not included in the lease liabilities are included in current profit and loss or related asset costs when incurred.

In case of any of the following circumstances after the commencement date of the lease term, the Company will re-measure the lease liability and adjust the corresponding right-of-use asset; if the book value of the right-of-use asset has been reduced to zero but the lease liability needs to be further reduced, the difference between the aforesaid two is recognized in the current profit and loss:

- If the Company's assessment results of purchase options, lease renewal options or lease termination options have changed, or the actual exercise of the said options is inconsistent with the original assessment results, the Company remeasures its lease liabilities at the present value calculated based on the lease payments after change and the revised discount rate;

- When there is a change in the substantive fixed payment amount, a change in the amount expected to be payable for the guaranteed residual value, or a change in the index or rate used to determine the lease payment amount, the Company remeasures lease liabilities at the present value calculated based on the lease payments after change and the original discount rate. However, where changes in lease payments arise from changes in floating interest rates, the present value of such lease payments shall be calculated at the revised discount rate.

(3) Short-term and low-value asset leases

The Company chooses not to recognize the right-of-use assets and lease liabilities for short-term and low-value asset leases, and includes the related lease payments in the current profit and loss or related asset costs with the straight-line method in each lease term. Short-term lease refers to a lease that lasts for no more than 12 months and includes no purchase options at the commencement of the lease term. Low-value asset lease refers to a lease with lower value when the individual leased assets are brand new assets. If the Company sublets or anticipates subletting the leased assets, the original lease is not a low-value asset lease.

(4) Lease change

If a lease changes and meets all the following conditions, the Company will account for the lease change as a separate lease:

1) The lease change expands the scope of the lease by adding one or more rights to use the leased assets;

2) The increased consideration is equivalent to the individual price of the expanded part of the lease scope adjusted according to the contract.

If the lease change is not accounted for as a separate lease, the Company shall, on the effective date of the lease change, re-allocate the consideration of the changed contract, re-determine the lease term, and remeasure the lease liabilities at the present value calculated based on the changed lease payment and the revised discount rate.

If a lease change results in a reduction in the scope of the lease or a shortening of the lease term, the Company reduces the book value of the right-of-use asset accordingly and recognizes the gain or loss related to the partial or complete termination of the lease in current profit and loss. If other lease changes result in a remeasurement of the lease liability, the Company adjusts the book value of the right-of-use asset accordingly.

4.31.2 The Company as the lessor

On the commence date of a lease, the Company classifies the lease as financing lease or operating lease. The finance lease refers to the lease where all risks and rewards related to the ownership of leased assets have been transferred, no matter whether the ownership has been finally transferred. The operating leases refers to the leases other than the finance leases. The Company, as the sublessor, classifies subleases based on the right-of-use assets generating from the original leases.

(1) Accounting treatment of operating lease

The lease receipt from operating lease is recognized as the rent income by the straight-line method during each period within the lease term. The Company will capitalize the initial direct costs incurred in relation to operating leases and apportion them to the current profit or loss during the lease term on the same basis as rent income is recognized. Variable lease payment not included in the lease receipt is included in the current profit or loss when it is actually incurred. In case of any change in operating lease, the Company will make accounting treatment for the operating lease changed by taking it as a new lease from the change commencement date, the amount receivable of the new lease will be recognized at the lease payment to be received or receivable which is relevant to the lease before the change.

(2) Accounting treatment of financing lease

On the commencement date of a lease, the Company recognizes financing lease receivables for the financing lease and de-recognizes financing lease assets. When initially measuring financing lease receivables, the Company will record the net amount of lease investment as the book-entry value of financing lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments that have not been received at the beginning of the lease term and discounted at the interest rate included in the lease.

The Company calculates and recognizes interest income for each period of the lease term based on a fixed periodic interest rate. The derecognition and impairment of financing lease receivables shall be accounted for in accordance with Note "4.9 Financial instruments".

Variable lease payments not included in the net lease investment are recognized in the current profit and loss when they are actually incurred.

If a financial lease changes and meets all the following conditions, the Company will account for the lease change as a separate lease:

- The change expands the scope of the lease by adding one or more rights to use the leased assets;

- The increased consideration is equivalent to the individual price of the expanded part of the lease scope adjusted according to the contract.

If the change of financing lease is not accounted for as a separate lease, the Company will deal with the changed lease under the following circumstances:

- If the change becomes effective on the lease commencement date and the lease would have been classified as an operating lease, the Company accounts for it as a new lease from the effective date of the lease change and uses the net investment in the lease prior to the effective date of the lease change as the book value of the leased asset;

If the change is effective on the lease commencement date, and the lease is classified as a financing lease, the Company accounts for it in accordance with the policy on modification or renegotiation of contracts as described in Note "4.9 Financial instruments".

4.31.3 Leaseback

The Company determines via assessment whether the assets transfer under leaseback belongs to sales according to the principle specified in Note "4.27 Revenue".

(1) Acting as the lessee

If the asset transfer in the sale-and-leaseback deal is a sale, the Company, as the lessee, measures the right-of-use asset formed by the sale-and-leaseback deal according to the part, in the book value of original assets, related to the use right obtained from the leaseback, and only recognizes the relevant gains or losses for the rights transferred to lessor.

After the commencement date of the lease term, the subsequent measurement of the right-of-use asset and the lease liability and the change in lease are detailed in " 4.31 Lease 4.31.1 The Company as the lessee" . In the subsequent measurement of the lease liability formed from sale-and-leaseback, the way in which the Company determines the lease payment or lease payment after the change will not result in the recognition of gains or losses related to the right to

use obtained by the sale-and-leaseback.

If the transfer of an asset in a sale-and-leaseback transaction is not a sale, the Company, as the lessee, continues to recognize the transferred asset and at the same time recognizes a financial liability equal to the transfer proceeds. For the accounting treatment of financial liabilities, see "Note 4.9 Financial instruments".

(2) Acting as the leaser

Where the asset transfer in the sale-and-leaseback transactions belongs to sales, the Company as the lessor conducts the accounting treatment for purchase of assets, and conducts the lease of assets in accordance with the policies on "2. the Company as a lessor" stated above; where the asset transfer in the sale-and-leaseback transactions belongs to sales, the Company as the lessor does not recognize the transferred assets, but confirms a financial asset equivalent to the transfer revenue. For the accounting treatment of financial assets, see "Note 4.9 Financial instruments".

4.32 Held for sale and discontinued operation

4.32.1 Held for sale

Where the Company recovers the book value of any non-current asset or disposed asset portfolio mainly through selling (including the exchange of non-monetary assets with commercial essence) but not continuously using the same, such non-current asset or disposed asset portfolio shall be divided into assets held for sale.

The Company recognizes non-current assets or disposed asset portfolios meeting the following conditions at the same time as assets held for sale:

(1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;

(2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale can be done only upon the approval of relevant authorities or regulatory authorities of the Company as required by relevant provisions, the approval has been obtained.

For any non-current asset (excluding financial assets, deferred income tax assets, and investment properties with the subsequent measurement made at fair value) or disposed asset portfolio classified as assets held for sale, where its book value is higher than the net amount of its fair value less the selling expense, the book value should be written down to the net amount of the fair value less the selling expense, and the amount written down should be recognized as the loss from asset impairment and included in the current profit and loss, while the provision for impairment of assets held for sale is made.

4.32.2 Discontinued operation

Discontinued operation refers to the component which meets one of the following conditions and can be separately distinguished, moreover, such component has been disposed by the Company or classified by the Company as the type held for sale:

(1) the component represents an independent major business or a sole major business area;

(2) the component is a part of a related plan where an independent major business

or a sole major business area will be disposed as planned; or

(3) the component is a subsidiary acquired only for re-sale.

Profit or loss from continued operations and profit or loss from discontinued operations are presented separately in the income statement. The operating gains and losses such as impairment losses and reversed amounts from discontinued operations, as well as disposal gains and losses, are presented as profits and losses from discontinued operations. For the discontinued operations reported in the current period, in the current period's financial statements, the Company re-presents the information that was originally reported as gains or losses from continued operations as gains or losses from discontinued operations in comparable accounting periods.

4.33 Fair value measurement

The Company measures the relevant assets and liabilities at fair value based on the following assumptions:

- The transaction where market participants sell assets or transfer liabilities on the measurement date is the orderly transaction under the current market conditions;

- The orderly transaction of selling assets or transferring liabilities takes place in the main market of the relevant assets or liabilities. If there is no main market, it is assumed that the transaction takes place in the most favorable market for the relevant assets or liabilities.

- The assumptions that market participants use to maximize their economic benefits when pricing the asset or liability are adopted.

The Company will take the transaction price as the initially recognized fair value based on the nature of the transaction and the features of the related assets or liabilities, etc.

Where other relevant accounting standards require or permit the Company to initially measure the relevant assets or liabilities at fair value and the transaction price is not equal to the fair value, the Company shall include the relevant gains or losses in the current profit and loss, except as otherwise provided by other relevant accounting standards.

When measuring non-financial assets at fair value, the Company considers the ability of market participants to generate economic benefits by using the assets for the best use, or the ability to generate economic benefits by selling the assets to other market participants who can use the assets for the best use.

When adopting valuation techniques, the Company takes into account those that are applicable under the current circumstances and supported by sufficient available data and other information. Valuation techniques give priority to using relevant observable input values as input values. Unobservable input values are used only when relevant observable input values cannot be available or such values obtained are infeasible.

The inputs used for measuring fair value is divided into three levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on the measurement date.

- Level 2 inputs are directly or indirectly observable inputs of relevant assets or liabilities other than Level 1 inputs.

- Level 3 inputs are unobservable inputs for the relevant assets or liabilities.

The level of the measurement result of fair value shall be subject to the lowest level which the input that is of great significance to the entire measurement of fair value belongs to.

4.34 Asset securitization

The Company will securitize part of "accounts receivable" and "long-term receivables", trust the assets to special-purpose entities which will issue the priority asset-backed securities to investors. The Company holds the substandard assets-backed securities which shall not be transferred before the principal and interest of priority asset-backed securities is fully paid off. The Company as an asset service provider provides asset maintenance and day-to-day management, the preparation of annual asset disposal plan, formulation and implementation of asset disposal plans, signing of related asset disposal agreements, and regular preparation of asset service reports and other services; meanwhile, the Company as a liquidity support institution provides liquidity support to make up the differences between the interest and the principal when the principal of priority asset-backed securities fails to be fully repaid. After paying the trust tax and relevant expenses, the trust property shall be used preferentially to repay the principal and interest of the priority asset-backed securities. The remaining trust property after the repayment of all the principal and interest shall be regarded as the income of the substandard asset-backed securities which shall be owned by the Company. The Company actually retains almost all the risks and remuneration of the trust property, so it does not terminate the confirmation of the trust property; at the same time, the Company has actual control over the specific targeted entities which are included in the scope of the consolidated financial statements.

When applying the accounting policies for securitized financial assets, the Company has considered the risk and remuneration transfer degree regarding the assets transferred to other entity, and the degree of control the Company has over such entity;

(1) When the Company has transferred almost all risks and remunerations related to the ownership of the financial assets, it will derecognize such financial assets;

(2) When the Company has reserved almost all risks and remunerations related to the ownership of the financial assets, it will continue to recognize such financial assets;

(3) When the Company has neither transferred nor reserved almost all risks and remunerations related to the ownership of the financial assets, it may consider whether it has the control over such financial assets. If the Company has not reserved the control, it will derecognize such financial assets and recognize the rights and obligations arising from transfer or the same reserved as assets or liabilities respectively. If the Company has reserved the control, it will recognize such financial assets based on the degree of continuous involvement of such financial assets, and recognize relevant liabilities accordingly.

4.35 Expenses for safe production and expenses for maintaining simple reproduction

According to relevant provisions of the Circular on Issuing the Administrative Measures for the Withdrawal and Use of Expenses on Work Safety of Enterprises (CZ [2022] No.136) issued by the Ministry of Finance, enterprises engaging in electricity production and supply shall, based on the business revenue in the previous year, withdraw the expenses on work safety by the excess-regressive method.

At the withdrawal of such expenses as the expenses on work safety according to the Interpretation No.3 of Accounting Standards for Business Enterprises (CK [2009] No.8), these expenses should be included in the cost of related products or the current profit or loss, and recognized in "special reserves" at the same time.

Where expenses for work safety and expenses for maintaining simple reproduction withdrawn that are used within the prescribed scope belong to expensing expenditures, they shall be used to directly offset special reserves; where expenses for work safety form fixed assets, they shall be recognized as fixed assets through collection of expenses under the item "construction in

progress" and when safe projects are completed and reach working condition for its intended use; at the same time, the costs of formed fixed assets are used to offset special reserves and accumulated depreciation with the same amount shall be recognized. Provision for depreciation of such fixed assets will be no longer made in subsequent periods.

4.36 Other significant accounting policies and estimates

4.36.1 Accounting treatment for the free transfer of the shares of subsidiaries within state solely-owned enterprises or state wholly-owned enterprises (applicable for transferred-in enterprises)

In the work of addressing overcapacity, reducing inventory, deleverage, reducing costs and bolstering areas of weakness, the Company gratuitously obtained the equity of its original subsidiaries according to relevant provisions stipulated by state-owned assets regulation departments. The Company and transferred-out enterprises are state solely-owned (or wholly-owned) enterprises.

(1) Individual financial statements

On the date when obtaining the control over the transferred enterprises, the Company recognizes the long-term equity investments of these transferred enterprises based on relevant amounts specified in the official reply given by state-owned assets regulation departments, and adjusts capital reserves (capital premiums) at the same time.

(2) Consolidated financial statements

After obtaining the control over transferred enterprises, the Company included those transferred enterprises in the consolidated financial statements.

Various assets and liabilities transferred in the Company are included in the consolidated balance sheet of the Company at the amounts continuously calculated based on the book values determined via audit and approved by state-owned assets regulation departments till the control day, and while the adjustment to capital reserves (capital premiums) are made. The retained earnings realized by transferred enterprises from the base day approved by relevant state-owned assets regulation department to the day when the control is transferred should be transferred from capital reserves to retained earnings to the extent that the amount transferred is equal to the credit balance of the Company's capital reserves (capital premiums).

The consolidated income statement, consolidated statement of cash flow and consolidated statement of owners' equity during the period when the Company obtains the control of transferred enterprises reflect the net profit, cash flow and change in owners' equity of the transferred enterprises from the base date when the state-owned assets supervision departments approve the transfer to the end of the current period of the transfer of the control.

4.36.2 Accounting treatment for the free transfer of the shares of subsidiaries within state solely-owned enterprises or state wholly-owned enterprises (applicable for transferred-out enterprises)

In the work of addressing overcapacity, reducing inventory, deleverage, reducing costs and bolstering areas of weakness, the Company gratuitously transferred out the equity of its original subsidiaries according to relevant provisions stipulated by state-owned assets regulation departments. The Company and transferred-in enterprises are state solely-owned (or wholly-owned) enterprises.

(1) Individual financial statements

As of the date when losing the control over the transferred enterprises, the Company derecognizes the long-term equity investments of these transferred enterprises. Meanwhile, the Company offsets the capital reserves (capital premiums), and offsets the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset.

(2) Consolidated financial statements

As of the date when losing the control over the transferred enterprises, the Company derecognizes the assets, liabilities, minority equity and other equity items which have been presented in the consolidated financial statements and are relevant to those transferred enterprises, and offsets capital reserves (capital premiums) with relevant differences and offsets the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset. Meanwhile, the unrealized internal profits or losses incurred before the transfer of the control between the Company and other transferred enterprises are transferred in capital reserves (capital premiums), and used to offset the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset.

4.36.3 Special rewards and subsidies for the restructuring of industrial enterprises

As the Company acquired the special rewards and subsidies for the restructuring of industrial enterprises according to the Circular of the Ministry of Finance on Issuing the Administrative Measures for Special Rewards and Subsidies for the Restructuring of Industrial Enterprises (Cai Jian [2018] No.462), it provisionally recognized the special payables at the time when it acquired the special rewards and subsidies allocated in advance. After the Company has carried out the related work of resolving production capacity as required, in accordance with the calculation standards stipulated in the Document (Cai Jian [2018] No.462), if the Company can reasonably and reliably determine the amount of special rewards and subsidies obtained due to the completion of the task, it shall include them in the current profit and loss, and then offset special payables; if the Company cannot reasonably and reliably determine the amount of special rewards and subsidies obtained due to the completion of the task, it shall, after being checked and liquidated by the Ministry of Finance, include them in the current profit and loss, and then offset special payables. Where the pre-allocated special rewards and subsidies is less than the amount estimated to be enjoyed by the Company, the shortfall shall be recognized as other receivables; if the funds are returned to the Ministry of Finance as required due to the failure to complete the relevant tasks, the special payables shall be written off according to the amount of the returned funds[user1].

5. Changes in accounting policies and accounting estimates and correction of errors and other adjustments

5.1 Changes in accounting policies

5.1.1 Implementation of the Interpretation No.17 of the Accounting Standards for Business Enterprises

The Ministry of Finance announced the Interpretation No.17 of the Accounting Standards for Business Enterprises (Cai Kuai [2023] No.21, hereinafter referred to as the "Interpretation No.17") on October 25, 2023.

① Regarding the classification of current liabilities and non-current liabilities

Interpretation No.17 clarifies that:

- If on the balance sheet date, the enterprise has no substantial right to defer the repayment of liability for more than one year after the balance sheet date, the liability shall be classified as current liability.

- For liabilities arising from enterprise loan arrangements, the enterprise's right to defer the repayment of liabilities to more than one year after the balance sheet date may depend on whether the enterprise has complied with the conditions specified in the loan arrangements (hereinafter referred to as "Contractual Conditions"). When judging whether the enterprise has a substantial right to defer the debt repayment, it shall only consider the Contractual Conditions that should be followed on or before the balance sheet date, other than Contractual Conditions to be followed after the balance sheet date.

- When classifying the liquidity of liabilities, the liquidation of liabilities refers to the release of liabilities by the enterprise by transferring cash, other economic resources (such as goods or services) or its own equity instruments to the counterparty. Where the clause on the liability causes the enterprise to settle it by delivering its own equity instruments at the option of the counterparty, if the enterprise classifies the above option as an equity instrument and separately recognizes it as an equity component of a compound financial instrument in accordance with the Accounting Standards for Business Enterprises No.37 - Presentation of Financial Instruments, the clause will not affect the liquidity classification of the liability.
  The Interpretation was implemented from January 1, 2024 and such implementation had no significant impact on the Company's financial status and operating results.

② Disclosure of supplier financing arrangements

Interpretation No.17 requires enterprises to disclose information related to supplier financing arrangements in summary when making note disclosures, so as to help users of statements assess the impact of these arrangements on the enterprise's liabilities, cash flows and the enterprise's liquidity risk exposure. The impact of supplier financing arrangements should also be considered when identifying and disclosing liquidity risk information. This disclosure requirement applies only to supplier financing arrangements. A supplier financing arrangement refers to a transaction with the following features: one or more financing providers provide funds to pay the amount due to suppliers by the enterprise, and it is agreed that the enterprise will repay the financing provider on or after the day when the supplier receives the payment according to the terms and conditions of the arrangement. The supplier financing arrangement extends the payment period of the enterprise or advances the collection period of the enterprise's suppliers compared with the original payment due date.

The Interpretation will come into force on January 1, 2024, and the enterprise does not need to disclose relevant information of comparable periods and some opening information when implementing the Interpretation for the first time.

The implementation of the Provisions does not have the significant impact on the Company's financial position and operating results.

③ Accounting treatment of sale-and-leaseback transactions

Interpretation No.17 stipulates that in the subsequent measurement by the leasee of the lease liability formed from leaseback, the way in which the enterprise determines the lease payment or lease payment after the change shall not result

in the recognition of gains or losses related to the right to use obtained by the leaseback. When implementing the provisions for the first time, enterprises shall make retroactive adjustments to the sale-and-leaseback transactions carried out after the first implementation date of the Accounting Standards for Business Enterprises No.21 - Leases.

The Interpretation will come into force on January 1, 2024, and enterprises are allowed to implement it in advance from the year of issuance. The Company implements the Provisions from January 1, 2024. Implementation of the Provisions has no significant impact on the Company's financial status and operating results.

5.1.2 Implementation of the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources

On August 1, 2023, the Ministry of Finance issued the Interim Provisions on Accounting Treatment Related to Enterprise Data Resources (Cai Kuai [2023] No.11), which apply to the accounting treatment related to data resources that meet the relevant provisions of the Accounting Standards for Business Enterprises and are recognized as intangible assets or assets such as inventory, and data resources that are legally owned or controlled by enterprises and are expected to bring economic benefits to enterprises but are not recognized because they do not meet the conditions for asset recognition. The Interim Provisions also put forward specific requirements for the disclosure of data resources.

The Interim Provisions will come into force on January 1, 2024, and enterprises shall adopt the prospective application method.

Expenditures related to data resources that have been expensed and included in profit or loss before the implementation of the Interim Provisions will not be adjusted. The implementation of the Provisions does not have the significant impact on the Company's financial position and operating results.

5.1.3 Implementation of the provisions of the Accounting Standards for Business Enterprises Interpretation No.18 --Accounting Treatment of Guarantee-type Quality Assurance that Does Not Belong to a Single Performance Obligation

On December 6, 2024, the Ministry of Finance issued the Interpretation on the Accounting Standards for Business Enterprises No.18 (Cai Kuai [2024] No.24, hereinafter referred to as the " Interpretation No.18 "), which came into force as of the date of issuance, and enterprises are allowed to implement it in advance from the year of issuance.

According to the Interpretation No.18, when accounting for the estimated liabilities arising from the guarantee-type quality assurance that does not belong to a single performance obligation, according to the relevant provisions of the Accounting Standards for Business Enterprises No.13 - Contingencies, they shall be debited into " Costs of primary business " and " Other business costs " " and other items, credited into " Estimated liabilities ", and presented correspondingly in the income statement under " Operating costs " and in the balance sheet under "Other current liabilities" and "Non-current liabilities due within one year", " Estimated liabilities " and other items.

When implementing the Interpretation for the first time, if the original provision for guarantee-type quality assurance is included in " Selling and distribution expenses " , etc., retrospective adjustment shall be made in accordance with the changes in accounting policies.

The main impacts of the Company's implementation of the provisions from 2024 are as follows:

Affected items in the financial statements	Consolidated Year 2023	Parent company Year 2023
Operating costs	56,331,960.03	
Selling and distribution expenses	-56,331,960.03	

5.1.4 Changes in other accounting policies

Save for the effect of the aforementioned change in accounting policy, there was no change in the Company's other significant accounting policies during the reporting period.

5.2 Changes in accounting estimates

There was no change in significant accounting estimates of the Company during the reporting period.

5.3 Correction of significant accounting errors in prior periods

5.3.1 Nature of significant errors in prior periods

Specific matters and nature of significant accounting errors in prior periods:

(1) The Company's subsidiary, National Bio Energy Group Co., Ltd., did not carry out the construction of "dual networking" because the national subsidies for 4 units had expired before the introduction of the "dual networking" policy and were in a standby state. The subsidized electricity charges for "overdue service", "outsourced power" and "inconsistent approval and construction" were reduced, and adjustment was made to reduce the total assets at the beginning of the year by RMB3,339,157,000 increase the total liabilities at the beginning of the year by RMB188,801,100, and reduce the total owners' equity at the beginning of the year by RMB3,527,958,100.

(2) The Company's subsidiaries, SPIC Nuclear Energy Co., Ltd. and Shanghai Hexi Energy Investment Co., Ltd., adjusted the long-term equity investment accounted for under the equity method based on the auditor's reports of the shareholding enterprises, adjusted to increase the total assets at the beginning of the year by RMB186,505,500, and increase the total owners' equity at the beginning of the years by RMB186,505,500.

(3) Shandong Nuclear Power Co., Ltd., a subsidiary of the Company, transferred part of the electricity charges receivable to Bank of China in 2023. Shandong Nuclear Power de-recognized the above accounts receivable when it received the transfer price of the electricity charges receivables. However, the electricity charges receivable transferred by Shandong Nuclear Power had been pledged to the syndicate previously, which did not meet the conditions of "qualified accounts receivable" as agreed in the "Agreement on Financing against Accounts Receivable Insurance". Therefore, the total assets at the beginning of the year were adjusted to increase by RMB645 million, and the total liabilities at the beginning of the years were adjusted to increase by RMB645 million.

(4) Shandong Nuclear Power Co., Ltd., a subsidiary of the Company, recognizes the government subsidy income in accordance with the Circular on Issuing the Provincial Incentive Funds for Supporting High-quality Development in 2022 and the Circular on Issuing the Provincial Incentive funds for Supporting High-Quality Development in 2023 issued by the Department of Finance of Shandong Province. However, the incentive funds for high-quality development are recognized in accordance with local policies, and whether they can be

cashed depends on the status of local financial funds, and such incentive funds for the previous two years have not yet been received. After careful consideration in response to the requirements of major assets restructuring and listing, the above government subsidy income accumulatively recognized was offset, and the total assets at the beginning of the year were adjusted to reduce by RMB29 million, and the total owners' equity at the beginning of the year was adjusted to decrease by RMB29 million.

(5) Other adjustment matters of the Company increased the total assets and liabilities at the beginning of the year by RMB 64,297,600 and RMB 7,134,000 respectively, and decreased the total owners' equity at the beginning of the year by RMB 57,163,600.

5.3.2 Affected items and adjusted amounts in the financial statements for the period prior to the presentation

Significant accounting errors in prior periods adopting the retrospective restatement method during the reporting period

Item	Total assets	Total liabilities	Owners' equity	Total operating income	Total profits
Affected amount	-2,472,353,864.56	840,935,140.63	-3,313,289,005.19	-96,989,025.14	8,133,062.11

5.4 Impacts of the above adjustments on the amounts as at January 1, 2024 and amounts as at December 31, 2023

Item	Amount as at December 31, 2023 (Amount in 2023 before adjustment)	Amount as at January 1, 2024 (Amount in 2023 after adjustment)	Amount impacted by adjustment	
			Total	Correction of accounting errors
Total assets	1,753,476,951,817.32	1,751,004,597,952.76	-2,472,353,864.56	-2,472,353,864.56
Total liabilities	1,203,057,495,321.84	1,203,898,430,462.47	840,935,140.63	840,935,140.63
Total equity attributable to owners of the company	221,351,974,648.12	219,185,422,505.45	-2,166,552,142.67	-2,166,552,142.67
Including: Paid-in capital	35,000,000,000.00	35,000,000,000.00		
Other equity instruments	150,500,000,000.00	150,500,000,000.00		
Capital reserves	34,316,264,682.30	34,258,722,537.56	-57,542,144.74	-57,542,144.74
Other comprehensive income	845,154,418.70	839,932,037.50	-5,222,381.20	-5,222,381.20
Special reserves	770,916,653.54	770,916,653.54		
Retained earnings	-80,361,106.42	-2,184,148,723.15	-2,103,787,616.73	-2,103,787,616.73
Minority equity	329,067,481,847.36	327,920,744,984.84	-1,146,736,862.52	-1,146,736,862.52

6. Taxation

6.1 Main tax types and tax rates

Tax type	Basis of tax assessment	Applicable tax rate (%)
Value-added tax	Output VAT is calculated based on taxable sales income and service income calculated in accordance with tax laws, and VAT payable shall be the difference between the output VAT and input VAT deductible in the same period	13, 9, 6

Tax type	Basis of tax assessment	Applicable tax rate (%)
	The Group has business where VAT is levied by the simple method without deducting the input VAT	5, 3, 1
	The Group's subsidiaries have the small-scale taxpayers who adopt the simple method for tax collection without deduction of input VAT	5, 3, 1
	Levied based on the quantity of aluminum ore mined	RMB 20 / ton
Resource tax	The coal resource tax is levied at relevant price and rate.	5, 6, 9
Urban maintenance and construction tax	Levied based on the actual VAT and consumption tax paid	1, 5, 7
Enterprise income tax	Levied based on the taxable income	25

For taxpayers adopting different enterprise income tax rates, the information should be disclosed as follows:

Taxpayer	Income tax rate (%)
SPIC Green Energy Limited	16.5
SPIC Pacific Energy Pty Ltd	30
SPIC Brazil Energia Participaçoes S.A.	34
Pacific Hydro Pty Ltd	30
Pacific Hydro Chile SA	27
Pacific Hydro Energia do Brasil Ltda	34

6.2 Preferential tax policies

6.2.1 Preferential policies for VAT

(1) According to the Circular on Value-added Tax Policies for Wind Power Generation (Cai Shui [2015] No.74) issued by the Ministry of Finance and the State Taxation Administration, from July 1, 2015, as for the power products self-produced by the taxpayers through wind power, the VAT policy of refund at 50% upon collection shall apply. Wind power generation enterprises subordinate to the Company may enjoy the above-mentioned preferential tax policy.

(2) According to the Circular on Renewing the Preferential Policies for Value-added Tax, Real Estate Tax and Urban Land Use Tax for Heat Supply Enterprises (Cai Shui [2019] No.38) issued by the Ministry of Finance and the State Taxation Administration, in "northwest, north China and northeast regions", the revenue from heating fees charged from individual citizens (hereinafter referred to as "Citizens") by heat supply enterprises during the period from January 1, 2019 to the end of the heating period in 2020 shall be exempt from VAT; heat supply enterprises affiliated to the Company enjoyed the above tax policies this year. According to the announcement of the Ministry of Finance and the State Taxation Administration ([2023] No.56), the implementation period of the above-mentioned preferential policy shall be extended to the end of the heating period in 2027.

(3) According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Value-added Tax Super-deduction Policy for Advanced Manufacturing Enterprises (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.43), stating that from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to add an extra 5% based on the deductible input tax for the current period for deduction of the VAT payable, Shandong Nuclear Power Equipment

Manufacturing Co., Ltd., SPIC Yuanda Environmental Protection Catalyst Co., Ltd., Chongqing Yuanda Catalyst Comprehensive Utilization Co., Ltd., subordinate enterprise of the Company, were in line with such requirement, and enjoyed such preferential tax policy for VAT super-deduction.

(4) According to the Circular of the Ministry of Finance and the State Taxation Administration on the Relevant Issues concerning the Tax Policies for the Nuclear Power Industry (Cai Shui [2013] No.38, nuclear power generation enterprises that produce and sell electricity products shall uniformly implement the policy of refund after collection of value-added tax with the refund ratios gradually decreasing in three phases within 15 years from the next month after the nuclear units are officially put into commercial production. During the reporting period, Shandong Nuclear Power Co., Ltd., a subordinate enterprise of the Company, complied with the provisions that "1. Within 5 years from the month immediately after the official commercial production, the refund ratio is 75% of the tax that has been put into the treasury", and thus enjoyed the policy of VAT refund after collection.

(5) As from January 1, 2011, according to the Circular of the Ministry of Finance and the State Taxation Administration on Value-added Tax Policy for Software Products (Cai Shui [2011] No.100), VAT for software products may be refunded upon collection, SPIC Digital Technology Co., Ltd., subordinate to the Company, enjoys the above -mentioned tax preferential policies.

(6) According to the relevant provisions of the Circular of the Ministry of Finance and the State Taxation Administration on Issuing the Catalogue of Preferential Value-added Tax Policies for Products and Labor Services Generated from the Comprehensive Utilization of Resources (Cai Shui [2015] No.78) and the Announcement of the Ministry of Finance and the State Taxation Administration on Improving the Value-added Tax Policy for Comprehensive Utilization of Resources (Announcement of the Ministry of Finance and the State Taxation Administration [2021] No.40), enterprises affiliated to the Company, such as Shangdian Caojing, National Bio Energy and Yuanda Environmental Protection, are engaged in the sales of self-produced products generated for comprehensive utilization of resources and the provision of labor services generated from comprehensive utilization of resources that meet the scope, conditions and standards stipulated in the Catalogue of Preferential Value-added Tax Policies for Products and Labor Services Generated from the Comprehensive Utilization of Resources. Specifically, the preferential VAT policy of "100% refund upon collection" may be enjoyed for the electricity and heat sold by means of agriculture and forestry biomass power generation and heating; the preferential VAT policy of "70% refund upon collection" can be enjoyed for sludge disposal.

(7) According to the relevant provisions of tax laws and regulations and the Circular of the General Office of the State Council on Forwarding the Opinions of the National Development and Reform Commission and Other Departments on Accelerating Contractual Energy Management and Promoting the Development of Energy Conservation Service Industry (Guo Ban Fa [2010] No.25), energy conservation service companies that implement eligible contractual energy management projects and transfer goods subject to VAT in the projects to energy-using enterprises are temporarily exempted from VAT. The Company's subordinate enterprise, SPIC Yuanda Water Co., Ltd., enjoyed the above preferential policies in 2024.

(8) According to the Circular of the Ministry of Finance and the State Taxation Administration on Simplifying and Consolidating Policies concerning the Value-added Tax Levy Rates (Cai Shui [2014] No.57), Fengxian Smart Green Energy Co., Ltd. and Hanyin Smart Green Energy Development Co., Ltd., which are subordinate to Hanzhong Huanghe Medium-sized Hydropower Development Co., Ltd., a company subordinate to the Company, are subject to VAT at a rate of 3%.

(9) According to Item 2(1) of the Provisions on the Transitional Policies for the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax, being Appendix III to the Circular of the Ministry of Finance and the State Taxation Administration on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (Cai Shui [2016] No.36), if the actual VAT burden on a general taxpayer providing pipeline transportation services for such services is more than 3%, the portion of actual VAT burden exceeding 3% shall be refunded upon the collection thereof. This policy is applicable to the pipeline transportation services of Xining Economic and Technological Development Zone Huanghe Electricity Distribution and Sales Co., Ltd., a subordinate enterprise of the Company.

6.2.2 Preferential policies for enterprise income tax

(1) According to Article 27 in the Law of the People's Republic of China on Enterprise Income Tax and Article 87 in the implementing regulations thereof, the Circular on Issues Concerning the Implementation of the Catalogue of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects (Cai Shui [2008] No.46) (Circular of the State Taxation Administration on Issues Concerning the Implementation of the Preferential Policies for Enterprise Income Tax for Public Infrastructure Projects Supported by the State (GSF [2009] No.80)), the Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects and Projects of Environmental Protection, Energy Saving and Water Conservation (Cai Shui [2012] No.10), and the Supplementary Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Application of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects (Cai Shui [2014] No.55), as for the revenue from investments in projects specified in the Catalogue of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects (Cai Shui [2008] No.116), from the tax year where relevant project gains revenue from the first batch of production management, the enterprise income tax shall be exempt for the first three years, and shall be half-reduced from the fourth year to the sixth year. Revenues from the photovoltaic power generation companies (projects), wind power companies (projects), projects of environmental protection, energy saving and water conservation, which are subordinate to the Company, may enjoy the above-mentioned preferential tax policies.

(2) According to the Circular of the State Council on Implementing Several Policies on the Development of Western China (GF [2000] No.33), the Circular of the Ministry of Finance, the General Administration of Customs and the State Taxation Administration on Issues Concerning Tax Policies for the In-depth Implementation of Strategies for the Development of Western China (Cai Shui [2011] No.58), and the Announcement on Renewing the Enterprise Income Tax Policy for the Development of Western China (Announcement of the Ministry of Finance, the State Taxation Administration, and the National Development and Reform Commission [2020] No.23) as well as relevant documents issued by all local tax bureaus, the Company's subsidiaries in Western China may enjoy the

aforesaid preferential policies for the development of Western China, by which the enterprise income tax rate applicable to these subsidiaries was 15% in 2024.

(3) According to Article 99 of the Implementing Regulations of the Law of the People's Republic of China on Enterprise Income Tax and the Announcement on Issuing the Catalogue of Environmental Protection, Energy Conservation and Water Saving Projects Eligible for Enterprise Income Tax Preference (2021 Edition) and the Enterprise Income Tax Preference Catalogue for Comprehensive Utilization of Resources (2021 Edition) (Announcement of the Ministry of Finance, the State Taxation Administration, the Development and Reform Commission, and the Ministry of Ecology and Environment [2021] No.36), "I. Incomes gained by an enterprise from the production of products within the Catalogue that meet national or industrial standards with resources listed in the Catalogue as major raw materials shall be counted into the total incomes at 90 percent when calculating the taxable income. The income generated by the comprehensive utilization of resources by the smart energy enterprises subordinate to the Company enjoys the above preferential tax policies.

(4) According to the Circular of the Ministry of Finance and the State Taxation Administration on Implementing the Policy on Inclusive Tax Reliefs for Small and Micro Enterprises (Cai Shui [2022] No.13), stating that from January 1, 2022 to December 31, 2024, for small low-profit enterprises, the portion of annual taxable income more than RMB 1 million but less than RMB 3 million shall be included in the actual taxable income at 25%, based on which the enterprise income tax shall be paid at the tax rate of 20%. According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Preferential Income Tax Policy for Small and Micro Enterprises and Individual Businesses (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.6), stating that from January 1, 2023 to December 31, 2024, for small low-profit enterprises, the portion of annual taxable income less than RMB 1 million shall be included in the actual taxable income at 25%, based on which the enterprise income tax shall be paid at the tax rate of 20%. According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Businesses (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.12), the policy that small low-profit enterprises shall calculate their actual taxable income at 25% of the annual taxable income and pay the enterprise income tax at 20% shall be continuously implemented by December 31, 2027. Some subsidiaries of the Company were recognized as micro and small enterprises and enjoyed such policy.

(5) According to the Circular of the Ministry of Finance, the National Development and Reform Commission and the Ministry of Industry and Information Technology on Improving the Catalogue of Enterprise Income Tax Preference for Key Industries Encouraged for Development in Poor Areas of Xinjiang (Cai Shui [2016] No.85), the applicable catalogue of preferential enterprise income tax policies for enterprises newly established in poor areas of Xinjiang, Kashgar Kashi Economic Development Zone and Khorgos Economic Development Zone shall be properly adjusted according to the Catalogue of Enterprise Income Tax Preference for Key Industries Encouraged for Development in Poor Areas of Xinjiang (for trail implementation) (2016 version). 110 MW photovoltaic power generation project phase I of Yili Simax Power Generation Co., Ltd. a subsidiary of the Company, enjoyed the above-mentioned policy, with the enterprise

income tax levied at 9% in 2024.

(6) According to the Announcement on the Issues Concerning the Income Tax Policies for Third-party Enterprises Engaged in Pollution Prevention and Control ([2023] No.38) jointly issued by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission and the Ministry of Ecology and Environment, the qualified third-party enterprises engaging in pollution prevention and control shall pay enterprise income tax at a reduced rate of 15% from January 1, 2024 to December 31, 2027. Subsidiaries Jiangxi Yuanda Environmental Protection Co., Ltd., Henan Jiulong Environmental Protection Co., Ltd, Chaoyang Yuanda Environmental Protection Water Co., Ltd., Lingyuan Yuanda Water Co., Ltd. and Changtu Yuanda Water Co., Ltd. enjoyed the above preferential enterprise income tax policies in 2024.

(7) According to the Law of the People's Republic of China on Enterprise Income Tax and the Implementing Regulations of the Law of the People's Republic of China on Enterprise Income Tax, high-tech enterprises where the state should give key support shall pay the enterprise income tax at the tax rate of 15%. Companies identified as high-tech enterprises may enjoy the above preferential tax policies.

(8) According to the document ([2021] No.27) issued by the Ministry of Finance and the State Taxation Administration and the document ([2021] No.66) issued by the People's Government of Xinjiang Uygur Autonomous Region, in terms of taxation, Khorgos Economic Development Zone would continue to implement the policy of "five exemptions and five reductions" until 2030, that is, for January 1, 2021 to December 31, 2030, key enterprises encouraged for development, newly established in such economic development zone and listed in the catalogue of industries in 36 categories (including 449 items), may be exempted from the enterprise income tax within 5 years from the taxable year where the first revenue from production and operation had been acquired and the local sharing part of the enterprise income tax from the sixth year to the tenth year; enterprises within the scope of the Preferential Catalogue of Income Tax for Enterprises Focusing on Industries Encouraged to Develop in Difficult Areas in Xinjiang (the "Catalogue") may enjoy the relevant preferential policy for enterprise income tax according to the document of Cai Shui [2021] No.27. 20 MW photovoltaic power generation project of Yili Xinhui Fourth Division, 61st Regiment of Yili Xinhui Photovoltaic Power Generation Co., Ltd, a subsidiary of the Company, enjoyed the above-mentioned policy in 2024.

(9) According to the Circular of the Ministry of Finance and the State Taxation Administration on Preferential Enterprise Income Tax Policies for the Hainan Free Trade Port (Cai Shui [2020] No.31), enterprises in encouraged industries registered in the Hainan Free Trade Port ("FTP")and engaged in substantive operations shall pay for the enterprise income tax at a reduced tax rate of 15%.

(10) According to the Circular of the State Council on Specifying the Proportions of Income Tax Revenue Sharing of the Central and Local Governments (GF [2003] No.26), in order to promote the coordinated development of regional economies and the reform deepening, the State Council made a decision that income tax revenue sharing shall be carried out for the central government and the local government at 60% and 40% respectively from 2004. According to the Measures for the Implementation of Enterprise Income Tax Policies in Tibet Autonomous Region (Zang Zheng Fa [2022] No.11), the following industries and projects under the key support and encouragement for development (hydropower, solar photovoltaic power generation, wind power, geothermal

power generation and other clean energy system testing, construction and operation) shall be exempted from the local sharing part of enterprise income tax from January 1, 2022 to December 31, 2025. Subsidiaries of the Company, such as SPIC Tibet Energy Co., Ltd., SPIC Chayu Electric Power Co., Ltd., SPIC Shannan Electric Power Co., Ltd., SPIC Changdu Energy Co., Ltd., SPIC Langxian Energy Co., Ltd., SPIC Shigatse Energy Co., Ltd., SPIC Dangxiong Energy Co., Ltd., Tibet Nimu Qingneng Integrated Smart Energy Co., Ltd., Tibet Zada Xuneng Integrated Smart Energy Co., Ltd., Tibet Biru Derun Energy Co., Ltd., Tibet Dingjie Weihang Energy Co., Ltd., Tibet Linzhou Jingsen Energy Co., Ltd and Tibet Dangxiong Qingguang Energy Co., Ltd. were exempted from the local sharing part of enterprise income tax.

(11) According to the Circular of the Ministry of Finance, the State Taxation Administration and the Ministry of Science and Technology on Increasing the Pre-tax Additional Deduction Ratio of Research and Development Expenses (Cai Shui [2018] No.99) and the Announcement of the Ministry of Finance and the State Taxation Administration on Extending the Implementation Period for Some Preferential Tax Policies (Announcement [2021] No.6), the R&D expenses actually incurred by enterprises in conducting R&D activities that do not form the intangible assets are included in the current profit and loss, and the additional deduction shall be made at 75% of the amount actually incurred before tax on the basis of deduction made according to the provisions and the fact during the period from January 1, 2018 to December 31, 2023; if such R&D expenses form intangible assets, they shall be amortized before tax at 175% of the cost of intangible assets during the above-mentioned period. According to the Announcement of the Ministry of Finance and the State Taxation Administration on Further Improving the Policy of Pre-Tax Deduction of R&D Expenses ([2023] No.7), for the R&D expenses actually incurred by enterprises in their R&D activities, if no intangible assets are recognized in the current profit and loss, on the basis of deduction according to regulations, an additional 100% of the actual amount incurred will be deducted before tax from January 1, 2023; if intangible assets are recognized, they shall be amortized at 200% of the cost of intangible assets before tax from January 1, 2023. The above policies have been implemented as institutional long-term arrangements. Qinghai Huanghe New Energy Maintenance and Inspection Co., Ltd., etc., subordinate to the Company, enjoyed this policy.

(12) The Company's subsidiary, EMBA Turkey, obtained the industrial registration certificate issued by the Ministry of Industry and Technology of Turkey on June 28, 2022. According to Article 32 of the Law on Enterprise Income Tax of Turkey (Law No.7351), it can enjoy the preferential enterprise income tax rate reduction of 1%. The certificate has taken effect from the date of issuance and shall be issued every two years. The issuance date of this year is June 28, 2024.

6.2.3 Preferential policies for land use tax

(1) According to the Notice of Qinghai Province People's Government on Postponing the Implementation of the Document (Qing Zheng [2018] No.12) (Qing Zheng [2018] No.27), the implementation of the Notice of Qinghai Province People's Government on Further Clarifying the Scope of Collection of Urban Land Use Tax (Qing Zheng [2018] No.12) was postponed. The Company's subsidiary, Huanghe Hydropower Gonghe Solar Power Generation Co., Ltd., enjoyed the preferential tax policy of temporarily exemption of urban land use tax.

(2) According to the Provisions of the State Taxation Administration on Exemption of Land Use Tax in Electric Power Industry (Guo Shui Di Zi [1989] No.13), the ash yard and ash pipe outside the factory walls of the subsidiaries of the Company shall be exempted from land use tax. SPIC Northeast Electric Power Co., Ltd., a company subordinate to the Company, and its subsidiaries enjoyed the above-mentioned preferential tax policy.

(3) According to the Notice of the Local Taxation Bureau of Inner Mongolia Autonomous Region under Inner Mongolia Autonomous Region Department of Finance on Clarifying Issues Concerning the Use of Urban Land Use Tax Policies for Photovoltaic Power Generation Enterprises (Nei Cai Shui [2017] No.2010), no land use tax shall be levied on the land that cannot be actually occupied in the factory areas of photovoltaic power generation enterprises (including production, office and living areas, the same below), such as historical sites, pass-through high-voltage transmission lines, flood discharge channels, and dams; for the land used by PV power generation enterprises, if the land is agricultural land or unused land and is actually used for breeding, soil and water conservation, vegetation restoration, desertification control, and salinization control, the land use tax may be exempted as "production land directly used for agriculture, forestry, animal husbandry, and fishery" in the regulations. Mengdong Concord Jarut Banner Wind Power Co., Ltd., a subsidiary of the Company, enjoys the above preferential tax policies.

(4) According to the Circular of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Continuing the Policy of Lowering the Standards for Urban Land Use Tax (Jin Cai Shui [2022] No.1), stating that in order to continue to maintain and stimulate the market vitality in Shanxi Province, and reduce the burden of enterprises, according to the Opinions on Implementing the Multiplication of Market Entities issued by Shanxi Provincial Party Committee and Shanxi Provincial Government, and the Circular on Issuing Several Measures for Strengthening the Service Assurance for Factors of the Multiplication of Market Entities (Jin Zheng Ban Fa [2022] No.7) issued by the General Office of Shanxi Provincial Government, the tax standard that shall be due on December 31, 2021 as specified in the Circular of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Continuing the Policy of Lowering the Standards for Urban Land Use Tax (Jin Cai Shui [2021] No.3) and the Circular of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Adjusting the Standard for Urban Land Use Tax in Xinzhou City (Jin Cai Shui [2021] No.11) shall have a new due date of December 31, 2025. SPIC Shanxi Aluminum Co., Ltd., a company subordinate to the Company, enjoyed the policy of reduction and exemption of land use tax.

(5) According to the Circular of the Ministry of Finance and the State Taxation Administration on the Exemption from Urban Land Use Tax for Land used for Nuclear Power Plants (Cai Shui [2007] No.124), land used for nuclear power plant islands, conventional islands and auxiliary plants, land used for communication facilities (not including land used for underground lines), and land used for living quarters and official business shall be subject to urban land use tax in accordance with the relevant provisions. Land used for any other purpose shall be exempt from urban land use tax. Urban land use tax payable on taxable land used for nuclear power plants shall be levied at half the normal rate during the construction period. The preferential policy of exemption from urban land use tax is applicable to nuclear power plants such as Shandong Nuclear Power Co., Ltd. and State Nuclear Power Demonstration Plant Co., Ltd.

6.2.4 Preferential policies for land appreciation tax

According to the Announcement of the Ministry of Finance and the State Taxation Administration on Continuing the Implementation of the Land Appreciation Tax Policy for Enterprise Restructuring and Reorganization (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.51), if an enterprise is restructured as a whole pursuant to the relevant provisions of the Company Law of the People's Republic of China, including the restructuring of a non-corporate enterprise into a limited liability company or joint stock company, alteration of a limited liability company to a joint stock company, and alteration of a joint stock company to a limited liability company, the transfer or change of the right to use state-owned land, ground buildings and the attached installations thereon (hereinafter referred to as "real estate") to the enterprise after the restructuring by the enterprise before the restructuring will be temporarily exempted from land appreciation tax. Xi'an Solar Power Branch of Qinghai Upper Yellow River Hydropower Development Co., Ltd. and Xining Solar Power Branch of Qinghai Upper Yellow River Hydroelectric Development Co., Ltd., subordinate enterprises of the Company, are exempted from land appreciation tax.

6.2.5 Preferential policies for consumption tax

According to the Circular on the Ministry of Finance and the State Taxation Administration on the Imposition of Consumption Tax on Batteries and Coatings (Cai Shui [2015] No.16), in which mercury-free galvanic cell, nickel-metalhydrogen storage battery (also known as "nickel hydrogen battery" or "nickel-hydrogen storage battery"), lithium galvanic cell, lithium ion battery, solar cell, fuel cell and all-vanadium redox flow battery shall be exempted from the consumption tax; thus, the solar cells sold by Qinghai Huanghe Hydropower Development Co., Ltd. Xi'an Solar Power Generation Branch and Qinghai Huanghe Hydropower Development Co., Ltd. Xining Solar Power Generation Branch, subsidiaries of the Company, were exempted from the consumption tax.

6.2.6 Preferential policies for environmental protection tax

According to the Law of the People's Republic of China on Environmental Protection Tax, environmental protection tax shall be temporarily exempted if taxable pollutants emitted from lawfully established centralized urban sewage and domestic waste treatment facilities without exceeding the national or local standard. The Company's subordinate enterprises Lingyuan Yuanda Water Co., Ltd., Chaoyang Yuanda Environmental Protection Water Co., Ltd., Changtu Yuanda Water Co., Ltd., Chaoyang Haili Yuanda Water Co., Ltd., Guizhou Chengyuan Environmental Protection Co., Ltd., Rongxian Ruixin Environmental Technology Co., Ltd. and Zhecheng Caixin Dake Environment Co., Ltd. enjoyed the above preferential policies in 2024.

6.2.7 Other preferential tax policies

(1) According to the Announcement on Further Applying the "Six Taxes and Two Surcharges" Relief Policy for Micro and Small Enterprises ([2022] No.10) issued by the Ministry of Finance and the State Taxation Administration, from January 1, 2022 to December 31,2024, as determined by the people's government of the local province, autonomous region or municipality directly under the Central Government based on the actual local situation and macro-control needs, the amount of resource tax, urban maintenance and construction tax, real estate tax, urban land use tax, stamp tax (excluding stamp tax levied on securities transactions) and farmland occupation tax, as well as education surcharge and local education surcharge levied on small-scale value-added tax (VAT) taxpayers, small and low-profit enterprises, and individually-owned businesses may be reduced by up to 50%. According to the Announcement on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individually-Owned Businesses ([2023] No.12), from January 1,2023 to December 3, 2027, small-scale VAT taxpayers, small and low-profit enterprises, and individually-owned businesses shall benefit from a 50% reduction in resource tax (water resource tax exclusive), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (not including stamp duty on securities transactions), farmland occupation tax, educational surcharges, and local education surcharges (Six Taxes and Two Surcharges). Some subsidiaries of the Company were recognized as micro and small enterprises and enjoyed such policy.

(2) According to the Circular of the Ministry of Finance, the National Development and Reform Commission, the Ministry of Industry and Information Technology, the General Administration of Customs and the State Taxation Administration on Adjusting the Import Tax Policies for Major Technical Equipment (Cai Guan Shui [2014] No.2), Shandong Nuclear Power Co., Ltd. complies with the policy and enjoys a certain duty-free import quota, and the specific duty-free import quotas shall be approved by the relevant departments.

6.3 Other description

None.

7. Business combination and consolidated financial statements

(Unless otherwise specified, figures in the following tables shall be expressed in RMB '0,000)

7.1 Subsidiaries

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
1	SPIC Innovation Investment Co., Ltd.	2	Domestic financial subsidiary	Beijing	Beijing	Capital investment services	200,000.00	100.00	100.00	100.00	200,000.00	Established by investment
2	SPIC International Finance (Hong Kong) Co., Ltd.	2	Domestic financial subsidiary	Hong Kong, China	Hong Kong, China	Others excluding financial industry	81,340.28	100.00	100.00	100.00	81,340.28	Established by investment
3	SPIC Finance Co., Ltd.	2	Domestic financial subsidiary	Beijing	Beijing	Finance company services	750,000.00	85.10	85.10	100.00	750,000.00	Established by investment
4	SPIC Northeast Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shenyang, Liaoning	Shenyang, Liaoning	Thermal power generation	888,449.41	100.00	100.00	100.00	888,449.41	Established by investment
5	SPIC Inner Mongolia Energy Co., Ltd.	2	Domestic non-financial subsidiary	Hohhot, Inner Mongolia	Hohhot, Inner Mongolia	Lignite mining, washing and dressing	229,419.44	100.00	100.00	100.00	229,419.44	Established by investment
6	SPIC Henan Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Zhengzhou, Henan	Zhengzhou, Henan	Thermal power generation	457,635.00	100.00	100.00	100.00	457,635.00	Established by investment
7	China Power International Development Limited	2	Domestic non-financial subsidiary	Beijing	Beijing	Thermal power generation	1,448,518.52	100.00	100.00	100.00	1,448,518.52	Established by investment
8	SPIC Aluminum & Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Aluminum smelting	447,713.16	100.00	100.00	100.00	447,713.16	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
9	SPIC Chongqing Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Chongqing	Chongqing	Thermal power generation	532,683.20	100.00	100.00	100.00	532,683.20	Established by investment
10	SPIC Jilin Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Changchun City, Jilin Province	Changchun City, Jilin Province	Thermal power generation	522,355.39	100.00	100.00	100.00	522,355.39	Established by investment
11	SPIC Yunnan International Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Kunming, Yunnan	Kunming, Yunnan	Hydroelectric generation	388,683.73	100.00	100.00	100.00	388,683.73	Established by investment
12	Beijing Funeng New Energy Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Solar power generation		100.00	100.00	100.00		Gratuitous transfer-in
13	SPIC Asset Management Co., Ltd.	2	Domestic non-financial subsidiary	Tianjin	Tianjin	Investment and assets management	225,486.41	100.00	100.00	100.00	225,486.41	Established by investment
14	SPIC Hebei Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shijiazhuang, Hebei	Shijiazhuang, Hebei	Solar power generation	89,596.87	100.00	100.00	100.00	89,596.87	Established by investment
15	SPIC Smart Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other unlisted professional technical services	76,000.00	90.00	90.00	100.00	76,000.00	Established by investment
16	SPIC Green Energy Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technology research and experimental development	44,019.41	100.00	100.00	100.00	44,019.41	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
17	State Power Investment Overseas Co., Ltd.	2	Domestic non-financial subsidiary	Zhuhai	Zhuhai	Hydroelectric generation	33,750.00	100.00	100.00	100.00	33,750.00	Established by investment
18	China Power Complete Equipment Co., Ltd	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering management services	23,339.41	100.00	100.00	100.00	23,339.41	Established by investment
19	SPIC Shared Services Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other unlisted information technology services	25,430.00	100.00	100.00	100.00	25,430.00	Established by investment
20	SPIC Shandong Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Jinan, Shandong	Jinan, Shandong	Power supply	35,000.00	100.00	100.00	100.00	35,000.00	Established by investment
21	SPIC Hainan Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Haikou, Hainan	Haikou, Hainan	Solar power generation	20,000.00	100.00	100.00	100.00	20,000.00	Established by investment
22	SPIC Beijing Zhongran Energy Technology Development Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technology research and experimental development	6,000.00	100.00	100.00	100.00	6,000.00	Established by investment
23	China Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other power production	8,600.00	100.00	100.00	100.00	8,600.00	Established by investment
24	SPIC Southwest Energy Research Institute Co., Ltd.	2	Domestic non-financial subsidiary	Chengdu, Sichuan	Chengdu, Sichuan	Other unlisted professional technical	4,590.00	100.00	100.00	100.00	4,590.00	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
						services						
25	SPIC Heilongjiang Nuclear Energy Heating Co., Ltd.	2	Domestic non-financial subsidiary	Qiqihar, Heilongjiang	Qiqihar, Heilongjiang	Heat production and supply	4,300.00	100.00	100.00	100.00	4,300.00	Established by investment
26	SPIC Xiong'an Energy Co., Ltd.	2	Domestic non-financial subsidiary	Baoding, Hebei	Baoding, Hebei	Heat production and supply	2,000.00	100.00	100.00	100.00	2,000.00	Established by investment
27	SPIC Mengdong Energy Co., Ltd.	2	Domestic non-financial subsidiary	Tongliao, Inner Mongolia	Tongliao, Inner Mongolia	Thermal power generation	330,000.00	65.00	65.00	100.00	330,000.00	Business combination not under common control
28	SPIC Economic and Technical Research and Consulting Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other power production	1,000.00	100.00	100.00	100.00	1,000.00	Established by investment
29	SPIC Hunan Energy Development Co., Ltd.	2	Domestic non-financial subsidiary	Changsha, Hunan	Changsha, Hunan	Other power production	47,900.00	100.00	100.00	100.00	47,900.00	Established by investment
30	SPIC Integrated Intelligent Energy Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technology research and experimental development	81,000.00	73.33	73.33	100.00	81,000.00	Established by investment
31	SPIC Digital Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other unlisted information	155,728.24	77.59	77.59	100.00	155,728.24	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
						technology services						
32	SPIC Research Institute of Science and Technology	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technology research and experimental development	212,635.84	77.43	77.43	100.00	212,635.84	Established by investment
33	SPIC Huanghe Hydropower Development Co., Ltd.	2	Domestic non-financial subsidiary	Xining, Qinghai	Xining, Qinghai	Hydroelectric generation	1,745,776.51	94.17	94.17	94.17	1,644,016.96	Established by investment
34	State Nuclear Power Technology Corporation	2	Domestic non-financial subsidiary	Beijing	Beijing	Nuclear power generation	2,402,883.53	92.06	91.68	92.06	2,687,878.40	Others
35	SPIC Carbon Asset Management Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other unlisted professional technical services	16,220.00	55.00	50.05	100.00	8,120.00	Established by investment
36	China United Gas Turbine Technology Co., Ltd.	2	Domestic non-financial subsidiary	Shanghai	Shanghai	Engineering and technology research and experimental development	352,800.00	78.12	78.12	78.12	275,594.00	Established by investment
37	SPIC Guizhou Jinyuan Co., Ltd.	2	Domestic non-financial subsidiary	Guiyang, Guizhou	Guiyang, Guizhou	Thermal power generation	469,231.54	68.05	68.05	68.05	439,312.00	Business combination not under common control

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
38	SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	2	Domestic non-financial subsidiary	Urumqi	Urumqi	Wind power	439,879.61	67.94	75.48	67.94	345,304.00	Established by investment
39	National Bio Energy Group Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Biomass power generation	813,005.94	65.39	64.26	65.39		Gratuitous transfer-in
40	Guoning Xinchu (Fujian) Technology Co., Ltd.	2	Domestic non-financial subsidiary	Ningde, Fujian	Ningde, Fujian	Other power production	4,000.00	60.00	60.00	60.00	2,400.00	Established by investment
41	SPIC Jiangxi Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Nanchang, Jiangxi	Nanchang, Jiangxi	Thermal power generation	285,793.94	54.32	54.32	54.32	155,229.00	Established by investment
42	Guangxi SPIC Overseas Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Nanning, Guangxi	Nanning, Guangxi	Wind power	130,000.00	40.00	40.00	52.10	123,500.00	Established by investment
43	Shanghai Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shanghai	Shanghai	Thermal power generation	281,674.36	44.43	44.43	51.79	546,461.93	Established by investment
44	SPIC Cloud Chain Technology (Beijing) Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Other unlisted information technology services	10,042.55			51.70	7,042.55	Established by investment
45	SPIC Industry-Finance Holdings Co., Ltd.	2	Domestic non-financial subsidiary	China	China	Solar power generation	538,341.85	49.76	49.76	51.05	852,489.05	Business combination not under common control

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
46	SPIC Yuanda Environmental Protection Co., Ltd.	2	Domestic non-financial subsidiary	Chongqing	Chongqing	Air pollution control	78,081.69	43.74	43.74	43.74	142,255.55	Business combination not under common control
47	SPIC Hydrogen Energy Technology Development Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technology research and experimental development	29,237.16	35.00	35.00	41.72	242,250.87	Established by investment
48	Jiaxing Rongneng Energy New Technology Investment Partnership (Limited Partnership)	2	Domestic non-financial subsidiary	Jiaxing, Zhejiang	Jiaxing, Zhejiang	Other non-publicly offered securities investment funds	2,000.00	25.00	25.00	100.00	500.00	Established by investment
49	SPIC Sanxin Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	106,727.99	100.00	100.00	100.00	106,727.89	Established by investment
50	SPIC Baogong (Jiaxing) Investment Partnership (Limited Partnership)	2	Structured entities	Jiaxing, Zhejiang	Jiaxing, Zhejiang	Other non-publicly offered securities investment funds	3,749,900.00	16.00	16.00	66.67	599,900.00	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
51	SPIC Sanxin Phase II Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	365,245.88	99.99	100.00	100.00	365,245.88	Established by investment
52	SPIC Technology Innovation Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	192,439.20	14.25	14.25	100.00	192,439.20	Established by investment
53	SPIC Jianneng (Jiaxing) New Energy Investment Partnership (Limited Partnership)	2	Structured entities	Jiaxing, Zhejiang	Beijing	Other non-publicly offered securities investment funds	359.61			100.00	359.61	Established by investment
54	SPIC Qingneng Yunchuang Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds				100.00	7,704.59	Established by investment

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
55	SPIC Qingneng Wind Power Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds				100.00		Established by investment
56	SPIC Clean Energy - Green Energy No.1 Private Equity Fund	2	Structured entities	Beijing	Beijing	Other non-publicly offered securities investment funds	1,000.00			70.00	695.12	Established by investment
57	SPIC Green Strategic Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds				100.00		Established by investment
58	SPIC Chuangxing Green New Energy (Anhui) Venture Capital Investment Partnership (Limited Partnership)	2	Structured entities	Wuhu, Anhui	Beijing	Other non-publicly offered securities investment funds	60,000.00			80.00	30,000.00	Established by investment
59	SPIC Qingneng Phase IV Carbon	2	Structured entities	Tianjin	Tianjin	Other non-publicly	125,200.00			66.67	25,100.00	Established by

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
	Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)					offered securities investment funds						investment
60	SPIC Qingneng Phase II Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	170,200.00			66.67	34,100.00	Established by investment
61	SPIC Qingneng Phase III Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	185,200.00			66.67	37,100.00	Established by investment
62	SPIC Qingneng Phase I Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Other non-publicly offered securities investment funds	950,200.00			66.67	190,100.00	Established by investment
63	SPIC Green Qingneng Phase	2	Structured entities	Haikou, Hainan	Beijing	Other non-publicly	8,450.00			75.00	8,350.00	Others

No.	Name	Grade	Type	Registration place	Principal place of business	Nature of business	Paid-in capital	Subscribed shareholding ratio (%)	Paid-in shareholding ratio (%)	Voting right ratio (%)	Investment amount	Method of acquisition
	I (Hainan) Private Equity Partnership (Limited Partnership)					offered securities investment funds						
64	China Power International Development Limited	3	Domestic non-financial subsidiary	Hong Kong, China	Hong Kong, China	Thermal power generation	1,117,072.68	56.67	56.67	56.67	563,260.71	Established by investment
65	Inner Mongolia Dian Tou Energy Corporation Limited	3	Domestic non-financial subsidiary	Tongliao, Inner Mongolia	Tongliao, Inner Mongolia	Lignite mining, washing and dressing	224,157.35	59.22	59.22	59.22	198,518.40	Established by investment
66	Jilin Electric Power Co., Ltd.	3	Domestic non-financial subsidiary	Changchun, Jilin	Changchun, Jilin	Thermal power generation	362,727.06	34.00	34.00	34.00	350,687.16	Established by investment

7.2 Reasons for that the company holding less than half of the voting rights in the investee has control over the investee

No.	Name	Subscribed shareholding ratio (%)	Voting right ratio (%)	Registered capital	Investment amount	Grade	Reason for being included in the scope of consolidation
1	SPIC Yuanda Environmental Protection Co., Ltd.	43.74	43.74	78,081.69	183,511.55	2	It is the largest shareholder and the voting rights held by other investors are scattered, so the Company has substantial control
2	SPIC Hydrogen Energy Technology Development Co., Ltd.	41.62	41.84	25,694.96	8,690.81	2	It is the largest shareholder and the voting rights held by other investors are scattered, so the Company has substantial control in business
3	Jilin Electric Power Co., Ltd.	34.00	34.00	279,020.82	350,687.16	3	The wholly-owned subsidiary Jilin Energy Investment and the Group's headquarters respectively held 29.62% and 4.38% of shares of Jilin Electric Power Co., Ltd, becoming the largest shareholder in a comprehensive manner. The voting rights held by other investors are scattered, so the Company has substantial control.

7.3 Information of significant non-wholly-owned subsidiaries

7.3.1 Minority shareholders

No.	Name	Shareholding ratio of minority shareholders (%)	Profit or loss attributable to minority shareholders in 2024	Dividends paid to minority shareholders in 2024	Accumulated minority equity as at December 31, 2024
1	SPIC Yuanda Environmental Protection Co., Ltd.	56.26	2,023.24	1,229.99	289,892.29
2	SPIC Industry-Finance Holdings Co., Ltd.	48.95	51,101.85	15,419.14	978,493.76
3	State Nuclear Power Technology Corporation	7.94	27,315.99		384,231.41
4	Shanghai Electric Power Co., Ltd.	48.21	127,377.33	24,037.27	2,046,614.03
5	SPIC Huanghe Hydropower Development Co., Ltd.	5.83	67,826.59	9,721.29	440,641.37
6	SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	32.06	11,944.38	7,255.30	278,108.36
7	SPIC Jiangxi Electric Power Co., Ltd.	45.68	40,078.82	39,048.75	650,439.62
8	SPIC Guizhou Jinyuan Co., Ltd.	31.95	-17,370.38		1,234,262.68

7.3.2 Main financial information

Item	Amount in 2024			Amount in 2023		
	SPIC Yuanda Environmental Protection Co., Ltd.	SPIC Industry-Finance Holdings Co., Ltd.	State Nuclear Power Technology Corporation	SPIC Yuanda Environmental Protection Co., Ltd.	SPIC Industry-Finance Holdings Co., Ltd.	State Nuclear Power Technology Corporation
Current assets	408,535.21	2,701,153.90	5,628,568.52	419,496.57	2,485,086.04	5,255,241.01
Non-current assets	541,785.73	2,082,014.93	22,369,478.34	557,880.18	2,097,616.08	19,970,715.29
Total assets	950,320.93	4,783,168.84	27,998,046.85	977,376.75	4,582,702.12	25,225,956.30
Current liabilities	314,284.20	1,022,006.16	8,251,917.30	321,913.28	672,751.32	6,713,450.60
Non-current liabilities	77,554.29	782,255.75	11,866,988.92	98,206.51	1,011,659.12	11,490,058.76
Total liabilities	391,838.49	1,804,261.91	20,118,906.22	420,119.78	1,684,410.44	18,203,509.36
Operating income	472,239.36	574,450.94	4,827,325.01	425,161.35	607,681.50	5,081,771.21
Net profit	5,442.50	136,288.60	560,106.55	4,549.66	156,190.32	572,725.14
Total comprehensive income	6,479.48	132,585.55	579,763.44	5,115.00	145,917.02	565,231.40
Cash flows from operating activities	82,224.58	234,136.62	720,877.91	58,606.28	8,982.07	841,414.92

Continued:

Item	Amount in 2024					Amount in 2023				
	Shanghai Electric Power Co., Ltd.	SPIC Huanghe Hydropower Development Co., Ltd.	SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	SPIC Jiangxi Electric Power Co., Ltd.	SPIC Guizhou Jinyuan Co., Ltd.	Shanghai Electric Power Co., Ltd.	SPIC Huanghe Hydropower Development Co., Ltd.	SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	SPIC Jiangxi Electric Power Co., Ltd.	SPIC Guizhou Jinyuan Co., Ltd.
Current assets	3,784,508.90	3,379,773.58	2,427,797.67	1,024,210.02	1,095,730.76	3,180,582.42	3,393,369.97	2,284,631.81	987,256.59	1,099,493.80
Non-current assets	15,153,261.99	13,756,707.83	4,958,773.29	3,721,786.64	6,303,556.79	13,676,651.11	13,465,607.33	4,566,485.09	3,569,391.95	5,970,929.67
Total assets	18,937,770.89	17,136,481.41	7,386,570.96	4,745,996.66	7,399,287.55	16,857,233.53	16,858,977.30	6,851,116.90	4,556,648.54	7,070,423.47
Current liabilities	6,891,921.79	3,506,074.14	2,389,422.64	1,250,184.21	2,623,131.73	4,782,939.10	3,906,785.70	2,120,797.72	982,990.19	2,760,292.35
Non-current liabilities	6,723,781.28	6,002,015.11	3,377,474.20	1,854,837.51	3,262,346.22	7,018,288.90	6,489,503.63	3,052,740.57	1,949,845.45	3,030,671.70
Total liabilities	13,615,703.07	9,508,089.25	5,766,896.84	3,105,021.73	5,885,477.95	11,801,228.00	10,396,289.32	5,173,538.29	2,932,835.64	5,790,964.05
Operating income	4,273,388.60	3,394,164.78	759,323.08	1,704,171.56	1,632,100.59	4,240,175.70	3,374,318.78	719,257.05	1,709,274.78	1,722,124.09
Net profit	416,313.42	1,239,934.25	100,549.80	77,911.04	7,009.90	356,804.97	560,365.15	131,769.10	81,480.39	-189,469.99
Total comprehensive income	410,513.42	1,230,338.62	100,843.94	77,905.72	9,430.33	352,389.67	612,742.68	131,769.10	81,616.38	-185,385.00
Cash flows from operating activities	817,247.40	753,581.88	287,713.42	307,344.07	519,078.47	740,584.70	867,007.18	310,873.65	393,165.79	352,338.56

7.4 Original subsidiaries no longer included in the scope of consolidation in 2024

7.4.1 Basic information on original subsidiaries

No.	Name	Registration place	Nature of business	Shareholding ratio (%)	Voting share ratio (%)	Reason for no longer being a subsidiary in 2024
1	SPIC Chuangke Clean Energy Investment (Tianjin) Partnership (Limited Partnership)	Tianjin	Financial enterprises	57.00	57.00	Company liquidation
2	SPIC (Shanghai) Aluminum Co., Ltd.	Shanghai	Domestic non-financial company	100.00	100.00	Company liquidation

7.4.2 Financial situation of the original subsidiaries disposed on the disposal date in 2024

Name of original subsidiary	SPIC Chuangke Clean Energy Investment (Tianjin) Partnership (Limited Partnership)		SPIC (Shanghai) Aluminum Co., Ltd.	
Expiry date	Date of disposal: December 30, 2024	As at December 31, 2023	Date of disposal: April 03, 2024	As at December 31, 2023
Assets		13,773.24		11,086.33
Liabilities		81.81		46.69
Owners' equity		13,691.43		11,039.64

7.4.3 Operating results of subsidiaries disposed of in 2024 from January 1, 2024 to the date of disposal

Name of original subsidiary	SPIC Chuangke Clean Energy Investment (Tianjin) Partnership (Limited Partnership)		SPIC (Shanghai) Aluminum Co., Ltd.	
Period	January 1, 2024-Date of disposal	Year 2023	January 1, 2024-Date of disposal	Year 2023
Operating income				
Operating costs				
Operating profits	-3,501.40	-2,292.98	32.08	188.90
Total profits	-3,501.40	-2,292.98	32.08	188.90
Net profit	-3,501.40	-2,292.98	24.06	141.67

7.5 Entities newly included in the scope of consolidation in 2024

No.	Name	Way of forming the right of control	Net assets as at December 31, 2024	Net profit in 2024
1	SPIC Economic and Technical Research and Consulting Co., Ltd.	Newly established by investment	999.75	-0.25
2	Guoning Xinchu (Fujian) Technology Co., Ltd.	Newly established by investment	4,031.09	31.09
3	SPIC Green Qingneng Phase I (Hainan) Private Equity Partnership (Limited Partnership)	Others	8,299.62	-88.98

8. Notes to the significant items of the consolidated financial statements

(All amounts are expressed in RMB unless otherwise stated)

8.1 Monetary funds

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Cash on hand	1,064,168.35	796,467.32
Bank deposits	47,271,407,918.06	32,968,672,343.04
Other monetary funds	1,216,512,067.79	1,422,480,514.09
Total	48,488,984,154.20	34,391,949,324.45
Including: Total amount deposited overseas	11,465,241,829.21	10,170,980,075.96
Payments deposited with finance companies		

Breakdowns of restricted cash and cash equivalents are listed as follows:

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Bank acceptance bill deposit	349,386,193.10	498,689,330.90
L/C deposit	330,733,845.13	144,805,640.40
Performance bond	376,670,699.25	342,440,323.85
Time deposits or call deposits used for guarantee	5,244,733.83	31,864,110.88
Statutory deposit reserves or provisions of financial enterprises	3,856,422,212.37	3,554,535,884.73
Others	1,367,658,716.75	664,631,671.43
Total	6,286,116,400.43	5,236,966,962.19

8.2 Financial assets held for trading

Item	Fair value as at December 31, 2024	Fair value as at January 1, 2024
Financial assets classified as measured at fair value through the current profit or loss	23,560,625,160.25	27,969,633,441.99
Including: investment in debt instruments	1,015,412,398.36	3,701,506,693.10
Investment in equity instruments	5,424,808,890.29	6,266,819,412.26
Others	17,120,403,871.60	18,001,307,336.63
Total	23,560,625,160.25	27,969,633,441.99

8.3 Derivative financial assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Swap	456,184,476.22	355,997,232.72
Commodity futures	1,296,150.00	
Total	457,480,626.22	355,997,232.72

8.4 Notes receivable

8.4.1 Classification of notes receivable

Category	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Bank acceptance bill	1,392,082,434.40	3,000,000.00	1,389,082,434.40	2,181,697,506.97		2,181,697,506.97
Commercial acceptance bill	407,053,880.38		407,053,880.38	663,016,904.05		663,016,904.05
Total	1,799,136,314.78	3,000,000.00	1,796,136,314.78	2,844,714,411.02		2,844,714,411.02

8.4.2 Provision for bad debts of notes receivable

Type	Amount as at December 31, 2024					Amount as at January 1, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss (%)		Amount	Proportion (%)	Amount	Expected credit loss (%)	
Provision for bad debts made by portfolio	1,799,136,314.78	100.00	3,000,000.00	0.17	1,796,136,314.78	2,844,714,411.02	100.00			2,844,714,411.02
Total	1,799,136,314.78	100.00	3,000,000.00		1,796,136,314.78	2,844,714,411.02	100.00			2,844,714,411.02

Provision, recovery or reversal of provision for bad debts of notes receivable in 2024

Type	Balance as at January 1, 2024	Change in 2024				Balance as at December 31, 2024
		Provision	Recovery or reversal	Charge-off	Other changes	
Notes receivable with the provision for expected credit loss made by portfolio		3,000,000.00				3,000,000.00
Including: other portfolios		3,000,000.00				3,000,000.00
Total		3,000,000.00				3,000,000.00

8.4.3 Notes receivable endorsed or discounted as at December 31, 2024 but not expired on the balance sheet date

Category	Amount derecognized as at December 31, 2024	Amount not derecognized as at December 31, 2024
Bank acceptance bill	1,354,255,788.84	581,068.80
Commercial acceptance bill		
Total	1,354,255,788.84	581,068.80

8.5 Accounts receivable

8.5.1 Disclosure of accounts receivable by aging

Aging	Amount as at December 31, 2024		Amount as at January 1, 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Within 1 year (including 1 year)	76,855,490,656.41	531,765,868.78	69,730,111,204.46	420,284,289.38
1 - 2 years	43,227,059,143.20	647,065,147.63	34,021,467,158.56	219,633,962.38
2 - 3 years	24,657,529,344.13	558,839,923.52	18,146,359,411.17	130,869,858.61
Over 3 years	22,702,424,506.38	1,668,133,567.69	10,691,762,634.60	1,211,686,746.03
Total	167,442,503,650.12	3,405,804,507.62	132,589,700,408.79	1,982,474,856.40

8.5.2 Disclosure of accounts receivable by category based on the method for provision for bad debts

Type	Amount as at December 31, 2024					Amount as at January 1, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss (%)		Amount	Proportion (%)	Amount	Expected credit loss (%)	
Accounts receivable with the provision for bad debts made on a single basis:	7,754,208,110.44	4.63	2,723,129,254.20	35.12	5,031,078,856.24	5,447,436,377.37	4.11	1,462,462,243.61	26.85	3,984,974,133.76
Accounts receivable with provision for bad debts accrued by portfolio with credit risk features	159,688,295,539.68	95.37	682,675,253.42	0.43	159,005,620,286.26	127,142,264,031.42	95.89	520,012,612.79	0.41	126,622,251,418.63
Including: aging portfolio	7,103,976,000.79		682,675,253.42	9.61	6,421,300,747.37	41,697,724,678.28		520,012,612.79	1.25	41,177,712,065.49
Portfolio with low risk	152,584,319,538.89				152,584,319,538.89	85,444,539,353.14				85,444,539,353.14
Total	167,442,503,650.12	100.00	3,405,804,507.62		164,036,699,142.50	132,589,700,408.79	100.00	1,982,474,856.40		130,607,225,552.39

Accounts receivable with provision for bad debts made on a single basis as at December 31, 2024

Debtor	Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason of provision
Tonghua Thermal Power Co., Ltd.	1,216,203,294.73	547,291,482.63	45.00	The recovery progress of accounts receivable of Tonghua Thermal Power was slow, and the provision for bad debts had been made at the discount rate based on the losses from credit impairment
Wujing Power Generation Co., Ltd.	2,106,864,485.14	357,864,485.14	16.99	Provision for bad debts made for amount expected to be irrecoverable
Yunnan Hengan Electric Metallurgy Co., Ltd.	249,537,130.11	249,537,130.11	100.00	A lawsuit has not been enforced
Baishan Thermal Power Co., Ltd.	1,403,721,161.72	210,558,174.26	15.00	As the collection of accounts receivable of Baishan Thermal Power was lower than that in 2023, the provision for bad debts was made on an individual basis at the rate of 15%
Fuxin Shengming Thermal Power Co., Ltd.	194,123,084.89	163,520,179.91	84.24	The bankruptcy reorganization has not been completed, and the accounts receivable from Shengming Thermal Power before 2024 were subject to full provision for bad debts
Yunnan Power Grid Co., Ltd.	161,172,969.65	161,172,969.65	100.00	Expected to be irrecoverable
State Grid Anhui Electric Power Co., Ltd.	207,219,398.33	118,271,235.05	57.08	During the period when the dual networking is not realized, electricity charges that can be subsidized were not allocated
Fuxin Hongyuan Heating Power Co., Ltd.	68,578,605.87	68,578,605.87	100.00	In dispute, so the provision was made in full
Resident heating fee	92,108,978.91	61,992,610.53	67.30	Expected not to be fully recovered
Guangdong Power Grid Co., Ltd.	570,521,008.63	50,353,334.93	8.83	Irrecoverable due to the effect of regression
Inner Mongolia Electric Power (Group) Co., Ltd.	48,390,729.07	48,390,729.07	100.00	Wiring subsidy expected to be irrecoverable
Nanjing Duchen Investment Management Co., Ltd.	43,540,962.98	43,540,962.98	100.00	Wiring subsidy expected to be irrecoverable
Beijing Yuanzhengshun	39,244,645.73	39,244,645.73	100.00	Expected to be irrecoverable

Debtor	Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason of provision
International Trade Co., Ltd.				
State Grid Heilongjiang Electric Power Co., Ltd.	156,752,577.91	35,859,645.44	22.88	Wiring subsidy expected to be irrecoverable
Fuxin Jiechao Coal Gangue Thermal Power Co., Ltd.	33,159,894.36	33,159,894.36	100.00	In dispute, so the provision was made in full
China United International Trade (Beijing) Aluminum Co., Ltd.	31,709,748.58	31,709,748.58	100.00	Expected to be irrecoverable
State Grid Shanxi Electric Power Company	259,664,654.56	31,625,106.32	12.18	Irrecoverable due to the effect of regression
Tangu Village Committee	29,311,768.11	29,311,768.11	100.00	Expected to be irrecoverable
Guizhou Yueqian Electric Power Co., Ltd.	28,003,490.93	28,003,490.93	100.00	Expected to be irrecoverable
Guizhou Power Grid Co., Ltd.	26,613,265.13	26,613,265.13	100.00	Wiring subsidy expected to be irrecoverable
State Grid Fujian Electric Power Co., Ltd.	214,544,643.68	22,422,438.69	10.45	Irrecoverable due to the effect of regression
Singapore Zhongjun Resources Limited	20,506,184.00	20,506,184.00	100.00	Provision for bad debts made by aging of over 5 years
POWER MECH PROJECTS LIMITED	30,622,440.23	20,208,439.82	65.99	The project is suspended with high risk of fund recovery
State Grid Jilin Electric Power Co., Ltd.	40,103,191.99	19,449,650.53	48.50	Expected to be irrecoverable
State Grid Jiangsu Electric Power Supply Co., Ltd.	19,407,837.51	19,407,837.51	100.00	Lower unit price of projects issued with red card
Tianjin Sairui Machinery Equipment Co., Ltd.	12,582,899.51	12,582,899.51	100.00	Bankruptcy reorganization of debtor
State Grid Qinghai Electric Power Company	11,960,712.75	11,960,712.75	100.00	Ultra-low emission electricity charges in 2017
State Grid Gansu Electric Power Company	10,871,208.99	10,871,208.99	100.00	Wiring subsidy expected to be irrecoverable
Tianjin Tiancheng	10,680,000.00	10,680,000.00	100.00	A lawsuit has not been enforced

Debtor	Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason of provision
Pharmaceutical Co., Ltd.				
SPIC Beibuwan (Guangxi) Cogeneration Co., Ltd.	10,557,897.00	10,557,897.00	100.00	The debtor has been bankrupt and liquidated
Datong Zhaoshun Waste Recycling Co., Ltd.	10,400,000.00	10,400,000.00	100.00	Expected to be irrecoverable
Total amount	395,529,239.44	217,482,520.67	54.99	Expected to be irrecoverable
Total	7,754,208,110.44	2,723,129,254.20		

Accounts receivable with provision for bad debts accrued by portfolio with credit risk features

(1) Aging portfolio

Aging	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (Including 1 years)	4,250,660,277.90	59.83	67,321,958.58	40,193,863,923.03	96.39	182,789,094.94
1 - 2 years	1,984,901,326.10	27.94	163,143,057.32	645,231,316.19	1.55	53,872,146.98
2 - 3 years	355,108,251.87	5.00	80,426,094.48	320,625,022.87	0.77	60,671,854.65
Over 3 years	513,306,144.92	7.23	371,784,143.04	538,004,416.19	1.29	222,679,516.22
Total	7,103,976,000.79	100.00	682,675,253.42	41,697,724,678.28	100.00	520,012,612.79

(2) Accounts receivable with provision for bad debts made by the balance percentage or other portfolio method

Portfolio	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Proportion of provision(%)	Bad debts Provision	Book balance	Proportion of provision(%)	Bad debts Provision
Portfolio with low risk	152,584,319,538.89			85,444,539,353.14		
Total	152,584,319,538.89			85,444,539,353.14		

8.5.3 Provision for bad debts recovered or reversed

Debtor	Amount recovered or reversed	Accumulated provision for bad debts prior to the reversal or recovery	Reason and method for reversal or recovery
Yunnan Dianeng Luliang Union Thermoelectricity Co., Ltd.	9,524,563.90	9,524,563.90	Bankruptcy liquidation and recovery of accounts
Xunhua Huaxing New Energy Development Co., Ltd.	2,787,500.00	2,787,500.00	Recovery of accounts
Yunnan Hengan Electric Metallurgy Co., Ltd.	2,500,000.00	2,500,000.00	Recovery of accounts
Qinghai Salt Lake Haina Chemical Co., Ltd.	75,938.34	75,938.34	Recovery of accounts
Jiujiang Pinggang Steel Co., Ltd.	2,496.01	2,496.01	Resumption of business transactions and recovery of accounts
China North Nuclear Fuel Co., Ltd.	167,046.26	167,046.26	Sign the contract change agreement
Total	15,057,544.51	15,057,544.51	

8.5.4 Accounts receivable actually charged off during the reporting period

Debtor	Nature of accounts receivable	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
State Grid Jiangsu Electric Power Supply Co., Ltd.	Line subsidies receivable	55,853,781.77	The amount is indeed irrecoverable	The write-off procedures have been performed	No
Client of SPIC subsidiary	Current accounts	39,409,562.01	Confirmed to be irrecoverable	Meeting of the General Manager's Office	No
Chifeng Mengdong Road Cargo Vehicle Satellite Monitoring Service Co., Ltd.	Fly ash sales business	4,728,539.45	Not recovered for a long time and involved in litigation	Deliberated and approved by the Party Committee and the General Manager's Office	No
Zhongdian Power Construction Co., Ltd.	Sales	1,976,000.00	Judgment and ruling	Meeting of the General Manager's Office	No

Debtor	Nature of accounts receivable	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Beipiao Jinbaili Shopping Center Co., Ltd.	Heat cost	1,828,421.00	Expected to be irrecoverable	Party Committee, Auditor's Report, Legal Opinions	No
Jiangsu Bawei Engineering Technology Co., Ltd.	Sales	1,560,685.00	Judgment and ruling	Meeting of the General Manager's Office	No
Accounts receivable for residential heating	Heating fee	264,824.12	Expected to be irrecoverable	Approved upon resolution	No
Dalian Tongtai Weiye Economic & Trade Co., Ltd.	Sales	198,800.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Henan Xiangcheng Jianeng Thermal Power Co., Ltd.	Sales	134,600.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Huadian Power International Materials Co., Ltd. Zibo Branch	Sales	97,659.90	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Guangxi Hengyuan Investment Co., Ltd.	House rent	78,242.50	Confirmed to be irrecoverable	Chairman's special meeting	No
Beijing Hayi Energy Conservation and Environmental Protection Technology Development Co., Ltd.	Sales	76,000.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Shanghai Yunhuo Environmental Technology Co., Ltd.	Sales	70,000.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Huaxin Qinyuan	Service	64,000.00	Write-off of	Meeting of the	No

Debtor	Nature of accounts receivable	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
(Zhangjiagang) Nuclear Equipment Co., Ltd.	payment		irrecoverable amounts	General Manager's Office	
Shiwoshan Construction Development Company	House rent	58,259.27	Confirmed to be irrecoverable	Chairman's special meeting	No
Huaneng Power International, Inc. Rizhao Power Plant	Sales	44,000.00	Negotiated deduction	Meeting of the General Manager's Office	No
Liaoning Nanpiao Coal Power Co., Ltd.	Sales	31,000.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Chongqing Iron & Steel (Group) Co., Ltd.	Sales	29,000.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Panjin Liaohe Oilfield Jindong Oil & Gas Engineering Co., Ltd.	Sales	23,890.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Huaxi Energy Industry Co., Ltd.	Sales	22,000.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Guangzhou Zhujiang Power Co., Ltd.	Sales	21,600.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Laiwu Steel Group Co., Ltd.	Sales	20,000.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Hunan Wugang	Sales	19,000.00	Cancellation,	Meeting of the	No

Debtor	Nature of accounts receivable	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Power Plant			revocation and closure of the company	General Manager's Office	
Chifeng Hexin Mineral Products Co., Ltd.	Gypsum sales business	17,051.49	Expected to be irrecoverable	Approved upon resolution	No
Shanghai Boiler Works Co., Ltd.	Sales	16,794.31	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Wuhan Wugu Special Fan Manufacturing Co., Ltd.	Sales	16,606.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Liaoning Nanpiao Coal Mine Co., Ltd.	Sales	14,674.00	The collection cost is greater than the amount receivable	Meeting of the General Manager's Office	No
Wuhan Zhouming Steel Structure Manufacturing Co., Ltd.	Sales	12,000.00	Cancellation, revocation and closure of the company	Meeting of the General Manager's Office	No
Summary of small amounts	Current accounts	36,311.40	Expected to be irrecoverable	Meeting of the General Manager's Office	No
Total		106,723,302.22			

8.5.5 Top 5 accounts receivable in terms of ending balance collected by the debtor

Debtor	Book balance	Proportion in total accounts receivable (%)	Provision for bad debts
State Grid Qinghai Electric Power Company	16,525,756,237.88	9.87	11,960,712.75
State Grid Jiangsu Electric Power Supply Co., Ltd.	13,281,700,055.02	7.93	29,416,855.43
State Grid Shanxi Electric Power Co., Ltd.	5,270,857,150.90	3.15	0.00
State Grid Gansu Electric	4,421,920,748.04	2.64	9,320,042.27

Debtor	Book balance	Proportion in total accounts receivable (%)	Provision for bad debts
Power Co., Ltd.			
State Grid Jiangxi Electric Power Co., Ltd.	4,186,695,591.67	2.50	3,527,532.64
Total	43,686,929,783.51	26.09	54,225,143.09

8.6 Receivables financing

Category	Balance as at December 31, 2024	Balance as at January 1, 2024
Notes receivable	2,497,198,527.27	3,265,787,068.74
Accounts receivable	270,065,265.80	149,567,625.96
Total	2,767,263,793.07	3,415,354,694.70

8.7 Advances to suppliers

8.7.1 Presentation of advances to suppliers by aging

Aging	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (including 1 year)	11,825,391,117.97	79.27	17,040,063.47	15,124,912,800.48	84.77	30,344,358.55
1 - 2 years	1,996,180,332.54	13.38	8,280,185.63	1,933,062,104.10	10.83	8,197,908.22
2 - 3 years	736,218,834.31	4.94	8,946,281.65	518,282,435.18	2.90	38,691.25
Over 3 years	359,676,509.42	2.41	99,041,244.86	266,610,071.05	1.50	111,678,878.17
Total	14,917,466,794.24	100.00	133,307,775.61	17,842,867,410.81	100.00	150,259,836.19

8.7.2 Advances to suppliers with large amount and aging over one year

Creditor	Debtor	Balance as at December 31, 2024	Aging	Reason for unsettlement
China Power (Pu'an) Power Generation Co., Ltd.	Guizhou Anbao Energy Group Co., Ltd.	686,398,494.14	1-2 years, 2-3 years, 3-4 years	Unexpired
Shandong Ludian International Trade Co., Ltd.	Harbin Electric Company Limited	273,380,267.50	See Remark	Settlement period not started
Xinyuan Zhichu Energy Development (Beijing) Co., Ltd.	Xiamen Hithium Energy Storage Technology Co., Ltd.	115,847,659.31	1-2 years	Unexpired
Xinyuan Zhichu Energy Development (Beijing) Co., Ltd.	Jiangsu Linyang Energy Storage Technology Co., Ltd.	109,530,000.00	1-2 years	Unexpired
Shanghai Nuclear Engineering Research & Design Institute Co., Ltd.	Shanghai Electric-KSB Nuclear Pumps and Valves Co., Ltd.	103,511,748.48	1-2 years	Settlement period not started
Shanghai Electric Power Co., Ltd.	SOLAR BRIGHT LIMITED	47,512,388.85	1 - 2 years	Prepayment for the

Creditor	Debtor	Balance as at December 31, 2024	Aging	Reason for unsettlement
(consolidated)				acquisition of PV projects in Greece, the project has not yet met the delivery conditions
Guizhou Xidian Power Co., Ltd.	Guizhou Longli Linlong Industrial Co., Ltd.	31,174,199.86	Over 5 years	Historical remaining issues
China Power (Pu'an) Power Generation Co., Ltd.	Guizhou Daba Coal Mine Co., Ltd.	28,448,422.04	3-4 years	Unexpired
Shanghai Nuclear Engineering Research & Design Institute Co., Ltd.	SUFA Technology Industry Co., Ltd., CNNC	27,993,684.81	1-2 years	Settlement period not started
China Power (Pu'an) Power Generation Co., Ltd.	Guizhou Mingdao Commerce and Trade Co., Ltd.	27,962,907.25	2-3 years	Unexpired
Shanghai Nuclear Engineering Research & Design Institute Co., Ltd.	PowerChina Nuclear Engineering Company Limited	23,056,101.58	1-2 years	Settlement period not started
Shanghai Nuclear Engineering Research & Design Institute Co., Ltd.	Dongfang Turbine Co., Ltd. of Dongfang Electric Corporation	20,350,000.00	1-2 years	Settlement period not started
SPIC Dingzheng Gas-based Cogeneration Co., Ltd.	Dongfang Electric Corporation Limited	15,300,000.00	Over 3 years	The possibility of recovery is expected to be low.
SPIC Yuanda Environmental Protection Co., Ltd. (consolidated)	Zhongcheng Investment Group New Energy Co., Ltd.	13,904,697.56	1 - 2 years	Settlement period not started
SPIC Dingzheng Gas-based Cogeneration Co., Ltd.	Hangzhou Boiler Group Co., Ltd.	10,000,000.00	Over 3 years	The possibility of recovery is expected to be low.
Ningbo Lvdong Fuel Cell Co., Ltd.	Baoji Titanium Industry Co., Ltd.	7,592,480.82	2 - 3 years	Goods not received
Shantou Haojiang Chaodian Phase 8 New Energy Co., Ltd.	China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd.	6,370,000.00	Over 3 years	Settlement period not started
SPIC Hydrogen	Guangzhou Qunyi	5,006,430.00	1 - 2	Goods not

Creditor	Debtor	Balance as at December 31, 2024	Aging	Reason for unsettlement
Energy Technology Development Co., Ltd.	Energy Co., Ltd.		years	arrived
SPIC Xinjiang Energy and Chemical Industry Group Wucaiwan Power Generation Co., Ltd.	PetroChina Xinjiang Sales Co., Ltd. Changji Branch	2,710,702.18	1-2 years	Failed to satisfy the terms of settlement
SPIC Yunnan International Power Investment Co., Ltd.	Changshu Fengfan Power Equipment Co., Ltd.	1,913,429.60	Over 3 years	Settlement period not started
SPIC Dingzheng Gas-based Cogeneration Co., Ltd.	Zhengding County Nanniu Township Finance Office	1,543,026.00	Over 3 years	The possibility of recovery is expected to be low.
Qinghai Huangdian Gonghe Wind Power Co., Ltd.	Qinghai Huanghe New Energy Investment Development Co., Ltd.	1,152,223.27	Over 1 years	Settlement period not started
Guoneng Heishan Biological Power Generation Co.,Ltd.	Yantai Pengrui Construction and Installation Engineering Co., Ltd.	1,009,797.00	Over 5 years	Expected to be irrecoverable in light of the actual situation.
Summary of small amounts	Summary of small amounts	4,776,669.99	1-5 years	Settlement period not started
Total		1,566,445,330.24		

8.7.3 Top 5 advances to suppliers in terms of their ending balance collected by debtors

Debtor	Book balance	Proportion in total advances to suppliers (%)	Provision for bad debts
Shenzhen Hongqiao Supply Chain Management Co., Ltd.	922,459,058.55	6.18	
Guizhou Anbao Energy Group Co., Ltd.	686,398,494.14	4.60	
China Coal Central China Energy Co., Ltd.	366,762,700.98	2.46	
Shaanxi Coal Transportation and Sales Group Yuzhong Sales Co., Ltd.	266,966,914.08	1.79	
Shanghai Gas Company Limited	255,787,178.93	1.71	
Total	2,498,374,346.68	16.75	

8.8 Other receivables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interest receivable	238,972,777.40	152,148,035.48
Dividends receivable	1,648,009,655.47	1,994,318,334.07
Other accounts receivable	27,504,619,080.86	40,640,758,428.82
Total	29,391,601,513.73	42,787,224,798.37

8.8.1 Interest receivable

(1) Classification of interest receivable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Time deposits	3,128,872.86	31,893,754.17
Entrusted loans	94,974,406.96	135,582,009.66
Others	164,441,721.86	31,191,801.86
Sub-total	262,545,001.68	198,667,565.69
Less: provision for bad debts	23,572,224.28	46,519,530.21
Total	238,972,777.40	152,148,035.48

(2) Significant overdue interest

Debtor	Balance as at December 31, 2024	Overdue time (Month)	Overdue reason	Whether the impairment exists or not and the judgment basis
Henan Kangqiao Yuntu Real Estate Development Co., Ltd.	5,068,093.91	28	The interest failed to be paid in time	The collateral is sufficient, and the possibility of material loss of the principal is expected to be low. The interest is fully provided for impairment due to prudence.
Ma'anshan Jinjia Property Co., Ltd.	6,636,030.27	28	The interest failed to be paid in time	The collateral is sufficient, and the possibility of material loss of the principal is expected to be low. The interest is fully provided for impairment due to prudence.
Total	11,704,124.18			

(3) Details of provision for bad debts of interest receivable

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit loss within the next 12 months	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at December 31, 2023	46,519,530.21			46,519,530.21
Balance as at December 31, 2023, in the current period				
- Transfer to Stage II				
- Transfer to Stage III				
- Reversal from Stage II				
- Reversal from Stage I				
Provision in 2024	-22,947,305.93			-22,947,305.93
Reversal in 2024				
Charge-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31, 2024	23,572,224.28			23,572,224.28

8.8.2 Dividends receivable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Dividends receivable with aging within one year	1,151,422,704.76	1,722,676,121.48		
Including: (1) Vinh Tan 1 Power Company Limited	516,652,142.64	679,039,962.84	Not yet paid	No / in normal operation without impairment
(2) SPIC Ronghe	302,927,881.12	711,432,213.09	Payment	No / in

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
New Energy Development Co., Ltd.			time-point not started	normal operation without impairment
(3) Anhui SPIC Xintuo Energy Development Co., Ltd.	96,865,752.51		Not yet paid	No / in normal operation without impairment
(4) Income from fixed-income investments	71,037,946.89	95,993,667.52	Not yet paid	No / in normal operation without impairment
(5) Hangzhou Xingguang New Energy Co., Ltd.	47,882,805.41	1,810,940.04	Not yet paid	No / in normal operation without impairment
(6) Shanghai Donghai Wind Power Generation Co., Ltd.	37,683,088.06	29,025,168.91	Not yet paid	No / in normal operation without impairment
(7)China Securities Depository and Clearing Co., Ltd. Beijing Branch	23,412,162.24		Not yet paid	No / in normal operation without impairment
(8) Shanghai Electric Power Design Institute Co., Ltd.	20,679,308.46	16,711,318.98	Not yet paid	No / in normal operation without impairment
(9) Hunyuan Dongfang Yuhua Wind Development Co., Ltd.	9,980,415.86	9,980,415.86	Not yet paid	No / in normal operation without impairment
(10) Tongxin Longyuan Hechuang Electric Power Co., Ltd.	7,421,732.42		Not yet paid	No / in normal operation without impairment
(11) Shanghai	4,755,225.18	24,619,977.58	Not yet paid	No / in

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Nengke Ruiying Energy Co., Ltd.				normal operation without impairment
(12) Shanghai Chongming Beiyan Wind Power Co., Ltd.	3,430,057.63		Not yet paid	No / in normal operation without impairment
(13) Jiangsu Baling Conch Cement Co., Ltd.	2,959,373.93		Not yet paid	No / in normal operation without impairment
(14) Xinjiang Power Investment Rongjiang New Energy Co., Ltd.	2,687,226.71		Not yet paid	No / in normal operation without impairment
(15) Shouning Niutoushan Grade II Hydropower Co., Ltd.	1,326,000.00		Not yet paid	No / in normal operation without impairment
(16) Shaanxi Ruihe Energy Co., Ltd.	1,000,000.00		Not yet paid	No / in normal operation without impairment
(17) Shangdian New Energy Power Generation (Liaocheng) Co., Ltd.	693,649.73		Not yet paid	No / in normal operation without impairment
(18) Shanghai Heguang Energy Co., Ltd.	27,935.97		Not yet paid	No / in normal operation without impairment
(19) Shanxi Zhongsheng Dayuan Investment Co., Ltd.		62,235,245.46		
(20) Wuhan Lvxi		37,956,137.14		

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
New Energy Co., Ltd.				
(21) Mianchi Xiangfeng New Energy Co., Ltd.		26,231,579.69		
(22) Hubei Lvhe New Energy Co., Ltd.		17,807,255.17		
(23) Urumqi Gongtou Wind Power Technology Co., Ltd.		6,778,661.76		
(24) China Datang Corporation Renewable Power Co., Ltd.		1,469,426.76		
(25) Shaanxi Xuguang New Energy Co., Ltd.		1,061,651.70		
(26) Guizhou Xineng Coal Exploration and Development Co., Ltd.		476,098.98		
(27) Sinopharm (Pingdingshan) Health Industry Medical Co., Ltd.		46,400.00		
Dividends receivable with the aging over one year	512,414,736.20	287,469,998.08		
Including: (1) SPIC Ronghe New Energy Development Co., Ltd.	124,331,991.12		Payment time-point not started	No / in normal operation without impairment
(2) Shanghai Yishan New Energy Technology Co., Ltd.	115,355,574.74	115,355,574.74	Not yet paid	No / in normal operation without impairment
(3) Shanxi	62,235,245.46		Not yet paid	No / in

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Zhongshengda Energy Investment Co., Ltd.				normal operation without impairment
(4) Qinghai Hydropower Group Golmud Photovoltaic Power Generation Co., Ltd.	39,200,000.00	39,200,000.00	Not yet paid	No / in normal operation without impairment
(5) Wuhan Lvxi New Energy Co., Ltd.	37,956,137.14		Not yet paid	No / in normal operation without impairment
(6) Mianchi Xiangfeng New Energy Co., Ltd.	26,231,579.69		Not yet paid	No / in normal operation without impairment
(7) Qinghai Green Power Generation Group Co., Ltd.	20,460,000.00	20,460,000.00	Not yet paid	No / in normal operation without impairment
(8) Guizhou Dafang Power Generation Co., Ltd.	18,139,906.40	18,139,906.40	Not yet paid	No / in normal operation without impairment
(9) Hubei Lvhe New Energy Co., Ltd.	17,807,255.17		Not yet paid	No / in normal operation without impairment
(10) Fuxin Shengming Thermal Power Co., Ltd.	15,377,785.49	15,377,785.49	Insolvency due to operating losses	Yes
(11) Shanghai Donghai Wind Power Generation Co., Ltd.	9,188,600.24		Not yet paid	No / in normal operation without impairment
(12) Anhui SPIC	9,116,157.58	9,116,157.58	Not yet paid	No / in

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Xintuo Energy Development Co., Ltd.				normal operation without impairment
(13) Shanghai Chongming Beiyan Wind Power Co., Ltd.	7,312,856.38	7,312,856.38	Not yet paid	No / in normal operation without impairment
(14) Urumqi Gongtou Wind Power Technology Co., Ltd.	6,778,661.76		Not yet paid	No / in normal operation without impairment
(15) Liaoning SPIC Huida Power Technology Co., Ltd.	1,411,333.33	1,411,333.33	Not yet paid	No / in normal operation without impairment
(16) Shaanxi Xuguang New Energy Co., Ltd.	1,061,651.70		Not yet paid	No / in normal operation without impairment
(17) Inner Mongolia Ludian Mengyuan Electric Power Engineering Co., Ltd.	450,000.00	450,000.00	Insufficient cash flows of the counterparty	Yes
(18) Jarud Banner Tiejin Transportation Co., Ltd.		24,212,460.00		
(19) Shanghai Electric Power Design Institute Co., Ltd.		23,409,252.43		
(20) Changshu Shunzhuo Photovoltaic Power Station Development Co., Ltd.		8,554,514.37		
(21) Tianjin		4,470,157.36		

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Dongfu Intensive Investment Management Center (Limited Partnership)				
Less: provision for bad debts	15,827,785.49	15,827,785.49		
Total	1,648,009,655.47	1,994,318,334.07		

8.8.3 Other receivables

(1) Other receivables disclosed by aging

Aging	Amount as at December 31, 2024		Amount as at January 1, 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Within 1 year (including 1 year)	18,323,172,587.39	438,170,942.14	21,810,704,408.35	537,962,119.51
1 - 2 years	4,825,140,832.50	402,894,821.42	9,683,880,064.31	193,830,010.53
2 - 3 years	1,843,070,218.71	418,344,989.82	6,065,208,736.94	817,515,343.00
Over 3 years	12,173,506,255.29	8,400,860,059.65	9,742,094,615.55	5,111,821,923.29
Total	37,164,889,893.89	9,660,270,813.03	47,301,887,825.15	6,661,129,396.33

(2) Other receivables disclosed by category based on the method for provision for bad debts

Type	Amount as at December 31, 2024					Amount as at January 1, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss (%)		Amount	Proportion (%)	Amount	Expected credit loss (%)	
Other receivables with individual provision for bad debts	9,559,017,745.24	25.72	9,111,064,902.62	95.31	447,952,842.62	6,473,981,734.97	13.69	6,147,747,489.52	94.96	326,234,245.45
Other receivables with provision for bad debts accrued by credit risk features portfolio	27,605,872,148.65	74.28	549,205,910.41	1.99	27,056,666,238.24	40,827,906,090.18	86.31	513,381,906.81	1.26	40,314,524,183.37
Including: Aging portfolio	14,023,528,927.13		549,205,910.41	3.92	13,474,323,016.72	15,863,273,153.36		513,381,906.81	3.24	15,349,891,246.55
Portfolio with low risk	13,209,673,387.67				13,209,673,387.67	24,320,548,886.83				24,320,548,886.83
Other portfolios	372,669,833.85				372,669,833.85	644,084,049.99				644,084,049.99
Total	37,164,889,893.89	100.00	9,660,270,813.03		27,504,619,080.86	47,301,887,825.15	100.00	6,661,129,396.33		40,640,758,428.82

Other receivables with individual provision for bad debts

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
Shijiazhuang Dongfang Yuanshun Real Estate Development Co., Ltd.	1,210,124,418.60	1,210,124,418.60	100.00	Bankruptcy and restructuring
Baishan Thermal Power Co., Ltd.	1,209,881,780.06	1,209,881,780.06	100.00	Overdue accounts receivable
Tonghua Thermal Power Co., Ltd.	985,800,466.57	985,800,466.57	100.00	Litigation proceedings started
Guizhou Taiyuan Energy Co., Ltd.	984,552,540.17	855,125,484.48	86.85	Due to continuous losses and insolvency of Taiyuan Company
Xiangcheng County Hongneng Electric Power Co., Ltd.	782,166,915.74	782,166,915.74	100.00	Expected to be irrecoverable
Guizhou Zhongshan Yemazhai Thermal Power Co., Ltd.	449,610,794.00	449,610,794.00	100.00	Continuous losses and insolvency of Yemazhai
Urumqi Guoyuan Energy Management Co., Ltd.	441,922,397.38	441,922,397.38	100.00	Expected to be irrecoverable
Xinjiang Xinhua Chemical Fertilizer	385,722,660.04	385,722,660.04	100.00	Expected to be irrecoverable due

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
Co., Ltd.				to business suspension of the debtor
SPIC Yili Energy and Chemical Industry Co., Ltd.	385,247,869.70	385,247,869.70	100.00	Expected to be irrecoverable
Continental Consulting Pte.Ltd	336,553,100.04	336,553,100.04	100.00	Litigation judgment of "Dezheng-related" case
Department of Industry and Information Technology of Qinghai Province	296,946,448.00	296,946,448.00	100.00	Expected to be irrecoverable
SPIC Xinjiang Energy and Chemical Industry (Huaidong) Co., Ltd.	224,508,679.20	224,508,679.20	100.00	Expected to be irrecoverable
Glencore plc	142,124,000.00	142,124,000.00	100.00	Financial risks arising from litigation cases
Jiaozuo Danhe Power Generation Co., Ltd.	86,044,193.65	86,044,193.65	100.00	Disposal of 100% of equity of Jiaozuo Danhe Power Generation Co., Ltd.
Fuxin Hongyuan Heating Power Co., Ltd.	79,789,209.03	78,289,209.03	98.12	Expected to be irrecoverable
Qingdao Dezheng Resources Holdings Limited	75,490,439.14	75,490,439.14	100.00	Expected to be irrecoverable
China Power Hongze Biomass Thermal Power Co., Ltd.	62,680,515.29	60,888,024.48	97.14	Expected to be irrecoverable
Xinjiang Wusu Xinhong Chemical Co., Ltd.	56,843,055.86	56,843,055.86	100.00	Expected to be irrecoverable
Shijiazhuang Economic and Technological Development Zone Dongfang Thermal Power Co., Ltd.	53,328,533.43	53,328,533.43	100.00	Cancellation of the debtor
Chongqing Songgai Power Generation Co., Ltd.	73,198,346.43	48,262,939.55	65.93	Expected to be irrecoverable
Ningxia Hongdunzi Coal Industry Co., Ltd.	45,048,515.89	45,048,515.89	100.00	Provision for impairment of assets due to Nengfa Company's capacity

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
				reduction and mine shutdown
Guizhou Shuicheng Coal Mining (Group) Co., Ltd.	40,000,000.00	40,000,000.00	100.00	Provision for impairment of assets due to Nengfa Company's capacity reduction and mine shutdown
Qinyang Economic & Technological Development Area Administrative Committee	37,621,769.00	37,621,769.00	100.00	Obvious signs of impairment since Qinyang Industrial Agglomeration Zone Administrative Committee was unable to issue a repayment plan and did not express its willingness to repay, so there were
Wuwei Aerospace Wanyuan Motor Manufacturing Co., Ltd.	53,124,485.37	36,254,793.57	68.24	Expected to be irrecoverable
Alxa League Industrial Development and Energy Investment Group Co., Ltd.	200,000,000.00	34,400,000.00	17.20	Uncertainty in the recovery of funds
Guizhou Huishui Economic Development Zone Management Committee	30,642,997.00	30,642,997.00	100.00	Expected to be irrecoverable
Shanghai Fengneng Electric Power Co., Ltd.	30,440,435.10	30,440,435.10	100.00	Expected to be irrecoverable in part
Shanghai Xindian Trading Co., Ltd.	30,000,000.00	30,000,000.00	100.00	Assets impairment loss should be accrued as Shanghai Xindian has been dishonest and the prepayment is expected to be irrecoverable.
Shanghai Qaingshen Marine Engineering Co., Ltd.	29,844,036.70	29,844,036.70	100.00	Expected to be irrecoverable
KIS Corporation	30,646,717.63	30,646,717.63	100.00	Expected to be irrecoverable in part
Xinhua County Government	27,132,000.00	27,132,000.00	100.00	Expected to be irrecoverable
Gansu Huamao Lan'ao Industrial Co., Ltd.	27,000,000.00	27,000,000.00	100.00	Expected to be irrecoverable due to the management difficulty

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
				suffered by the debtor.
Oceanrich Industrial (Shanghai) Co., Ltd.	25,500,000.00	25,500,000.00	100.00	Expected to be irrecoverable
Yunnan Hengan Electric Metallurgy Co., Ltd.	23,620,776.98	23,620,776.98	100.00	Has won the lawsuit and no executable property
Yunnan Qujing Yuegang Holding Group Co., Ltd.	22,475,600.00	22,475,600.00	100.00	The company has no repayment ability.
Tonghua Energy Unemployment Co., Ltd.	20,142,326.75	20,142,326.75	100.00	Litigation proceedings started
Tianjin Rioliangda Edible Agricultural Products Trading Co., Ltd.	20,000,000.00	20,000,000.00	100.00	Expected to be irrecoverable due to the management difficulty suffered by the debtor.
Sheling Sub-district office, Shuangyang District people's Government, Changchun	18,965,858.00	18,965,858.00	100.00	Expected to be irrecoverable
Qingdao Public Security Bureau South Branch	18,289,342.00	18,289,342.00	100.00	Litigation judgment
Qingzhen Land and Mineral Resources Reserve Center	18,283,400.00	18,283,400.00	100.00	Expected to be irrecoverable
China Trade Leo (Langfang) International Trading Co., Ltd.	15,000,000.00	15,000,000.00	100.00	Expected to be irrecoverable due to the management difficulty suffered by the debtor.
The Development and Reform Commission of Qinghai Province	14,135,608.50	14,135,608.50	100.00	Expected to be irrecoverable
Holingol Junlong Earthwork Engineering Co., Ltd. (Wu Yuanjun)	14,059,203.26	14,059,203.26	100.00	Litigation proceedings started
SPIC Xinjiang Energy and Chemical Industry Headquarters - Xinjiang Kunlun Tyre Co., Ltd.	13,238,000.00	13,238,000.00	100.00	Expected to be irrecoverable
Zhongshan Sub-district Office in Shijiazhuang	12,812,775.92	12,812,775.92	100.00	Cannot be recovered due to Yuanshun Real Estate's

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
				bankruptcy, so the provision for bad debts was made in full.
Jarud Banner People's Government	59,896,480.00	11,979,296.00	20.00	Uncertainty in the recovery of funds
Road lease payment of Xinjiang Haoxin Zhongtianshan Tourism Industry Development Co., Ltd.	10,207,534.35	10,207,534.35	100.00	Expected to be irrecoverable
Yuping Dong Autonomous County Bureau of Industry and Commerce	10,155,535.18	10,155,535.18	100.00	Expected to be irrecoverable
Beijing Sanhe Xingyuan Trading Co., Ltd.	10,000,000.00	10,000,000.00	100.00	Expected to be irrecoverable
Summary of small amounts	328,197,985.28	268,286,971.84	81.75	Expected to be irrecoverable
Total	9,559,017,745.24	9,111,064,902.62		

Other receivables with provision for bad debts accrued by credit risk features portfolio

① Aging portfolio

Aging	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (including 1 year)	13,283,856,108.03	94.73	88,000,073.24	14,798,525,544.42	93.29	19,297,623.86
1 - 2 years	164,542,806.21	1.17	30,682,329.53	383,120,575.85	2.42	24,704,153.26
2 - 3 years	47,830,939.68	0.34	43,190,837.34	293,997,141.47	1.85	138,651,898.49
Over 3 years	527,299,073.21	3.76	387,332,670.30	387,629,891.62	2.44	330,728,231.20
Total	14,023,528,927.13	100.00	549,205,910.41	15,863,273,153.36	100.00	513,381,906.81

② Other receivables with provision for bad debts made by the balance percentage or other portfolio method

Portfolio	Amount as at December 31, 2024	Amount as at January 1, 2024

	Book balance	Proportion of provision(%)	Provision for bad debts	Book balance	Proportion of provision(%)	Provision for bad debts
Portfolio with low risk	13,209,673,387.67			24,320,548,886.83		
Other portfolios	372,669,833.85			644,084,049.99		
Total	13,582,343,221.52			24,964,632,936.82		

(3) Details of provision for bad debts of other receivables

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit loss within the next 12 months	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at December 31, 2023	120,004,140.15	254,539,538.56	6,286,585,717.62	6,661,129,396.33
Balance as at December 31, 2023, in 2024				
- Transfer to Stage II	-1,035,295.21	1,035,295.21		
- Transfer to Stage III	-12,219,258.90	-89,298,366.14	101,517,625.04	
- Reversal from Stage II				
- Reversal from Stage I	21,833,780.93	-21,805,780.93	-28,000.00	
Provision in 2024	64,182,851.72	30,276,019.07	2,928,343,147.73	3,022,802,018.52
Reversal in 2024	1,901,290.44	1,815,367.12	5,773,416.71	9,490,074.27
Charge-off in 2024	41,400.00		836,632.00	878,032.00
Charge-off in 2024	6,511,602.98		3,259,211.43	9,770,814.41
Other changes	-53,209,422.35	8,555,305.39	41,132,435.82	-3,521,681.14
Balance as at December 31, 2024	131,102,502.92	181,486,644.04	9,347,681,666.07	9,660,270,813.03

(4) Provision for bad debts recovered or reversed

Debtor	Amount recovered or reversed	Accumulated provision for bad debts prior to the reversal or recovery	Reason and method for reversal or recovery
Yunnan Qujing Yuegang Holding Group Co., Ltd.	50,000.00	50,000.00	Recovery of equity disposal funds
Guizhou Zhongshan Yemazhai Thermal Power Co., Ltd.	1,500,000.00	323,110,794.00	Recovery of payment
Total	1,550,000.00	323,160,794.00	

(5) Other receivables actually charged off during the reporting period

Debtor	Nature of other receivables	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Jiangsu Haishi Pump Manufacturing Co., Ltd.	Current accounts	5,563,217.00	Bankruptcy reorganization of debtors	Meeting of the General Manager's Office	No
Qinghai Water Conservancy and Hydropower Engineering Bureau Co., Ltd.	Project payment	1,674,321.96	Irrecoverable	Meeting of the General Manager's Office	No
Shouning Boundary Industrial Park Development Co., Ltd.	Borrowings	500,000.00	Business license has been revoked	Approved after internal review	No
Yancheng Fuling New Energy Co., Ltd.	Prepayment of preliminary expenses of the project	344,600.00	Irrecoverable amounts	Resolved at the meeting of the General Manager's Office	Yes
Six persons including Zhao Xianpeng	Compensation payment	252,977.00	There was no enforceable property, and the court issued a ruling to terminate the enforcement	Deliberated at the meeting of the General Manager's Office	No
Henan Aolong	Borrowings	200,000.00	Irrecoverable	General Manager's	No

Debtor	Nature of other receivables	Amount charged off	Reason for write-off	Write-off procedures performed	Whether it is formed due to related party transactions
Biochemical Co., Ltd.				Office	
Youyu Taxation Bureau	Withholding taxes	111,227.22	Aging over 5 years and irrecoverable	Meeting of the General Manager's Office	No
Employees of Sinohydro Corporation	Safety and quality award	73,200.00	Confirmed to be irrecoverable and cleared	Meeting of the Factory Director's Office	No
Henan Xinqi Tengsheng Hoisting Equipment Co., Ltd.	Project payment	49,999.99	Irrecoverable	Meeting of the General Manager's Office	No
Shandong Geological Disaster Prevention and Control Technical Guidance Center	Current accounts	41,400.00	The payment cannot be recovered	Resolved at the meeting of the General Manager's Office	No
Wuchang Social Security	Social insurance premiums withheld	39,055.00	Unilateral pending account and expected to be irrecoverable	Deliberated at the meeting of the General Manager's Office	Yes
Suzhou Boyuan Engineering Technology Co., Ltd.	Project payment	36,783.56	Irrecoverable	Meeting of the General Manager's Office	No
Qinghai Tongli Electric Power Installation Co., Ltd.	Project payment	29,936.30	Irrecoverable	Meeting of the General Manager's Office	No
Guangzhou Changzu Property Management Co., Ltd.	Other margin receivable	10,400.00	Confirmed to be irrecoverable and cleared	Approval by General Manager's Office	No
Summary of small amounts	Current accounts	12,782.71	The payment cannot be recovered	Meeting of the General Manager's Office	No
Total		8,939,900.74			

(6) Top 5 other receivables in terms of their ending balance collected by the debtors

Debtor	Nature of payment	Book balance	Aging	Proportion in total other receivables (%)	Provision for bad debts
SPIC Yili Energy and Chemical Industry Co., Ltd.	Current accounts	3,472,479,204.04	Over 5 years	9.34	395,852,702.31
Inner Mongolia Menglun Energy Management Co., Ltd.	Principal and interest of borrowings, and equity transfer fee	1,342,605,420.11	Within 1 year, 1-2 years, and 2-5 years	3.61	
Shijiazhuang Dongfang Yuanshun Real Estate Development Co., Ltd.	Advances	1,210,124,418.60	Over 3 years	3.26	1,210,124,418.60
Baishan Thermal Power Co., Ltd.	Inter-bank lending	1,209,881,780.06	Within 1 year, 1-2 years, 2-3 years, 3-4 years	3.26	1,209,881,780.06
Jiangxi Hongdian Real Estate Co., Ltd.	Lending	1,064,870,343.37	Within 1 year	2.87	
Total		8,299,961,166.18		22.34	2,815,858,900.97

8.9 Financial assets purchased under resale agreements

8.9.1 By the category of object

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
Treasury bond	1,000,010.00	
Total	1,000,010.00	

8.9.2 By the category of business

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
Bond-pledge repo	1,000,010.00	
Total	1,000,010.00	

8.9.3 By the type of counterparty

Counterparty	Balance as at December 31, 2024	Balance as at December 31, 2023
Non-banking financial institution	1,000,010.00	
Total	1,000,010.00	

8.10 Inventories

8.10.1 Classification of inventories

Item	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Raw materials	19,471,134,651.49	226,631,516.45	19,244,503,135.04	16,282,445,548.81	279,892,803.38	16,002,552,745.43
Self-made semi-manufactured goods and goods in process	3,530,450,514.46	11,349,461.92	3,519,101,052.54	3,082,747,650.73	14,782,040.15	3,067,965,610.58
Stock commodities (finished goods)	3,793,163,094.72	222,166,141.57	3,570,996,953.15	4,906,224,254.40	276,265,514.63	4,629,958,739.77
Contract performance cost	1,313,050,479.71	3,091,139.22	1,309,959,340.49	1,268,320,070.02	2,918,727.24	1,265,401,342.78
Others	170,311,627.11	2,989,877.09	167,321,750.02	1,045,373,474.54	1,832,590.85	1,043,540,883.69
Total	28,278,110,367.49	466,228,136.25	27,811,882,231.24	26,585,110,998.50	575,691,676.25	26,009,419,322.25

8.11 Contract assets

8.11.1 Contract assets

Item	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Engineering projects	14,681,089,287.18	330,759,038.47	14,350,330,248.71	10,317,991,691.69	138,717,421.94	10,179,274,269.75
Receivable for electric charge not included in the list of subsidies	15,458,700,956.99	173,777,888.33	15,284,923,068.66	10,184,956,867.92		10,184,956,867.92
Total	30,139,790,244.17	504,536,926.80	29,635,253,317.37	20,502,948,559.61	138,717,421.94	20,364,231,137.67

8.11.2 Provision for impairment of contract assets

Item	Balance as at January 1, 2024	Provision in 2024	Reversal in 2024	Write-off/Charge-off in 2024	Other changes	Balance as at December 31, 2024	Reason
Engineering projects	138,717,421.94	192,041,616.53				330,759,038.47	Provision made by portfolio
Subsidy income for new energy		173,777,888.33				173,777,888.33	Reduction of subsidy funds before dual networking and provision for impairment of line subsidies
Total	138,717,421.94	365,819,504.86				504,536,926.80	

8.12 Assets held for sale

Type	Balance as at December 31, 2024	Balance as at January 1, 2024
Assets classified as held for sale		
Assets in the disposed asset portfolio classified as held for sale		1,284,250,904.78
Total		1,284,250,904.78

8.13 Non-current assets maturing within one year

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Long-term receivables maturing within one year	31,711,106.54	43,577,312.32
Creditor's rights investments maturing within one year	943,479,975.88	528,787,251.72
Loans and advances due within one year	319,665,190.70	559,498,990.02
Total	1,294,856,273.12	1,131,863,554.06

8.14 Other current assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Input tax to be deducted	21,140,548,850.75	19,450,552,449.28
Entrusted loans (short-term)	2,418,195,553.04	5,041,548,872.19
Creditor's right investment	2,289,406,100.00	4,565,538,800.00
Currency margin receivable	1,165,793,924.39	724,142,080.69
Prepaid income tax	596,658,789.42	559,699,291.48
Overpaid VAT	337,626,223.83	425,882,388.52
Overpaid other taxes and surcharges	105,619,927.59	52,679,707.06
Others	2,495,192,308.09	1,632,428,726.57
Total	30,549,041,677.11	32,452,472,315.79

8.15 Loans and advances

8.15.1 Loans and advances disbursed by the measurement method

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
(1) Measured in amortized cost		
Enterprise loans and advances	1,222,603,201.26	1,691,906,255.93
-Loan	1,222,603,201.26	1,691,901,809.98
-Interest accrued		4,445.95
Total loans and advances measured at amortized cost	1,222,603,201.26	1,691,906,255.93
Less: provision for losses on loans	232,178,108.38	240,586,469.42
Book value of loans and advances measured at amortized cost	990,425,092.88	1,451,319,786.51
Book values of loans and advances	990,425,092.88	1,451,319,786.51

8.15.2 Loans and advances disbursed by individual and enterprise distribution

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
Individual loans and advances		
Enterprise loans and advances	1,222,603,201.26	1,691,906,255.93
-Loan	1,222,603,201.26	1,691,901,809.98

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
-Interest accrued		4,445.95
Total loans and advances	1,222,603,201.26	1,691,906,255.93
Less: provision for losses on loans	232,178,108.38	240,586,469.42
Book values of loans and advances	990,425,092.88	1,451,319,786.51

8.15.3 Loans disbursed by industry distribution

Industry distribution	Balance as at December 31, 2024	Proportion (%)	Balance as at December 31, 2023	Proportion (%)
Leasing and commercial service	670,340,000.00	54.83	617,800,000.00	36.52
Other industry	552,263,201.26	45.17	1,074,101,809.98	63.48
Total loans and advances	1,222,603,201.26	100.00	1,691,906,255.93	100.00
Less: provision for losses on loans	232,178,108.38		240,586,469.42	
Book values of loans and advances	990,425,092.88		1,451,319,786.51	

8.15.4 Loans and advances disbursed by area distribution

Area distribution	Balance as at December 31, 2024	Proportion (%)	Balance as at December 31, 2023	Proportion (%)
Central China	352,947,557.26	28.87	768,005,455.93	45.39
Southwest China	185,855,644.00	15.20		
Northeast China	123,800,000.00	10.13	363,900,800.00	21.51
Northwest China	560,000,000.00	45.80	560,000,000.00	33.1
Total loans and advances	1,222,603,201.26	100	1,691,906,255.93	100
Less: provision for losses on loans	232,178,108.38		240,586,469.42	
Book values of loans and advances	990,425,092.88		1,451,319,786.51	

8.15.5 Loans and advances disbursed by the distribution of the way of guarantee

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
Credit loans		123,280,800.00
Guaranteed loans		429,732,969.35
Collateral loans	1,222,603,201.26	1,138,892,486.58
Including: mortgaged loans	1,222,603,201.26	1,022,072,486.58
Pledged loans		116,820,000.00
Total loans and advances	1,222,603,201.26	1,691,906,255.93
Less: provision for losses on loans	232,178,108.38	240,586,469.42
Book values of loans and advances	990,425,092.88	1,451,319,786.51

8.15.6 Provision for losses on loans

(1) Information on credit loss and expected credit loss from loans and advances

Item	Stage I	Stage II	Stage III	Total
	Expected credit loss within the next 12 months	Expected credit losses throughout the duration (without credit impairment)	Expected credit losses throughout the duration (with credit impairment)	
Book balance	1,222,603,201.26			1,222,603,201.26
Provision for losses	232,178,108.38			232,178,108.38
Book value	990,425,092.88			990,425,092.88

(2) Table of changes in the provision for expected credit loss from loans and advances

Provision for losses	Stage I	Stage II	Stage III	Total
	Expected credit loss within the next 12 months	Expected credit losses throughout the duration (without credit impairment)	Expected credit losses throughout the duration (with credit impairment)	
Balance as at December 31, 2023			240,586,469.42	240,586,469.42
Balance as at December 31, 2023, in 2024				
- Transfer to Stage II				
- Transfer to Stage III				
- Reversal from Stage II				
- Reversal from Stage I				
Provision in 2024				
Reversal in 2024				
Charge-off in 2024				
Charge-off in 2024				
Other changes			- 8,408,361.04	-8,408,361.04
Balance as at December 31, 2024			232,178,108.38	232,178,108.38

8.16 Creditor's right investments

8.16.1 Information on creditor's right investments

Item	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Entrusted loans	6,359,601,983.02	225,664,383.12	6,133,937,599.90	1,295,592,360.77	619,453,727.44	676,138,633.33
Trust plan	472,544,736.36	112,907,308.92	359,637,427.44	156,934,728.34	80,143,103.60	76,791,624.74
Enterprise bonds	263,315,294.57	822,155.67	262,493,138.90	30,551,897.33		30,551,897.33
Preferred stock	10,147,000.07	2,512.72	10,144,487.35	10,140,000.05	513.73	10,139,486.32
Urban investment bonds			-	115,058,512.07		115,058,512.07
Time deposits			-	100,984,066.88		100,984,066.88
Others	162,761.04	162,761.04	-	245,612,741.71	4,962,761.04	240,649,980.67
Total	7,105,771,775.06	339,559,121.47	6,766,212,653.59	1,954,874,307.15	704,560,105.81	1,250,314,201.34

8.16.2 Important creditor's right investment as at December 31, 2024

Bond-related item	Par value	Coupon rate (%)	Effective interest rate (%)	Due date
Guizhou Linhua Mining Co., Ltd.	460,000,000.00	3.50	3.50	March 01, 2025
Guizhou Yaxi Power Generation Co., Ltd.	404,000,000.00	3.50	3.50	April 18, 2026
Guizhou Jinyi Coal Development Co., Ltd.	230,000,000.00	3.50	3.50	March 04, 2025
Guizhou Linhua Mining Co., Ltd.	204,000,000.00	3.20	3.20	March 26, 2025
Guizhou Yaxi Power Generation Co., Ltd.	184,000,000.00	3.50	3.50	April 18, 2026
Total	1,482,000,000.00			

8.17 Other creditor's right investments

8.17.1 Information on other creditor's right investments

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Entrusted loans		3,128,137,600.84
Total		3,128,137,600.84

8.18 Long-term receivables

8.18.1 Information on long-term receivables

Item	Amount as at December 31, 2024			Amount as at January 1, 2024			Interval of discount rate as at December 31, 2024
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value	
Financing lease outlay	454,814,924.28		454,814,924.28	287,382,450.45		287,382,450.45	
Including: unrealized financing income							
Installment proceeds from sale of goods	46,547,782.60	46,547,782.60		46,977,362.79	46,547,782.60	429,580.19	
Installment proceeds from rendering of services	14,148,935.91		14,148,935.91	26,299,122.09		26,299,122.09	
Others	10,864,299,980.03	827,220,253.68	10,037,079,726.35	12,330,929,682.76	835,459,117.24	11,495,470,565.52	
Total	11,379,811,622.82	873,768,036.28	10,506,043,586.54	12,691,588,618.09	882,006,899.84	11,809,581,718.25	

8.19 Long-term equity investments

8.19.1 Classification of long-term equity investments

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Investment to subsidiaries	63,990,000.00			63,990,000.00
Investments in joint ventures	19,390,321,431.54	1,954,363,253.37	1,151,800,467.01	20,192,884,217.90
Investment in associates	60,233,835,140.59	13,468,956,931.72	5,853,107,855.00	67,849,684,217.31
Sub-total	79,688,146,572.13	15,423,320,185.09	7,004,908,322.01	88,106,558,435.21
Less: provision for impairment of long-term equity investments	1,346,753,917.02	30,205,182.42	94,144,084.89	1,282,815,014.55
Total	78,341,392,655.11	15,393,115,002.67	6,910,764,237.12	86,823,743,420.66

8.19.2 Details of long-term equity investments

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Total	71,865,754,174.82	79,624,156,572.13	4,569,853,134.71	1,515,219,608.01	6,626,693,976.31	-498,274,420.81	397,841,407.01	4,040,706,554.41	30,205,182.42	2,878,223,928.28	88,042,568,435.21	1,218,825,014.55
I. Joint ventures	18,151,827,039.13	19,390,321,431.54	229,667,286.16	129,050,000.00	1,789,400,478.62	103,780,161.10	21,591,524.83	1,017,927,155.05		-194,899,509.30	20,192,884,217.90	135,575,758.64
Liaoning Hongyanhe Nuclear Power Co., Ltd.	7,182,000,000.00	8,144,417,577.08			1,017,988,271.79			729,354,150.33		-91,869,477.13	8,341,182,221.41	
Shanghai Yangshupu Xinyi Real Estate Development Co., Ltd.	2,151,490,032.44	2,266,925,515.98			21,491,512.73						2,288,417,028.71	
Huaihu Coal & Power Co., Ltd.	1,464,722,422.00	1,437,913,064.61	46,100,100.00		57,500,605.56		16,493,970.63	45,000,000.00			1,513,007,740.80	
Shanghai Yishan New Energy Technology Co., Ltd.	900,000,000.00	967,272,404.32			60,392,244.15		328,726.40				1,027,993,374.87	
Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	838,636,844.56	807,775,061.40			92,093,246.67		237,263.05				900,105,571.12	
Zhejiang Zheneng Guodian Investment Shengsi Offshore Wind Power Co., Ltd.	710,000,000.00	807,059,259.74			122,330,256.19		2,615,552.72	77,135,300.38			854,869,768.27	
Shanghai Waigaoqiao No.3 Power Generation Co., Ltd.	740,672,927.82	746,451,393.23			150,544,877.22		363,852.33	51,000,000.00			846,360,122.78	
Hidroelectrica La Higuera SA	563,413,682.78	783,589,394.91			21,688,675.57	60,013,503.17				-58,832,405.23	806,459,168.42	
Shanghai Haiwan Xinneng Wind Power Co., Ltd.	339,700,000.00	487,161,890.36			80,747,645.81		297,740.37	71,478,097.48			496,729,179.06	
Shanghai Nengke Ruiying Energy Co., Ltd.	290,454,709.33	398,711,872.66			82,977,841.78			2,321,514.18		-7,512,313.76	471,855,886.50	
Hidroelectrica La Confluencia SA	98,142,721.02	387,377,196.15			-2,686,846.18	27,379,479.61				-28,382,155.49	383,687,674.09	
SNPTC Zheneng Nuclear Energy Co., Ltd.	194,050,000.00	221,412,420.79	37,000,000.00		22,869.60						258,435,290.39	
Shenzhen Fenghe Energy Investment Co., Ltd.	200,000,000.00	232,514,185.48			16,020,124.48	-621,360.14	646,310.18	19,000,000.00			229,559,260.00	
Guangzhou China Power Lixin Industry Company Limited	302,000,000.00	174,404,926.68			4,602,436.12					81,626.66	179,088,989.46	
Shanghai Friendship Shipping Co., Ltd.	169,132,754.59	154,712,047.54			-5,435,745.26		-142,066.04				149,134,236.24	
Xinjiang Zhundong Wucai Bay North Second Power Plant Co., Ltd.	134,069,114.65	134,069,114.65									134,069,114.65	
Hunan China Resources Power Liyujiang Co., Ltd.	282,780,502.46	112,461,996.30			6,428,065.81	4,628,000.00					123,518,062.11	
Baoshan Longchuanjiang Hydropower Development Co., Ltd.	126,000,000.00	102,228,073.83									102,228,073.83	102,228,073.83
TP Ease Energy Co., Ltd.	100,000,000.00	50,000,000.00	50,000,000.00		-917,522.11						99,082,477.89	
China Power Changshu Electricity Distribution Co., Ltd.	80,004,000.00	90,368,493.58			10,460,670.94			6,000,000.00			94,829,164.52	
Qingyun Shangde Wind Power Generation Co., Ltd.	78,689,534.03	77,763,068.78			15,201,322.22						92,964,391.00	
Henan Zhongping Coal & Power Co., Ltd.	70,504,300.00	89,267,075.83			3,137,812.08			1,000,000.00		15,908.46	91,420,796.37	
Changshu Binjiang Heat Co., Ltd.	42,140,000.00	84,223,103.43			10,088,185.02			6,970,309.91			87,340,978.54	
Hunan Luxin Smart Energy Co., Ltd.	80,012,753.26	83,451,822.69			425,515.45						83,877,338.14	
OAK ENERGY HOLDING HUNGARY KFT	73,798,157.69	30,044,671.53	43,753,486.16		1,517,491.35						75,315,649.04	
Hidroeléctrica La Higuera Transmission		62,128,897.24			6,944,519.41	5,937,243.88				-4,951,208.70	70,059,451.83	
Anhui Shangdian Junneng New Energy Technology Co., Ltd.	34,080,000.00	38,957,355.79			1,865,683.17		183,975.58				41,007,014.54	
Yunnan Dianeng Luliang Union Thermoelectricity	107,265,200.00	33,347,684.81									33,347,684.81	33,347,684.81

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Co., Ltd.												
Hubei Power Investment New Energy Investment Co., Ltd.	30,137,364.00	40,039,417.12			682,443.09			7,564,179.01			33,157,681.20	
Shanxi Shangdian New Energy Co., Ltd.	32,500,000.00		32,500,000.00								32,500,000.00	
SPIC Anhui Conch Power Sales Co., Ltd.	1,000,000.00	25,019,445.13			5,570,876.81						30,590,321.94	
Jingxian Jiangneng New Energy Technology Co., Ltd.	28,950,000.00	28,950,000.00									28,950,000.00	
Ruihua (Shenzhen) Integrated Smart Energy Co., Ltd.	25,000,000.00	25,616,581.58			1,492,423.32						27,109,004.90	
Woyang Shangdian Junneng New Energy Co., Ltd.	24,006,400.00	24,467,752.18			373.30		42,216.18				24,510,341.66	
Xiong'an Xingrong Nuclear Power Innovation Center Co., Ltd	20,000,000.00	19,611,226.30			40,086.37						19,651,312.67	
Longhua Longke New Energy Technology Co., Ltd.	15,644,700.00		15,644,700.00		30,815.67						15,675,515.67	
Shanghai Pudong New Energy Development Co., Ltd.	8,990,620.00	9,756,661.37	669,000.00		3,780,221.75		176,577.42				14,382,460.54	
Alxa Jinyuan New Energy Co., Ltd.	9,800,000.00	13,222,308.13			332,139.46		278,978.05				13,833,425.64	
Dongguan Humen Gangli Fengyuan Public Pipe Gallery Co., Ltd.	10,500,000.00	11,007,512.67			258,630.21						11,266,142.88	
Hebei Shangdian Nenghui New Energy Development Co., Ltd.	8,091,600.00	9,134,237.62			1,746,903.99		32,044.55				10,913,186.16	
SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd.	5,000,000.00	6,330,115.85			1,329,167.14						7,659,282.99	
Zhongxin Shangdian (Suzhou) Energy Technology Co., Ltd	4,850,000.00	5,720,870.08			653,979.34		32,533.28				6,407,382.70	
Shanghai Shangdian Ganghua Energy Technology Co., Ltd.	7,654,000.00	6,741,868.88			-344,345.11						6,397,523.77	
Shangdian New Energy Power Generation (Liaocheng) Co., Ltd.	5,375,600.00	6,469,249.73			593,703.77			1,093,649.73			5,969,303.77	
Green Energy Jusheng Ecological Technology (Beijing) Co., Ltd.	9,500,000.00	6,506,314.14			-1,165,514.49						5,340,799.65	
Hidroeléctrica La Confluencia Transmission					-1,063,756.98	6,443,294.58				-240,737.94	5,138,799.66	
Guangxi Laibin Shanghe Tongda New Energy Co., Ltd.	3,000,000.00	3,120,066.85			445,432.45		3,616.75				3,569,116.05	
Shangdian Jingguang (Tianjin) Clean Energy Co., Ltd.	3,000,000.00	3,000,750.00									3,000,750.00	
Shuangbai Shangdian Zhengdong New Energy Technology Co., Ltd.	2,600,000.00	2,607,400.56			86,042.99		233.38				2,693,676.93	
Shanghai Jiesu New Energy Co., Ltd.	2,100,000.00	2,259,787.95									2,259,787.95	
Shanghai Shangdian Petrochemical Co., Ltd.	2,014,800.00	2,024,754.03			223,828.60			9,954.03			2,238,628.60	
Zhongji Guoda Power Technology Jiangsu Co., Ltd.	8,000,000.00	4,155,541.98			-952,248.60					-981,412.07	2,221,881.31	
Guizhou Lvdong Energy Co., Ltd.	1,500,000.00		1,500,000.00		2,181.87						1,502,181.87	
Qinghai Jinqi New Energy Co., Ltd.	500,000.00	500,000.00		500,000.00	181,534.10					-181,534.10		
Shantou (Ganzhou) Xinfeng Energy Development	35,000,000.00	35,000,000.00	2,500,000.00	37,500,000.00								

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			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Group Co., Ltd.												
Erdos Diantou Lvfeng New Energy Co., Ltd.	2,000,000.00	2,000,000.00								-2,000,000.00		
Binzhou SPIC New Energy Development Co., Ltd.	74,480,000.00	74,480,000.00		74,480,000.00								
SNPTC-WEC Nuclear Power Technical Services (Beijing) Co., Ltd.	6,165,400.00											
Jilin Province Jidian Energy Service Co., Ltd.	570,000.00	570,000.00		570,000.00	45,800.00					-45,800.00		
Inner Mongolia Power Investment Giant Energy Co., Ltd.	2,000,000.00	2,000,000.00		2,000,000.00								
Zhongxindian (Hainan) Environmental Protection Power Generation Co., Ltd.	14,000,000.00	14,000,000.00		14,000,000.00								
Shanghai Wujing Power Generation Co., Ltd.	394,136,898.50											
III. Associates	53,713,927,135.69	60,233,835,140.59	4,340,185,848.55	1,386,169,608.01	4,837,293,497.69	-602,054,581.91	376,249,882.18	3,022,779,399.36	30,205,182.42	3,073,123,437.58	67,849,684,217.31	1,083,249,255.91
Jiangsu Nuclear Power Co., Ltd.	4,634,901,000.00	7,091,664,835.91			1,418,186,912.12	3,000.00	-28,938,406.03	1,172,400,000.00		-14,153.79	7,308,502,188.21	
Qinghai Provincial Investment Group Co., Ltd.	5,229,023,229.63	5,789,197,924.01			624,756,058.56	128,374.24	109,706.96				6,414,192,063.77	
SPIC Ronghe New Energy Development Co., Ltd.	4,681,942,556.17	6,052,141,644.01			668,809,679.91			311,739,950.36			6,409,211,373.56	
China Power Investment Ronghe Financial Leasing Co., Ltd.	3,719,594,140.07	5,081,150,038.56			582,441,372.54	-114,767,449.80		296,260,381.64		114,122,016.00	5,366,685,595.66	
Qinghai Jinchuan Mining Co., Ltd.	376,173,416.00		376,173,416.00		79,490,638.36		10,546,861.21			2,957,828,901.49	3,424,039,817.06	
Sanmen Nuclear Power Co., Ltd.	2,297,619,600.00	2,407,545,707.65	230,310,000.00		179,024,640.90		2,130,705.85	267,960,000.00		-7,001,400.36	2,544,049,654.04	
Guizhou Railway Investment Co., Ltd.	1,900,000,000.00	2,253,231,136.78			23,433,442.87		61,491.89				2,276,726,071.54	
Huaneng Shidaobay Nuclear Power Co., Ltd.	1,398,244,441.84	1,353,416,395.44	233,250,000.00								1,586,666,395.44	
Qinshan Third Nuclear Power Co., Ltd.	200,000,000.00	1,428,264,437.62			311,286,100.37	-316,993.48	3,895,780.14	270,200,000.00		-219,595.68	1,472,709,728.97	
VinhTan1PowerCompanyLimited	952,585,095.66	1,033,224,641.26			322,809,800.11	18,442,874.63					1,374,477,316.00	
Shandong Green Energy Investment Co., Ltd.	1,017,420,000.00	836,601,195.54	237,420,000.00		36,413,827.99		2,629,569.52				1,113,064,593.05	
UTEGNAGERADE ENERGIAS.A.	698,167,800.00	2,129,993,730.62			-621,137,275.11	-406,325,009.31					1,102,531,446.20	
Shenhua Guohua Shouguang Power Co., Ltd.	637,214,000.00	967,738,841.36	21,560,000.00		179,118,273.56		6,727,655.72	91,560,000.00			1,083,584,770.64	
Shanghai Qiyuanxin Power Technology Co., Ltd.	671,410,000.00	698,920,328.72			115,145,555.95		258,464,448.50				1,072,530,333.17	
Qinghai Huangdian Lvwei New Energy Management Co., Ltd.	938,020,000.00	944,583,531.35			50,692,617.93		212,707.72				995,488,857.00	
Shanghai Wujing No.2 Power Generation Co., Ltd.	1,237,203,949.53	906,614,595.06			-1,158,398.32		2,189,530.00				907,645,726.74	
Enemalta PLC	746,400,000.00	976,779,411.39			-31,242,811.40					-41,711,530.09	903,825,069.90	
Guangzhou Kangyue New Energy Investment Co., Ltd.	765,191,764.72	797,027,261.98			42,693,683.58						839,720,945.56	
Beijing Ronghe New Energy Development Co., Ltd.	688,867,284.58	781,561,879.55			25,192,502.70		5,243,192.48				811,997,574.73	
Qinghai Energy Development Co., Ltd.	755,000,000.00	778,494,717.54			12,236,074.88		2,821,549.14	2,100,000.00			791,452,341.56	
Xinyuan Ronghe (Beijing) Power Co., Ltd.	655,511,524.03	585,070,409.04	200,000,000.00		-18,256,280.00					0.02	766,814,129.06	

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Diantou Rongyu Chongqing New Energy Co., Ltd.	714,000,000.00	755,457,055.58			38,670,181.00			31,500,000.00			762,627,236.58	
ZarechnoyeKazakh-Russian-KyrgyzJointVenture with ForeignInvestmentsJSC	660,769,729.73		660,769,729.73								660,769,729.73	
Jiangxi Gandian Rongtou New Energy Development Co., Ltd.	540,000,000.00	513,957,250.38	100,000,000.00		37,227,948.70		7,393,785.52				658,578,984.60	
Nuclear Power Qinshan Associate Co., Ltd.	228,000,000.00	613,669,506.41			115,529,497.04	-216,665.02	1,574,341.45	114,840,000.00			615,716,679.88	
Shanghai Shenergy Lingang CCGT Power Generation Co., Ltd.	545,042,961.28	631,585,313.00			76,814,084.51		282,226.82	127,050,000.00			581,631,624.33	
Jarud Banner Tiejin Transportation Co., Ltd.	285,603,615.00	488,746,284.51			51,468,191.23		-161,383.22				540,053,092.52	
Dianrong Lianyu Henan New Energy Co., Ltd.	394,800,000.00	441,446,200.00			30,043,817.37						471,490,017.37	
Anhui Huainan Pingwei Power Generation Co., Ltd.	74,883,666.00		408,455,666.51		33,248,811.11						441,704,477.62	
Shanghai Xirong New Energy Co., Ltd.	411,136,802.39	413,250,921.44			14,936,250.49		-1,077,782.37				427,109,389.56	
Anhui Power Investment Xintuo Energy Development Co., Ltd.	420,872,420.15	455,644,493.76	4,046,080.45		56,300,000.00		3,644,799.29	95,118,154.07			424,517,219.43	
Qianxi Nanzhou Qinglong Anbao Coal Mine Co., Ltd.	418,777,004.20	414,239,086.49			-16,348,026.10					-0.01	397,891,060.38	
Guizhou Zhijin Pingyuan Clean Energy Co., Ltd.	380,000,000.00	250,000,000.00	130,000,000.00								380,000,000.00	
Xinjiang Pingmei Tianan Power Investment Energy Co., Ltd.	366,520,000.00		366,520,000.00								366,520,000.00	
Power Investment Liaorong (Liaoning) New Energy Co., Ltd.	284,900,000.00	354,025,085.76			41,402,657.95			48,311,333.05			347,116,410.66	
Sichuan Energy Investment Development Co., Ltd.	198,385,000.00	290,604,155.99			34,066,953.61			12,745,096.00		-46,121.56	311,879,892.04	
Guizhou Qianxi Energy Development Co., Ltd.	37,500,000.00	252,672,321.91			46,273,781.32		2,469,335.75				301,415,438.98	
Inner Mongolia Wulan Buhe Energy Co., Ltd.	294,819,400.00		294,819,400.00								294,819,400.00	
AMWAJ INTERNATIONAL COMPANYLLC	357,109.09	363,853,392.26			6,098,160.67	-79,037,898.31					290,913,654.62	
Huayuan Anneng (Tianjin) Energy Investment Partnership (Limited Partnership)	250,000,000.00	264,184,498.53			15,122,916.67						279,307,415.20	
Tianjin Dongfu Intensive Investment Management Center (Limited Partnership)	268,202,522.00	268,202,522.00			4,470,157.36			4,470,157.36			268,202,522.00	
Jarud Banner Tiejin Transportation Co., Ltd.	138,491,880.00	241,293,685.82			24,960,042.45		-78,264.50				266,175,463.77	
Guizhou Nengfa Electric Power Fuel Development Co., Ltd.	132,097,375.24									265,324,550.31	265,324,550.31	
Qinghai Guoshang New Energy Development Co., Ltd.	200,134,501.80	235,426,530.86			18,268,548.95						253,695,079.81	
Guizhou Xiwei New Energy Co., Ltd.	186,383,365.00	235,209,786.52			15,089,852.15		1,219,745.52				251,519,384.19	
Inner Mongolia Huomei Yicheng Energy Co., Ltd.	18,000,000.00	244,853,127.72									244,853,127.72	244,853,127.72
CLP Shentou Power Co., Ltd.	129,190,318.52	224,288,137.04			17,595,940.47		631,119.66				242,515,197.17	
SPIC Lvdong Ronghe New Energy Hubei Co., Ltd.	191,059,300.00	185,278,308.74	24,937,500.00		32,063,253.39						242,279,062.13	
Shangtao Xintou Power Generation Co., Ltd.	238,000,000.00	70,000,000.00	168,000,000.00		-470.04						237,999,529.96	
SPIC Jiayang (Hangzhou) Energy Technology Co., Ltd.	203,389,100.00	212,931,343.01			22,967,438.11		173,431.55				236,072,212.67	
Zhejiang Zheneng Zhenhai Gas-fired Power	198,337,289.78	220,075,043.31			11,627,588.81		752,973.86				232,455,605.98	

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Generation (Zhejiang) Co., Ltd.												
Chuanjing Coal Industry of Sichuan Guangwang Group	230,349,524.67	230,349,524.67									230,349,524.67	230,349,524.67
Guizhou Faer Coal Industry Co., Ltd.	81,990,000.00	237,027,441.04			-34,307.66		-6,850,511.57				230,142,621.81	
Zhejiang Power Investment Ronghe New Energy Technology Co., Ltd.	180,012,800.00	190,311,947.13			14,735,692.20		814,696.61				205,862,335.94	
Jingyuan Shangfa Investment New Energy Co., Ltd.	205,747,600.00		205,747,600.00								205,747,600.00	
Qinghai Huangdian Siwei New Energy Management Co., Ltd.	140,010,000.00	167,507,474.19			22,973,468.91		749,188.00				191,230,131.10	
Gansu Diantou Longhe New Energy Development Co., Ltd.	166,932,619.00	188,218,370.33			32,860.57						188,251,230.90	
Shanghai Donghai Wind Power Generation Co., Ltd.	160,383,283.11	170,306,770.17			9,833,689.02		-10,486.67				180,129,972.52	
Liaoning Zhuanghe Nuclear Power Co., Ltd.	176,000,000.00	176,020,398.86			16,703.15						176,037,102.01	
China Power (Zhejiang) Energy Investment Co., Ltd.	164,916,000.00		164,916,000.00		1,587,210.27					280,475.12	166,783,685.39	
SPIC Ninghe (Yinchuan) New Energy Co., Ltd.	157,188,680.38	94,497,164.94	63,180,985.00		9,042,807.44						166,720,957.38	
Nanyang Yahekou Power Generation Co., Ltd.	276,276,973.01	172,276,977.26			-9,325,992.27	1,912,050.00					164,863,034.99	
China Nuclear Commercial Factoring Co., Ltd.	194,050,000.00	159,677,352.65			4,651,764.09	-854,611.56					163,474,505.18	
Fuxin Gaohai Mining Co., Ltd.	184,456,416.79	161,333,359.38									161,333,359.38	161,333,359.38
SPIC New Energy Technology Co., Ltd.	27,930,026.17	166,586,667.21			-72,698,424.86		67,093,968.06				160,982,210.41	
Jiangsu Huadian Wangting Natural Gas Power Generation Co., Ltd.	227,561,515.95	164,074,954.48			-10,553,795.77						153,521,158.71	
Hunan Qingdiantou New Energy Co., Ltd.	133,927,656.83	134,647,745.37			11,135,473.80						145,783,219.17	
National Energy Boxing Power Generation Co., Ltd.	144,000,000.00		144,000,000.00		-9,532,649.25		3,524.22				134,470,874.97	
Power Investment Rongji (Hebei) New Energy Co., Ltd.	107,643,800.00	120,220,345.44			11,514,344.49						131,734,689.93	
Dongfang Lvhe (Hebei) New Energy Co., Ltd.	65,000,000.00	132,915,724.43			-4,924,914.27						127,990,810.16	
Guangxi Haiguihang New Energy Co., Ltd.	125,870,000.00	89,374,654.24	41,160,000.00		6,829,112.68			10,349,106.07			127,014,660.85	
Xinjiang Power Investment Rongjiang New Energy Co., Ltd.	134,270,000.00	140,555,496.16			-10,607,283.86		-652,768.28	2,687,226.71			126,608,217.31	
Shanxi Diantou Jinhe New Energy Co., Ltd.	122,829,000.00	125,183,409.51			-3,961,240.82		381,458.50				121,603,627.19	
Zhihui (Hainan) Green New Energy Co., Ltd.	62,518,000.00	147,383,300.00	5,400,000.00		-33,072,876.00						119,710,424.00	
Fuxin Huashun Wind Power Generation Co., Ltd.	115,280,000.00	140,715,931.26			13,192,221.53			37,215,848.20			116,692,304.59	
Dongfang Ronghe (Hebei) New Energy Co., Ltd.	65,000,000.00	105,030,779.45			11,328,652.37						116,359,431.82	
Jiangxi United Energy Co., Ltd.	34,350,000.00	93,194,024.76			33,076,717.70		1,302,229.44	11,811,436.80			115,761,535.10	
Guizhou Zhongshan Yemazhai Thermal Power Co., Ltd.	100,000,000.00	100,000,000.00									100,000,000.00	100,000,000.00
Changji Gurbantonggut Desert Base New Energy Development Co., Ltd.	97,602,800.00		97,602,800.00								97,602,800.00	
SPIC Weirong New Energy Co., Ltd.	86,260,329.75	86,260,329.75			9,892,467.04		973,740.42				97,126,537.21	
Shanghai Changqi New Energy Co., Ltd.	77,071,900.00	84,271,353.36			6,175,327.22		133,830.78				90,580,511.36	
Shanxi Power Investment Construction Energy Technology Co., Ltd.	84,982,000.00	91,866,559.00			4,276,227.58		221,950.95	6,544,079.65			89,820,657.88	

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Wuhan Lvxi New Energy Co., Ltd.	72,940,300.00	73,790,694.53			15,834,315.58						89,625,010.11	
Shanghai Yitian New Energy Venture Investment Partnership (Limited Partnership)	100,121,374.38	88,562,446.28			-1,274,972.75						87,287,473.53	
Hangzhou Xingguang New Energy Co., Ltd.	84,060,000.00	92,739,097.79			38,380,682.05		421,698.44	46,071,865.37			85,469,612.91	
Zhongneng Ronghe Intelligence Technology Co., Ltd.	51,000,000.00	91,949,066.40			-6,858,391.57						85,090,674.83	
Xinjiang Xinhua Chemical Fertilizer Co., Ltd.	83,165,701.12	83,165,701.12									83,165,701.12	83,165,701.12
China Nuclear Baotou Nuclear Fuel Components Co., Ltd.	79,951,853.57	70,881,088.54			28,594,064.14					-17,051,906.04	82,423,246.64	
Shanghai Shunhua New Energy Systems Co., Ltd.	90,876,113.00	74,763,943.71			-4,113,549.12		10,998,488.07				81,648,882.66	
Shaanxi SPIC Rongqin New Energy Co., Ltd.	74,221,400.00	74,933,976.99			2,215,815.46		49,219.61				77,199,012.06	
Guizhou Hongwei Highway Co., Ltd.	77,000,000.00	77,000,000.00									77,000,000.00	77,000,000.00
SPIC Xinnongchuang Technology Co., Ltd.	72,000,000.00	102,866,617.91			-37,000,633.05	1,033,777.05	6,031,702.06				72,931,463.97	
Aluminum Power (Yinchuan) Clean Energy Co., Ltd.	57,000,000.00	65,369,229.04			1,899,955.50						67,269,184.54	
Beijing Diantou Yitong New Energy Co., Ltd.	61,626,600.00	62,319,045.55			3,391,478.02					205,653.67	65,916,177.24	
Henan Zhongping Luyang Coal and Electricity Co., Ltd.	32,484,060.00	58,933,036.71			5,233,713.38						64,166,750.09	
Changji SPIC New Energy Development Co., Ltd.	56,000,000.00	62,843,123.63			6,032,293.03			6,447,268.17			62,428,148.49	
Jiangxi Guoxing Smart Energy Co., Ltd.	52,650,000.00	53,547,396.62			6,877,188.58						60,424,585.20	
Liaoning Zhonghao Energy Development Co., Ltd.	37,769,313.98	51,745,743.19			13,152,053.02			5,160,670.72			59,737,125.49	
Chongqing Lvxin Energy Development Co., Ltd.	55,052,720.00	57,184,599.16			1,953,741.06						59,138,340.22	
Shanghai Xin'an Shipping Co., Ltd.	55,000,000.00	54,360,646.33			2,397,780.51						56,758,426.84	
Dongguan Zhongdian Xin'ao Heating Power Co., Ltd.	23,000,000.00	49,583,452.18			6,928,785.45			920,000.00			55,592,237.63	
SPIC Zhoushan Smart Ocean Energy Technology Co., Ltd.	52,863,444.00	53,427,900.11									53,427,900.11	
Jiangsu Hesheng New Energy Co., Ltd.	45,818,437.00	49,643,384.45			3,616,052.55						53,259,437.00	
Shandong Xinfa Luying New Energy Co., Ltd.	50,000,000.00	13,282.25	50,000,000.00		-13,282.25						50,000,000.00	
Xining Nanchuang Green Electricity Distribution and Selling Co., Ltd.	62,500,000.00	56,955,932.85			-8,513,654.38						48,442,278.47	
Huadian Xinjiang Shawan Smart Energy Co., Ltd.	48,282,360.00	48,282,360.00									48,282,360.00	48,282,360.00
Shanghai Chongming Beiyan Wind Power Co., Ltd.	49,158,302.59	47,870,213.16			2,624,777.69		-36,055.63	3,430,057.63			47,028,877.59	
Fuxin Dayuan Coal Mine Co., Ltd.	83,757,002.19	44,794,568.17									44,794,568.17	44,794,568.17
Henan Honggi Enterprise Management Co., Ltd.	30,000,000.00	41,988,266.37			-543.00						41,987,723.37	
Jidian Nenggu (Baicheng) Energy Storage Investment Co., Ltd.	40,000,000.00	40,082,094.54			11,049.20						40,093,143.74	
CNNC Henan Nuclear Power Co., Ltd.	40,000,000.00	40,000,000.00									40,000,000.00	
(13) Liaoning SPIC Huida Power Technology Co., Ltd.	11,600,000.00	42,831,763.81			-2,737,899.73			2,784,000.00			37,309,864.08	
NARI Jidian New Energy (Nanjing) Co., Ltd.	23,520,000.00	29,955,773.26			10,438,292.37			3,102,151.66			37,291,913.97	
Urumqi Gongtou Wind Power Technology Co., Ltd.	29,400,000.00	32,645,483.51			4,059,363.96		20,774.65				36,725,622.12	
Henan Yagao New Energy Co., Ltd.	32,660,900.00	35,967,416.96			350,819.41						36,318,236.37	

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Liaoning Transportation Investment New Energy Co., Ltd.	35,280,000.00	35,300,840.52			748,477.62						36,049,318.14	
Shenzhen Jidian Yingsheng New Energy Investment Co., Ltd.	36,995,000.00	37,029,609.68			-1,190,201.15						35,839,408.53	
Hunan Power Investment New Energy Co., Ltd.	32,159,450.00	32,143,105.69			2,665,540.07						34,808,645.76	
Puan Qingpu Energy Service Co., Ltd.	33,170,909.54		33,300,670.94								33,300,670.94	
Anqing High-tech Jidian Energy Co., Ltd.	35,485,800.00	33,852,172.00			-1,096,440.22						32,755,731.78	
Guizhou Pu'an Diguanpo Coal Industry Co. , Ltd.	33,187,488.00	32,767,091.16			-54,443.59						32,712,647.57	
Chaoyang Zhongan Water Service Co., Ltd.	28,800,000.00	32,531,582.64			783,317.41			1,448,125.86			31,866,774.19	
Chongqing Beautiful Liangjiang Environment Technology Co., Ltd.	24,000,000.00	31,086,773.25			649,059.80			185,692.66			31,550,140.39	
Qinghai Electric Power Exchange Co., Ltd.	31,047,092.00	31,327,242.29			91,494.55						31,418,736.84	
Huadian Xinjiang Yining Smart Energy Co., Ltd.	30,976,718.62	30,976,718.62									30,976,718.62	30,976,718.62
Hubei Lvhe New Energy Co., Ltd.	47,926,000.00	47,697,048.14			1,049,830.93			17,807,255.17			30,939,623.90	
Guizhou Jinze New Energy Technology Co., Ltd.	40,781,374.76	61,909,484.55			-32,008,814.38		217,768.27				30,118,438.44	
Ningxia Qingtongxia Pumped Storage Co., Ltd.	30,110,000.00	18,840,000.00	11,270,000.00								30,110,000.00	
East Energy (Shandong) Technology Development Co., Ltd.	10,500,000.00	23,830,555.99			5,211,898.35						29,042,454.34	
Jidu (Suzhou) Intelligent Energy Co., Ltd.	54,000,000.00	61,227,903.14			-32,251,430.62						28,976,472.52	
Sichuan Power Investment Xingchuan Ronghe Power Co., Ltd.	29,746,500.00	30,553,189.02			-1,722,005.55		-21,180.69	706,957.50			28,103,045.28	
Xinjiang Yanhu Salt Industry Co., Ltd.	25,481,889.53	27,508,419.32			7,424.09		11,840.73				27,527,684.14	
SPIC Ronghe (Fujian) New Energy Co., Ltd.	26,340,287.71	27,350,697.66			114,392.11		8,162.40				27,473,252.17	
Bairui Innovation Venture Capital Co., Ltd.	15,857,200.00	28,414,822.21			-1,227,455.64						27,187,366.57	
Chongqing Guolong Electric Power Co., Ltd.	208,653,900.00	26,894,858.09									26,894,858.09	26,894,858.09
Herui Power Investment Energy Storage Technology Co., Ltd.	40,000,000.00	30,542,220.35			-3,721,848.65						26,820,371.70	
China Nuclear Investment Co., Ltd.	31,418,238.24	29,470,459.48			-4,003,998.75						25,466,460.73	
Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	10,150,040.00	21,644,325.55			3,446,500.95		305,698.93	525,923.46			24,870,601.97	
Sinopharm (Pingdingshan) Medical & Health Industry Co., Ltd.	24,656,088.09	24,669,818.55			66,880.00						24,736,698.55	
Shengyilun Power Investment Technology Co., Ltd.	23,500,000.00	22,189,108.34							22,189,108.34		22,189,108.34	22,189,108.34
Jiangxi Guote Smart New Energy Co., Ltd.	24,000,000.00	20,202,466.28			1,854,110.16						22,056,576.44	
Chongqing Tongxing Rubbish Treatment Co., Ltd.	22,156,789.92		22,156,789.92		-296,759.09						21,860,030.83	
Shaanxi Ruihe Energy Co., Ltd.	17,840,000.00	21,166,247.92			2,459,075.19		170,361.29	2,448,618.86			21,347,065.54	
CNNE Libo Lidu Hydropower Development Co., Ltd.	10,462,000.00	17,606,174.55			3,336,969.39		33,908.07	47.54		95.08	20,977,099.55	
Tongliao Business Training Co., Ltd.	50,000,000.00	22,298,686.01			-1,652,387.93						20,646,298.08	
Shanghai Jijia Overseas Engineering Co., Ltd.	25,500,000.00	20,197,451.77									20,197,451.77	
Inner Mongolia Ludian Mengyuan Electric Power Engineering Co., Ltd.	3,000,000.00	18,357,471.08			860,757.56						19,218,228.64	
Shouning Niutoushan Grade II Hydropower Co., Ltd.	18,088,050.40	19,009,181.93			1,867,741.10			2,652,000.00			18,224,923.03	
Anhui Power Investment Xinneng Energy Development Co., Ltd.	17,270,000.00	20,003,265.26			-1,044,034.34		231,133.08	1,747,598.44			17,442,765.56	

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			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Gansu Longhe Environmental Protection Technology Co., Ltd.	8,750,000.00	12,117,439.32			6,966,496.74			1,750,000.00			17,333,936.06	
Jidian Future Zhiwei Energy Technology (Jilin) Co., Ltd.	14,818,200.00	15,225,587.04			1,199,177.55					878,486.57	17,303,251.16	
Heze Lvyuan New Energy Co., Ltd.	13,802,339.46	15,384,505.93			1,482,324.18		153,488.83				17,020,318.94	
Jidian Future Zhiwei Energy Technology (Jilin) Co., Ltd.	8,500,000.00	15,117,686.73			1,540,119.92						16,657,806.65	
Fujian Shadian Labor Service Co., Ltd.	14,285,076.25	16,191,160.81			746,872.17			307,600.00			16,630,432.98	
Zhongji Zhiyuan Technology Co., Ltd.	15,000,000.00	14,165,093.83			148,183.35						14,313,277.18	
Beijing Diantou Lvrong New Energy Development Co., Ltd.	14,238,000.00	14,238,000.00			18,678.53						14,256,678.53	
Chongqing Aijust Co., Ltd.	208,737,052.00	11,877,387.18			2,185,649.80						14,063,036.98	
Liaoning Power Investment Clean Energy Development Co., Ltd.	7,982,518.80	12,671,280.46			951,002.57						13,622,283.03	
Jiangxi Nuclear Finance Development New Energy Co., Ltd.	11,438,700.00	12,425,951.44			950,758.28						13,376,709.72	
International Renewable Energy Service Center	2,340,000.00	12,529,796.81			2,403,105.78			1,580,397.00			13,352,505.59	
Beijing Energy Industry Internet Research Institute Co., Ltd.	15,000,000.00	13,981,531.73			-634,195.21						13,347,336.52	
Tongliao Electric Power Construction and Installation Co., Ltd.	11,535,247.42	13,183,050.62			-118,953.09						13,064,097.53	
Tianjin Xinyuan Hydrogen Energy Co., Ltd.	14,000,000.00	4,435,206.86	7,000,000.00		1,339,538.17						12,774,745.03	
Chongqing Yuankang Environmental Protection Technology Co., Ltd.	15,000,000.00	12,650,535.96			99,133.31						12,749,669.27	
Yibin Fuxi Fly Ash Development Co., Ltd.	6,562,522.66	12,433,936.91			58,500.00						12,492,436.91	
Shanghai Minglv New Energy Co., Ltd.	7,000,000.00	5,875,426.10			6,431,313.26						12,306,739.36	
Guangxi Huandian Technology Co., Ltd.	13,999,300.00	13,487,667.98			-2,412,601.27						11,075,066.71	
Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.	9,600,000.00	11,118,130.16			246,519.84			361,816.79			11,002,833.21	
Chongqing Jianhe Stone Powder Co., Ltd.	13,650,000.00	10,150,534.83			575,863.27						10,726,398.10	
Hunan Energy Big Data Center Co., Ltd.	9,000,000.00	10,725,879.66						199,791.71			10,526,087.95	
Qing'an New Material Technology (Beijing) Co., Ltd.	9,759,500.00		9,759,500.00		529,252.08					-0.01	10,288,752.07	
Zhongji Zhiyuan Technology Co., Ltd.	10,000,000.00	9,443,301.63			98,788.90						9,542,090.53	
Ningxia Aluminum Electric New Energy Technology Development Co., Ltd.	9,000,000.00	9,456,722.55			-510,780.32						8,945,942.23	
SPIC (Henan) New Power Technology Co., Ltd.	16,875,000.00	9,763,844.62			-2,389,500.00						7,374,344.62	
Tongxin Longyuan Hechuang Electric Power Co., Ltd.	4,198,799.05	4,198,799.05			297,261.26		10,166,421.75	7,421,732.42			7,240,749.64	
Chongqing Gangqiao Energy Co., Ltd.	8,400,000.00	7,630,491.05			-399,050.82						7,231,440.23	
Qinghai Duolong Pumped Storage Co., Ltd.	7,000,000.00	7,000,000.00									7,000,000.00	
Yancheng Yuhe New Energy Co., Ltd.	7,000,000.00		7,000,000.00								7,000,000.00	
Jianghe Technology Co., Ltd.	7,938,450.00	7,312,193.12			-374,394.00						6,937,799.12	
Jiangxi Ganneng Ecology Co., Ltd.	8,154,500.00	7,068,949.87			-258,500.00				6,800,000.00	14,400.00	6,824,849.87	6,800,000.00
Jiangxi Ganrong Xinchuang New Energy Development Co., Ltd.	5,256,000.00	5,256,000.00			853,910.58		51,056.00				6,160,966.58	

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			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Jidian Chongjing (Jilin) New Energy Development Co., Ltd.	7,500,000.00	6,421,357.46			-388,874.67						6,032,482.79	
Shanghai Nuclear Equipment Testing and Verification Center Limited	2,450,000.00	4,790,773.65			1,086,279.71		355,453.43	213,938.59			6,018,568.20	
Shanghai Nuclear Power Technology Equipment Co., Ltd.	2,000,000.00	5,229,554.61			521,861.86			200,000.00			5,551,416.47	
CLP Yuchuang (Suzhou) Intelligent Technology Co., Ltd.	3,500,000.00	4,104,768.57			1,790,717.64			350,000.00			5,545,486.21	
Jidian Bicheng Intelligent Energy (Chengdu) Co., Ltd.	3,564,480.00	4,602,277.19			916,646.08						5,518,923.27	
Qingdao Lvhe New Energy Management Co., Ltd.	9,000,000.00	6,881,929.57			-1,389,712.28						5,492,217.29	
Guohui (Shenzhen) Green Energy Co., Ltd.	5,390,000.00		5,390,000.00								5,390,000.00	
Chongqing Green Electric Transportation Technology Co., Ltd.	4,000,000.00	4,159,627.62			666,734.00						4,826,361.62	
Xinjiang Corps Electric Power Planning and Design Research Institute Co., Ltd.	2,000,000.00	2,900,992.70			1,270,076.32						4,171,069.02	
Guizhou Yunzhilong Electric Coal Transportation Investment Co., Ltd.	4,000,000.00	4,000,000.00									4,000,000.00	4,000,000.00
Puyang Longyuan Xiexin Electricity Distribution and Selling Co., Ltd.	3,740,627.82	3,740,627.82			11.33						3,740,639.15	
Habo Energy Technology (Suzhou) Co., Ltd.	3,500,000.00	3,624,791.29			23,194.33						3,647,985.62	
Jiangsu Huandian Technology Co., Ltd.	3,640,942.20	3,640,942.20									3,640,942.20	
Beijing Power Investment Huizhi Energy Technology Co., Ltd.	3,400,000.00	2,945,146.18			223,449.02						3,168,595.20	
Guangxi Power Exchange Center Co., Ltd.	2,597,822.87	2,678,981.17			16,235.00						2,695,216.17	
SPIC (Pingdingshan) New Power Technology Co., Ltd.	2,450,000.00	2,462,788.45			-801.57						2,461,986.88	
Sichuan Huizhi Energy Co., Ltd.	1,800,000.00	1,994,065.20			436,535.01						2,430,600.21	
SPIC Candela (Beijing) New Energy Technology Co., Ltd.	3,900,000.00	3,147,597.34			-863,058.95						2,284,538.39	
LaylaandArRassHoldingCompanyLLC	834,912.36	41,639,216.04			-17,557,887.70	-22,056,030.35					2,025,297.99	
Beijing Hewei Power Investment Energy Technology Co., Ltd.	3,250,000.00	1,843,806.05			161,601.33						2,005,407.38	
State Power Investment Cloud Carbon (Beijing) Co., Ltd	3,500,000.00	2,108,704.77			-114,735.32						1,993,969.45	
Zhejiang Qiyuanxin Power Technology Co., Ltd.	580,000.00	1,206,801.73			722,041.91						1,928,843.64	
Shandong Hongji New Energy Co., Ltd.	1,500,000.00	1,500,000.00									1,500,000.00	
Shanghai Yijiang New Energy Technology Co., Ltd.	1,500,000.00	1,291,551.91									1,291,551.91	
Jiangxi Lulan Technology Co., Ltd.	1,620,000.00	1,511,274.08			-295,200.00				1,216,074.08		1,216,074.08	1,216,074.08
Shandong Huandian New Energy Technology Co., Ltd.	83,388.00	2,855,212.36			-1,641,500.00						1,213,712.36	
Weifang Jiekai Energy Management Co., Ltd.	1,000,000.00	1,123,754.87			60,048.37						1,183,803.24	
Zhongji Huineng (Shenzhen) Investment Co., Ltd.	1,500,000.00	1,821,521.96			-769,859.46						1,051,662.50	
Henan Zhongneng Smart Big Data Technology Co., Ltd.	9,800,000.00	1,191,727.13			-159,098.61						1,032,628.52	

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			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Hainan Zero Carbon Technology Co., Ltd.	1,000,000.00	1,000,000.00									1,000,000.00	
SPIC Ronghe (Dongguan) New Energy Co., Ltd.	997,000.00		997,000.00								997,000.00	
Weihai Nursing Home of Henan Hongyuan Electric Power Fuel Corporation	2,645,000.00	971,994.04									971,994.04	971,994.04
Jilin Province Jidian Energy Service Co., Ltd.	630,000.00	666,372.57			75,244.04						741,616.61	
Beijing Huake Power Investment Energy Technology Co., Ltd.	675,000.00	657,315.00			4,896.33						662,211.33	
Jilin Electric Power Ganghua Intelligent Energy (Jinan) Co., Ltd.	600,000.00	584,777.63			23,293.85						608,071.48	
ZumaEnergiaSAdeCV	138,279.60	899,502.90			-653,340.06					296,371.98	542,534.82	
Kaifeng Guangyi Energy Technology Co., Ltd.	980,000.00	970,494.00			-517,327.55						453,166.45	
Xinjiang Electric Energy Complete Equipment Co., Ltd.	450,000.00	421,861.68									421,861.68	421,861.68
Shanghai Heguang Energy Co., Ltd.	196,000.00	299,467.43			85,474.88			93,119.90			291,822.41	
Shenzhen Jinshen New Energy Co., Ltd.	2,962,469.54	2,962,469.54			-2,910,934.15						51,535.39	
Hebei Zhicheng Energy Co., Ltd.	5,200,000.00	1,373,243.44			-1,332,241.90						41,001.54	
Guizhou Jincheng Energy Co., Ltd.	9.00	9.00									9.00	
Fuxin Shengming Thermal Power Co., Ltd.	22,728,926.23											
Chongqing Tianhong Mining Co., Ltd.	266,459,137.33	94,144,084.89		94,144,084.89								
Zhengzhou Bairui Innovation Investment Management Co., Ltd.	6,326,200.00	1,767,458.63		1,530,021.03						-237,437.60		
Zunyi Zhiyuan Electricity Distribution and Selling Co., Ltd.	67,500,000.00	67,500,415.00			1,207,784.84					-68,708,199.84		
Tonghua Hengtai Thermal Power Co., Ltd.	10,657,190.10											
Guizhou Nengfa Alpine Mining Co., Ltd.	51,000,000.00											
Guizhou Yushe Coal Industry Co., Ltd.	40,000,000.00											
Guizhou Taiyuan Energy Co., Ltd.	500,000.00											
Guizhou Bide Coal Industry Co., Ltd.	48,000,000.00											
Guizhou Xukuang Xinglong Mining Co., Ltd.	130,517,000.00											
Guizhou Dafang Power Generation Co., Ltd.	202,845,345.54											
Guizhou Wulunshan Coal Industry Co., Ltd.	60,000,000.00											
Western Green Energy Technology (Chongqing) Co., Ltd.	1,500,000.00	1,362,540.52			-1,362,540.52							
SPIC Green Qingneng Phase I (Hainan) Private Equity Partnership (Limited Partnership)	81,675,000.00	81,522,633.39								-81,522,633.39		
Zhangzhou Huandian New Energy Technology Co., Ltd.	83,388.00	30,821.35			-30,821.35							
Hunan Guohe New Energy Co., Ltd.	250,436.83	377,045.49			-5,459,446.02					5,082,400.53		
Ganhe Technology Co., Ltd.	2,260,000.00	2,611,623.59		2,260,000.00						-351,623.59		
Haidong Hehuang Zero Carbon Smart Energy Investment Co., Ltd.	82,710.00		82,710.00	82,710.00								
Zhejiang Shangdian Tiantai Mountain Wind Power Co., Ltd.	13,981,320.00											
Jiangxi Lvdong Smart Agricultural Science & Technology Co., Ltd.	2,800,000.00	2,800,000.00		2,800,000.00								
Jiangxi Lushan Irradiation Cable Technology Co.,		1,048,051.66								-1,048,051.66		

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			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Ltd.												
Jiangneng Smart Energy Technology Co., Ltd.	2,150,000.00	434,300.00		2,150,000.00						1,715,700.00		
Jiangzhou Power Investment Ecological Technology (Shenzhen) Co., Ltd.	2,100,000.00	632,744.24		2,100,000.00						1,467,255.76		
Jiangzhou Power Investment Ecological Technology (Shenzhen) Co., Ltd.	3,000,000.00	814,504.22		511,764.16	-302,740.06							
Hydrogen Power (Beijing) Technology Service Co., Ltd.	20,000,000.00	5,908,957.69			-5,908,957.69							
Kaiping Power Investment Ronghe Energy Investment Co., Ltd.	4,900,000.00	4,900,000.00								-4,900,000.00		
Shanxi Jingtai New Energy Co., Ltd.	108,024,793.20	152,032,134.44		108,024,793.20	7,818,754.44					-51,826,095.68		
Shanxi Silu Jinyuan Electric Power Co., Ltd.	10,000,000.00		10,000,000.00	10,000,000.00								
Datang Guizhou Faer Power Generation Co., Ltd.	829,475,062.50											
Guodian Investment (Haiyang) New Energy Development Co., Ltd.	911,630,669.00	1,017,254,475.97		1,083,792,505.88	66,538,029.91							
SPIC Tianqi (Guangdong) Smart Energy Technology Co., Ltd.	4,250,000.00	4,188,426.26		4,188,426.26								
SPIC Tianqi (Guangdong) Smart Energy Technology Co., Ltd.	4,250,000.00	4,255,318.24		4,250,000.00						-5,318.24		
SPIC International Trade (Beijing) Co., Ltd.	49,000,000.00				-622,102.47					622,102.47		
SPIC Zhongchuang New Energy Technology Development (Beijing) Co., Ltd.	3,000,000.00											
SPIC Chongqing Baihe Electric Power Co., Ltd.	210,262,774.42											
Jidian Zhisheng (Changchun) Energy Storage Co., Ltd.	2,000,000.00				677.19					-677.19		
Jilin Province Jidian International Trade Co., Ltd.	12,500,000.00											
Jilin Boda Biochemical Co., Ltd.	114,693,904.11											
Beijing Power Investment Lvtong Technology Co., Ltd.	4,960,000.00		4,960,000.00		-4,960,000.00							
Shanghai Hongxin Chuangrong New Energy Development Co., Ltd.	18,000,000.00	17,998,186.47		17,998,186.47								
Shanghai Shunhua New Energy Systems Co., Ltd.	67,021,128.00	55,316,694.82		52,337,116.12	-2,979,578.70							
VT3InvestmentLtd	70,226.69	70,226.69								-70,226.69		

8.19.3 Principle financial information of significant joint ventures

Item	Amount in 2024			Amount in 2023		
	Liaoning Hongyanhe Nuclear Power Co., Ltd.	Shanghai Yangshupu Xinyi Real Estate Development Co., Ltd.	Huaihu Coal & Power Co., Ltd.	Liaoning Hongyanhe Nuclear Power Co., Ltd.	Shanghai Yangshupu Xinyi Real Estate Development Co., Ltd.	Huaihu Coal & Power Co., Ltd.
Current assets	9,590,898,326.96	2,576,213,258.59	1,088,253,686.35	11,519,497,992.93	2,533,463,800.85	801,343,498.14
Non-current assets	63,893,589,482.28	2,673,418,312.04	7,498,426,007.40	66,484,721,901.32	2,674,177,832.41	7,027,733,184.87
Total assets	73,484,487,809.24	5,249,631,570.63	8,586,679,693.75	78,004,219,894.25	5,207,641,633.26	7,829,076,683.01
Current liabilities	12,256,890,525.98	574,398,486.81	2,599,760,454.96	10,050,038,940.73	575,812,479.71	2,490,320,522.76
Non-current liabilities	41,579,148,909.32	92,414.22	2,903,581,427.70	48,947,141,738.39	548,714.02	2,407,691,248.48
Total liabilities	53,836,039,435.30	574,490,901.03	5,503,341,882.66	58,997,180,679.12	576,361,193.73	4,898,011,771.24
Net assets	19,648,448,373.94	4,675,140,669.60	3,083,337,811.09	19,007,039,215.13	4,631,280,439.53	2,931,064,911.77
Net asset share calculated by shareholding ratio	8,841,801,768.27	2,290,818,928.10	1,528,410,552.96	8,553,167,646.81	2,269,327,415.37	1,452,928,876.76
Adjustments	-500,619,546.86	-2,401,899.39	-15,402,812.16	-408,750,069.73	-2,401,899.39	-15,015,812.15
Book value of equity investment in joint ventures	8,341,182,221.41	2,288,417,028.71	1,513,007,740.80	8,144,417,577.08	2,266,925,515.98	1,437,913,064.61
Fair value of the publicly quoted equity investments						
Operating income	14,494,520,824.84	28,613,994.17	4,430,938,138.98	14,013,042,050.17	45,143,324.85	4,338,195,239.12
Financial expenses	1,639,835,455.23	-33,086,115.01	112,896,481.03	1,913,824,864.16	-28,051,560.00	108,415,042.59
Income tax expenses	467,115,918.92	14,698,397.80	42,821,702.74	258,950,742.85	16,523,248.10	59,494,216.61
Net profit	2,262,196,159.54	43,860,230.07	115,998,800.81	2,092,998,738.52	49,406,481.15	76,464,982.47
Other comprehensive income						
Total comprehensive income	2,262,196,159.54	43,860,230.07	115,998,800.81	2,092,998,738.52	49,406,481.15	76,464,982.47
Dividends received from joint ventures in the current period	729,354,150.33		45,000,000.00			160,000,000.00

8.19.4 Principle financial information of significant associates

Item	Amount in 2024			Amount in 2023		
	Jiangsu Nuclear Power Co., Ltd.	SPIC Ronghe New Energy Development Co., Ltd.	Qinghai Provincial Investment Group Co., Ltd.	Jiangsu Nuclear Power Co., Ltd.	SPIC Ronghe New Energy Development Co., Ltd.	Qinghai Provincial Investment Group Co., Ltd.
Current assets	9,839,014,666.04	47,215,308,807.46	7,563,981,291.81	9,825,355,320.33	51,253,192,387.93	8,442,949,107.40
Non-current assets	56,643,155,136.41	119,995,948,042.53	15,701,616,725.60	60,244,185,950.42	120,655,614,819.89	13,588,113,543.23
Total assets	66,482,169,802.45	167,211,256,849.99	23,265,598,017.41	70,069,541,270.75	171,908,807,207.82	22,031,062,650.63
Current liabilities	9,498,683,558.51	52,952,181,121.34	2,419,448,016.00	8,099,826,616.22	54,691,081,644.95	2,426,265,363.53
Non-current liabilities	31,620,710,323.01	84,392,018,559.95	7,135,761,472.27	37,252,615,329.21	88,971,565,385.87	6,878,894,851.72
Total liabilities	41,119,393,881.52	137,344,199,681.29	9,555,209,488.27	45,352,441,945.43	143,662,647,030.82	9,305,160,215.25
Net assets	25,362,775,920.93	29,867,057,168.70	13,710,388,529.14	24,717,099,325.32	28,246,160,177.00	12,725,902,435.38
Net asset share calculated by shareholding ratio	7,608,832,776.28	6,035,214,792.59	5,791,789,109.47	7,415,129,797.60	5,678,145,063.04	5,375,421,188.70
Adjustments	-300,330,588.07		622,402,954.30	-323,464,961.69	373,996,580.97	413,776,735.31
Book value of the equity investment in associates	7,308,502,188.21	6,035,214,792.59	6,414,192,063.77	7,091,664,835.91	6,052,141,644.01	5,789,197,924.01
Fair value of the publicly quoted equity investments						
Operating income	18,301,644,161.88	11,038,410,573.05	19,588,324,432.31	17,901,501,314.71	7,678,457,764.45	19,318,710,073.41
Net profit	4,756,689,707.06	2,967,118,538.08	1,719,310,362.61	4,400,741,777.51	2,548,042,907.51	561,652,360.89
Other comprehensive income	10,000.00		303,888.95		890,424.31	8,200,376.85
Total comprehensive income	4,756,699,707.06	2,967,118,538.08	1,719,614,251.56	4,400,741,777.51	2,548,933,331.82	569,852,737.74
Dividends received from associates in 2024				1,533,300,000.00		

8.19.5 Summary of the information on insignificant joint ventures and associates

Item	Amount in 2024	Amount in 2023
Joint ventures:		
Total book value of investment	7,914,701,468.34	6,979,321,733.96
Total amount calculated based on the following shareholding proportions		
Net profit	2,185,602,489.58	1,194,932,558.13
Other comprehensive income	206,040,457.84	148,656,265.38
Total comprehensive income	2,391,642,947.42	1,343,588,823.51
Associates:		
Total book value of investment	47,330,598,283.06	40,153,642,578.28
Total amount calculated based on the following shareholding proportions		
Net profit	13,175,718,074.94	14,396,225,646.63
Other comprehensive income	407,024,026.56	196,456,744.75
Total comprehensive income	13,582,742,101.50	14,592,682,391.38

8.20 Other equity instrument investments

Other equity instrument investments

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Dividend income recognized in 2024	Gains or losses included in other comprehensive income in 2024	Accumulative gains or losses included in other comprehensive income as at December 31, 2024	Amount of other comprehensive income transferred to retained earnings	Reasons for other comprehensive income transferred to retained earnings
Taiping Holdings USD 150 Million Perpetual Bonds	1,122,651,964.20	1,106,314,198.65	67,058,280.04	-172,521.60	44,391,964.20		
BOC USD 150 Million Preferred Stocks	1,070,927,832.00	1,034,782,470.00	38,457,180.00	20,702,592.00	-7,332,168.00		
China Power Clean Industry Venture Investment Fund (Tianjin) Partnership (Limited Partnership)	962,127,100.00	962,121,800.00	16,126,718.35	5,300.00	5,300.00		
Guizhou Beipanjiang Electric Power Co., Ltd.	842,077,987.54	822,467,317.49	36,232,800.00	19,610,670.05	389,167,987.54		
Bank of Zhengzhou Co., Ltd.	833,259,913.34	774,317,738.42		58,942,174.92	-290,152,825.61		
Sino-Russian Energy Cooperation Equity Investment Fund (Qingdao) Partnership (Limited Partnership)	798,215,263.97	823,750,805.59		-25,535,541.62	48,215,263.97		
China Life (Overseas) USD 87.80 Million Perpetual Bonds	631,772,661.52	629,509,951.04	33,359,837.07	-7,131,899.18	631,141.52		
Macau Power Co.,	498,949,670.96	450,049,442.39	35,386,918.70	48,900,228.57	230,367,587.09		

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Dividend income recognized in 2024	Gains or losses included in other comprehensive income in 2024	Accumulative gains or losses included in other comprehensive income as at December 31, 2024	Amount of other comprehensive income transferred to retained earnings	Reasons for other comprehensive income transferred to retained earnings
Ltd.							
BOCOM USD 62 Million Preferred Stocks	440,626,779.73	423,288,072.97	14,684,689.46	13,388,355.82	-5,054,020.27		
China International Capital Corporation Limited	393,975,912.16	376,000,000.00		17,975,912.16	17,975,912.16		
NCB USD 50.00 Million Perpetual Bonds	369,771,296.00	349,283,350.50	26,172,247.33	15,275,350.00	10,351,296.00		
Ningxia Western Venture Industry Co., Ltd.	368,928,679.56	343,338,250.92		25,590,428.64	-74,835,456.38		
CSI Central Enterprise Innovation Driven ETF Fund	367,947,297.55	307,849,320.45		60,097,977.10	123,447,797.55		
CSCEC International USD 50 Million Perpetual Bonds	350,182,906.00	446,403,741.02	16,183,692.48	12,089,617.60	-9,237,094.00		
China CITIC Bank USD 47 Million Preferred Stocks	335,733,071.86	325,160,595.05	16,066,555.34	5,719,881.76	-2,121,728.14		
22 Bank of China Perpetual Bonds 01	320,066,700.00	314,040,300.00	10,950,000.00	4,519,800.00	20,066,700.00		
Central SOEs Rural Industry Investment Fund Co., Ltd.	300,000,000.00	300,000,000.00					

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Dividend income recognized in 2024	Gains or losses included in other comprehensive income in 2024	Accumulative gains or losses included in other comprehensive income as at December 31, 2024	Amount of other comprehensive income transferred to retained earnings	Reasons for other comprehensive income transferred to retained earnings
Huainan Mining (Group) Co., Ltd.	253,441,359.14	235,820,800.00	14,237,330.00	17,620,559.14	53,441,359.14		
Haoji Railway Co., Ltd.	224,640,293.04	222,278,959.90		2,361,333.14	-29,153,666.96		
CINDA HK USD 30 Million Perpetual Bonds	217,506,607.20	214,418,826.72	12,342,797.84	-273,879.41	1,854,607.20		
Jilin Dunhua Pumped Storage Co., Ltd.	209,811,759.01	209,811,759.01	5,377,100.00				
Huainan Mining (Group) Co., Ltd.	200,757,500.00	200,283,018.87	14,237,330.00	474,481.13	474,481.13		
Guoxin Central Enterprise Credit Guarantee (Beijing) Co., Ltd.	200,000,000.00	200,000,000.00	2,182,633.70				
Shanghai Donghai Wind Power Generation Co., Ltd.	188,259,285.57	283,338,600.00	19,153,325.30	-95,079,314.43	53,913,844.29		
BOCOM Hong Kong USD 25 Million Preferred Stocks	157,698,831.66	151,902,100.28	4,762,380.24	4,360,680.47	-445,968.34		
Power Investment Ronghe Innovation (Changzhou) Equity Investment Partnership (Limited Partnership)	150,000,000.00	100,000,000.00					

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Dividend income recognized in 2024	Gains or losses included in other comprehensive income in 2024	Accumulative gains or losses included in other comprehensive income as at December 31, 2024	Amount of other comprehensive income transferred to retained earnings	Reasons for other comprehensive income transferred to retained earnings
ICBC USD 20 Million Preferred Stocks	139,354,322.40	132,234,009.00	4,557,887.93	5,146,894.40	-4,413,677.60		
Jinruihong Microelectronics (Quzhou) Co., Ltd.	111,420,566.04	102,185,339.92		9,235,226.12	12,420,566.04		
21 ICBC Perpetual Bonds 01	105,474,300.00	104,985,700.00	4,040,000.00	366,450.00	5,474,300.00		
21 ABC Perpetual Bonds 01	104,066,100.00	102,695,400.00	3,760,000.00	1,028,025.00	4,066,100.00		
Summary disclosure of other small amounts	1,306,000,475.23	3,274,787,552.58	124,499,896.96	-24,006,300.22	-420,367,606.11	77,202,397.85	Disposal of other equity instrument investments
Total	13,575,646,435.68	15,323,419,420.77	519,829,600.74	190,184,456.56	169,085,896.42	77,202,397.85	

8.21 Other non-current financial assets

Item	Fair value as at December 31, 2024	Fair value as at January 1, 2024
Trust plan	159,000,000.00	159,000,000.00
Others	1,320,317,855.07	1,446,885,446.50
Total	1,479,317,855.07	1,605,885,446.50

8.22 Investment properties

8.22.1 Measured at fair value

Item	Fair value as at January 1, 2024	Increase in 2024			Decrease in 2024		Fair value as at December 31, 2024
		Purchase	Transfer-in from private property or inventories	Profit or loss from changes in fair value	Disposal	Transferred to private property	
I. Total costs	1,554,910,084.14		532,521,092.98		1,100,099.28	829,277,183.67	1,257,053,894.17
Including: 1. Buildings and constructions	1,281,155,150.51		522,504,222.98		1,100,099.28	829,277,183.67	973,282,090.54
2. Land use right	273,754,933.63		10,016,870.00				283,771,803.63
II. Total of changes in fair value	1,849,320,239.98		8,654,713.00	-115,933,816.75	220,042.72	169,221,266.50	1,572,599,827.01
Including: 1. Buildings and constructions	1,837,727,157.29		8,654,713.00	-115,202,996.62	220,042.72	169,221,266.50	1,561,737,564.45
2. Land use right	11,593,082.69			-730,820.13			10,862,262.56
III. Total of book value of investment properties	3,404,230,324.12		541,175,805.98	-115,933,816.75	1,320,142.00	998,498,450.17	2,829,653,721.18
Including: 1. Buildings and constructions	3,118,882,307.80		531,158,935.98	-115,202,996.62	1,320,142.00	998,498,450.17	2,535,019,654.99
2. Land use right	285,348,016.32		10,016,870.00	-730,820.13			294,634,066.19

8.23 Fixed assets

Item	Book value as at December 31, 2024	Book value as at January 1, 2024
Fixed assets	1,005,094,108,507.70	900,131,086,922.31
Disposal of fixed assets	119,450,056.73	96,158,306.50
Total	1,005,213,558,564.43	900,227,245,228.81

8.23.1 Fixed assets

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total of original book value:	1,394,337,024,165.41	200,239,286,745.02	29,732,924,464.33	1,564,843,386,446.10
Including: land assets	488,970,117.30	358,474,825.40	28,385,232.87	819,059,709.83
Buildings and constructions	315,835,075,725.35	40,540,866,268.26	7,710,403,959.83	348,665,538,033.78
Machinery equipment	1,032,034,410,345.81	143,812,886,354.42	18,403,112,014.69	1,157,444,184,685.54
Transportation facilities	5,555,181,116.70	267,371,305.59	355,330,665.03	5,467,221,757.26
Electronic equipment	3,014,218,700.20	700,973,959.47	93,010,463.09	3,622,182,196.58
Office facilities	2,774,555,009.69	551,944,371.14	282,272,162.76	3,044,227,218.07
Others	34,634,613,150.36	14,006,769,660.74	2,860,409,966.06	45,780,972,845.04
II. Total accumulated depreciation:	470,096,392,763.93	70,739,159,443.14	10,404,189,337.94	530,431,362,869.13
Including: land assets	11,200,014.18	16,964,784.00		28,164,798.18
Buildings and constructions	114,117,979,404.91	12,024,109,409.07	2,618,818,736.61	123,523,270,077.37
Machinery equipment	344,050,733,375.69	56,597,960,963.84	7,062,007,456.40	393,586,686,883.13
Transportation facilities	3,841,265,344.15	280,818,495.70	308,443,639.19	3,813,640,200.66
Electronic equipment	1,504,961,565.32	366,992,755.48	77,944,768.73	1,794,009,552.07
Office facilities	1,970,563,079.62	359,857,552.05	108,764,601.86	2,221,656,029.81
Others	4,599,689,980.06	1,092,455,483.00	228,210,135.15	5,463,935,327.91
III. Total Net Book Value of Fixed Assets	924,240,631,401.48			1,034,412,023,576.97
Including: land assets	477,770,103.12			790,894,911.65
Buildings and constructions	201,717,096,320.44			225,142,267,956.41
Machinery equipment	687,983,676,970.12			763,857,497,802.41
Transportation facilities	1,713,915,772.55			1,653,581,556.60
Electronic equipment	1,509,257,134.88			1,828,172,644.51
Office facilities	803,991,930.07			822,571,188.26
Others	30,034,923,170.30			40,317,037,517.13
IV. Total provision for impairment	24,109,544,479.17	6,711,931,497.25	1,503,560,907.15	29,317,915,069.27
Including: land assets				
Buildings and constructions	7,288,196,443.43	2,155,569,976.82	366,327,704.34	9,077,438,715.91
Machinery	16,496,918,418.65	4,504,155,959.67	1,095,659,350.72	19,905,415,027.60

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
equipment				
Transportation facilities	28,790,224.95	2,069,968.72	9,741,068.57	21,119,125.10
Electronic equipment	46,452,015.50	8,545,103.25	1,918,290.91	53,078,827.84
Office facilities	4,065,058.89	4,779,521.78	334,115.04	8,510,465.63
Others	245,122,317.75	36,810,967.01	29,580,377.57	252,352,907.19
V. Total book value of fixed assets	900,131,086,922.31			1,005,094,108,507.70
Including: land assets	477,770,103.12			790,894,911.65
Buildings and constructions	194,428,899,877.01			216,064,829,240.50
Machinery equipment	671,486,758,551.47			743,952,082,774.81
Transportation facilities	1,685,125,547.60			1,632,462,431.50
Electronic equipment	1,462,805,119.38			1,775,093,816.67
Office facilities	799,926,871.18			814,060,722.63
Others	29,789,800,852.55			40,064,684,609.94

8.23.2 Temporarily idle fixed assets

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value	Remark
Buildings and constructions	247,407,077.50	66,544,416.89	168,478,233.98	12,384,426.63	
Machinery equipment	1,508,445,057.10	409,456,551.60	927,556,451.76	171,432,053.74	
Transportation facilities	3,808,590.93	1,919,613.38		1,888,977.55	
Electronic equipment	1,902,437.35	202,191.62		1,700,245.73	
Office facilities	16,000.00	16,000.00			
Total	1,761,579,162.88	478,138,773.49	1,096,034,685.74	187,405,703.65	

8.23.3 Fixed assets with pending certificates of title

Item	Book value	Reason for pending certificates of title
Buildings and constructions	3,868,398,389.55	It is going through the formalities

8.23.4 Disposal of fixed assets

Item	Book value as at December 31, 2024	Book value as at January 1, 2024	Reason for disposal via transfer-in
Buildings and constructions	7,233,998.00	2,880,919.41	To be disposed of or scrapped
Machinery equipment	107,638,306.44	89,463,340.76	To be disposed of or scrapped
Transportation facilities	3,027,546.25	2,020,160.65	To be disposed of or scrapped
Electronic equipment	399,648.48	208,202.52	To be disposed of or scrapped
Office facilities	385,325.72	75,730.79	To be disposed of or scrapped
Others	765,231.84	1,509,952.37	To be disposed of or scrapped
Total	119,450,056.73	96,158,306.50	

8.24 Construction in progress

Item	Balance as at December 31, 2024			Balance as at January 1, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	200,488,216,834.08	2,815,536,227.97	197,672,680,606.11	227,802,693,087.27	2,565,741,600.68	225,236,951,486.59
Project materials	11,063,922,512.69	134,120,666.44	10,929,801,846.25	7,774,043,397.20	36,213,569.87	7,737,829,827.33
Total	211,552,139,346.77	2,949,656,894.41	208,602,482,452.36	235,576,736,484.47	2,601,955,170.55	232,974,781,313.92

8.24.1 Details of construction in progress

Item	Balance as at December 31, 2024			Balance as at January 1, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Haiyang Nuclear Power Phase II Project	31,072,498,106.77		31,072,498,106.77	23,586,844,861.24		23,586,844,861.24
PWR Demonstration Project	18,186,600,367.92		18,186,600,367.92	43,242,014,375.60		43,242,014,375.60
Lianjiang Nuclear Power Project Phase I	9,686,673,403.55		9,686,673,403.55	6,011,230,072.47		6,011,230,072.47
Large-scale infrastructure project for Myitsone Dam	7,994,275,915.79		7,994,275,915.79	7,289,191,051.95		7,289,191,051.95
Shandong Haiwei Peninsula South U Site 450MW Offshore Wind Power Project	3,396,823,341.72		3,396,823,341.72	30,019,500.00		30,019,500.00
Pengze Nuclear Power Project	3,857,225,843.54		3,857,225,843.54	3,690,489,616.10		3,690,489,616.10
Haiyang Nuclear Power Phase III Project	2,637,363,383.52		2,637,363,383.52	458,427,004.53		458,427,004.53
Guangdong Company: Zhanjiang Offshore Wind Power Co., Ltd.: 300 MW capacity expansion project for offshore wind power	2,527,615,326.66		2,527,615,326.66	173,010,950.54		173,010,950.54
Da'an Integration Project of Green Hydrogen and Synthetic Ammonia Produced from Wind Power and PV	2,495,187,930.93		2,495,187,930.93	269,470,656.30		269,470,656.30

Item	Balance as at December 31, 2024			Balance as at January 1, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Guangxi Bailong Nuclear Power Project	2,499,902,388.47		2,499,902,388.47	1,923,406,047.26		1,923,406,047.26
Heishan 900 MW Wind Power Project	1,010,762,546.05		1,010,762,546.05	689,152,082.32		689,152,082.32
Ciha Hydropower Station	1,486,188,900.03	177,843,300.00	1,308,345,600.03	1,302,170,445.51	177,843,300.00	1,124,327,145.51
Wind power base phase I 6 million KW demonstration project in Ulanqab	296,023,489.33		296,023,489.33	4,607,319,713.45		4,607,319,713.45
200MW "PV+" Power Generation Project in Zuoquan County	66,656,677.40		66,656,677.40	818,441,997.12		818,441,997.12
Guandong Phase I Project	47,486,832.82		47,486,832.82	456,680,359.92		456,680,359.92
Dalian Huayuankou Offshore Wind Power Plant Project	96,463,268.20	68,867,613.19	27,595,655.01	81,749,932.05	68,867,613.19	12,882,318.86
Langfang 2×400MW Gas-Steam Combined Cycle Unit Project	79,372,229.40	79,054,474.68	317,754.72	79,054,474.68	79,054,474.68	
Other projects	113,051,096,881.98	2,489,770,840.10	110,561,326,041.88	133,094,019,946.23	2,239,976,212.81	130,854,043,733.42
Total	200,488,216,834.08	2,815,536,227.97	197,672,680,606.11	227,802,693,087.27	2,565,741,600.68	225,236,951,486.59

8.24.2 Changes in important construction in progress in 2024

Item	Budget amount	Balance as at January 1, 2024	Amount increased in 2024	Amount transferred into fixed assets in 2024	Other decreases in 2024	Balance as at December 31, 2024	Proportion of accumulated project investment in budget (%)	Percentage of completion (%)	Accumulated capitalization amount of interest	Including: capitalized amount of interest in 2024	Capitalization rate of interest in 2024 (%)	Source of funds
Haiyang Nuclear Power Phase II Project	37,050,000,000.00	23,586,844,861.24	7,485,653,245.53			31,072,498,106.77	83.91	83.91	4,950,860,305.23	614,560,650.88	2.40	Self-owned funds + loans
PWR Demonstration Project	57,165,000,000.00	43,242,014,375.60	3,416,082,691.75	27,020,916,699.47	1,450,579,999.96	18,186,600,367.92	95.60	95.60	2,284,363,286.05	1,142,860,449.88	2.74	Self-owned funds + loans
Lianjiang Nuclear Power Project Phase I	42,402,830,000.00	6,011,230,072.47	3,761,234,930.82	85,791,599.74		9,686,673,403.55	40.79	40.79	691,509,684.97	266,257,259.80	2.41	Self-owned funds + loans
Large-scale infrastructure project for Myitsone Dam	25,000,000,000.00	7,289,191,051.95	705,084,863.84			7,994,275,915.79	31.98	31.98	267,418,341.60	73,030,223.32	2.65	Self-owned funds + loans
Shandong Haiwei Peninsula South U Site 450MW Offshore Wind Power Project	3,929,170,000.00	30,019,500.00	3,366,803,841.72			3,396,823,341.72	95.57	95.57				Proprietary funds
Guangxi Bailong Nuclear Power Project	41,180,000,000.00	1,923,406,047.26	576,496,341.21			2,499,902,388.47	17.02	17.02	478,227,726.90	91,208,085.23	2.41	Self-owned funds + loans
Da'an Integration Project of Green Hydrogen and Synthetic Ammonia Produced from Wind Power and PV	5,948,449,800.00	269,470,656.30	2,225,717,274.63			2,495,187,930.93	50.00	50.00	26,747,866.58	22,998,902.70	3.01	Self-owned funds + loans
Offshore Wind Power 300MW Capacity Expansion Project	3,764,050,000.00	173,010,950.54	2,354,604,376.12			2,527,615,326.66	67.15	67.15	45,409,529.59	37,791,176.21	3.30	Self-owned funds + loans
Heishan 900 MW Wind Power Project	4,526,859,853.37	689,152,082.32	1,142,898,612.47	810,582,551.89	10,705,596.85	1,010,762,546.05	99.00	99.00	13,990,016.78	13,990,016.78	2.00	-Loan
Ciha	36,017,445,900.00	1,124,327,145.51	184,018,454.52			1,308,345,600.03	4.13	4.13	126,648,585.31		2.28	Self-owned

Item	Budget amount	Balance as at January 1, 2024	Amount increased in 2024	Amount transferred into fixed assets in 2024	Other decreases in 2024	Balance as at December 31, 2024	Proportion of accumulated project investment in budget (%)	Percentage of completion (%)	Accumulated capitalization amount of interest	Including: capitalized amount of interest in 2024	Capitalization rate of interest in 2024 (%)	Source of funds
Hydropower Station												funds + loans
Haiyang Nuclear Power Phase III Project	31,776,400,000.00	458,427,004.53	2,178,936,378.99			2,637,363,383.52	8.30	8.30	53,030,650.92	53,030,650.92	2.44	Self-owned funds + loans
Wind power base phase I 6 million KW demonstration project in Ulanqab	37,955,768,900.00	4,607,319,713.45	530,516,567.47	4,763,777,222.05	78,035,569.54	296,023,489.33	20.00	20.00	127,729,336.97	4,620,933.76	2.10	Self-owned funds + loans
Zhuanghe New Energy - Dalian Huayuankou Offshore Wind Power Plant Project	2,173,750,000.00	81,749,932.05	14,713,336.15			96,463,268.20	4.44	4.44				Proprietary funds
Guandong Phase I Project	1,182,040,000.00	456,680,359.92	231,919,058.60	623,548,235.70	17,564,350.00	47,486,832.82	95.00	95.00				Proprietary funds
Jiangsu Green Power Rural Triple Grid Integration Demonstration Project	963,866,000.00		542,785,948.94	542,328,900.00		457,048.94	56.31	56.31	158,888.32	158,888.32	3.12	Self-owned funds + loans
Total	331,035,630,453.37	89,942,843,753.14	28,717,465,922.76	33,846,945,208.85	1,556,885,516.35	83,256,478,950.70			9,066,094,219.22	2,320,507,237.80		

8.24.3 Provision for impairment of construction in progress in 2024

Item	Provision in 2024	Reason for provision
Xinqing PV Project	86,452,339.09	Assessment of impairment
Heping PV Project	60,238,566.02	Assessment of impairment
Zichang Xuejiagou 2*660,000 KW Thermal Power Project	29,485,737.21	The project is stagnant without resumption plan
Tielieketi Phase III	20,406,286.61	Suspension of construction due to the failure to handle all construction formalities
Tielieketi Phase IV	16,176,305.00	Suspension of construction due to the failure to handle all construction formalities
Yan'an Ganquan Industrial Park Comprehensive Smart Energy Project (Phase I)	10,953,261.77	The project is stagnant without resumption plan
Chifeng Renewable Energy Delivery Project	9,131,065.92	The project is not completed but construction is suspended for a long time and is not expected to start within 3 years
Tielieketi Phase V	8,583,743.56	Suspension of construction due to the failure to handle all construction formalities
Shiwangutian Wind Power Plant Phase II Project	4,899,462.50	Project shutdown
30MW Biomass Cogeneration Project in Baota District	2,842,326.68	The project is stagnant without resumption plan
Jinji PV Project	1,475,668.67	Assessment of impairment
Yan'an Baota Qinghuabian Decentralized Wind Power Project	1,378,755.41	The project is stagnant without resumption plan
Guarantee of test conditions for PEM hydrogen production equipment	1,187,812.02	Project suspended
Liangfengtai Power Station	705,876.93	Assessment of impairment
Xishui Xiaomuduxian Distillery Solid Regenerative Energy Demonstration Project	545,231.40	The project rectification fails to meet the standards
Fuping Coal Mine Project	466,535.07	Assessment of impairment
Technical Transformation Project of Kushtay Hydropower Station	273,584.91	Suspension of construction due to the failure to handle all construction formalities
Chifeng North Wagon Depot Repair Base Warehouse and Production House	123,447.15	Item write-off
SPIC Hulunbuir Chihong Mining 2*6MW Distributed PV Project	410,377.36	Impairment due to technological progress and other reasons
Other projects	60,422,986.94	
Total	316,159,370.22	

8.25 Right-of-use assets

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total of original book value:	21,978,868,759.14	5,856,725,214.98	2,391,533,270.85	25,444,060,703.27
Including: Land	9,693,806,823.81	2,809,445,587.97	164,123,805.58	12,339,128,606.20
Buildings and constructions	3,566,427,179.91	1,980,179,011.16	821,970,850.19	4,724,635,340.88
Machinery, transportation and office equipment	5,980,717,604.68	953,561,588.63	1,384,307,676.49	5,549,971,516.82
Others	2,737,917,150.74	113,539,027.22	21,130,938.59	2,830,325,239.37
II. Total accumulated depreciation:	4,115,211,444.91	2,048,121,369.59	1,067,640,243.45	5,095,692,571.05
Including: Land	1,242,583,595.11	640,164,800.66	21,292,111.74	1,861,456,284.03
Buildings and constructions	1,224,017,519.77	727,106,980.13	662,959,252.64	1,288,165,247.26
Machinery, transportation and office equipment	1,105,096,182.33	545,748,098.84	379,981,156.88	1,270,863,124.29
Others	543,514,147.70	135,101,489.96	3,407,722.19	675,207,915.47
III. Total net book value of right-of-use assets	17,863,657,314.23			20,348,368,132.22
Including: Land	8,451,223,228.70			10,477,672,322.17
Buildings and constructions	2,342,409,660.14			3,436,470,093.62
Machinery, transportation and office equipment	4,875,621,422.35			4,279,108,392.53
Others	2,194,403,003.04			2,155,117,323.90
IV. Total provision for impairment	6,531,019.15			6,531,019.15
Including: Land				
Buildings and constructions	6,531,019.15			6,531,019.15
Machinery, transportation and office equipment				
Others				
V. Total net book value of right-of-use assets	17,857,126,295.08			20,341,837,113.07

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Including: Land	8,451,223,228.70			10,477,672,322.17
Buildings and constructions	2,335,878,640.99			3,429,939,074.47
Machinery, transportation and office equipment	4,875,621,422.35			4,279,108,392.53
Others	2,194,403,003.04			2,155,117,323.90

8.26 Intangible assets

8.26.1 Details of intangible assets

Item	Balance as at January 1, 2024	Amount increased in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Total original price	82,844,365,516.23	11,761,631,585.03	5,823,850,430.24	88,782,146,671.02
Including: Software	5,203,615,877.82	1,297,040,258.08	97,145,213.42	6,403,510,922.48
Land use right	31,462,673,172.48	4,191,425,729.23	366,955,728.57	35,287,143,173.14
Patent right	2,896,002,321.68	149,863,658.55	3,575,481.21	3,042,290,499.02
Non-patented technology	2,824,439,652.04	240,583,379.39	38,398,656.87	3,026,624,374.56
Trademark right	47,979.24	11,540,321.57		11,588,300.81
Franchise	13,493,873,469.02	101,971,434.74	598,479,223.38	12,997,365,680.38
Mining right	12,284,366,314.47	1,481,528,954.42	2,373,605,163.41	11,392,290,105.48
Exploration right	1,421,862,248.36	67,544,386.15	1,274,571,635.37	214,834,999.14
Others	13,257,484,481.12	4,220,133,462.90	1,071,119,328.01	16,406,498,616.01
II. Total accumulated amortization	14,507,113,488.45	3,516,839,967.26	514,026,469.18	17,509,926,986.53
Including: Software	2,457,713,782.65	649,058,619.83	48,287,711.82	3,058,484,690.66
Land use right	4,731,493,144.77	867,773,104.28	51,396,959.05	5,547,869,290.00
Patent right	817,245,889.09	233,680,574.53	11,075.01	1,050,915,388.61
Non-patented technology	1,068,715,840.94	255,224,702.90	23,784,731.92	1,300,155,811.92
Trademark right	42,308.56	6,950,386.56		6,992,695.12
Franchise	2,379,096,511.64	350,864,213.03	113,726,180.62	2,616,234,544.05
Mining right	1,233,476,497.12	338,821,153.97	118,734,426.39	1,453,563,224.70
Exploration right	7,880,858.80	19,973,077.51	23,584,905.66	4,269,030.65
Others	1,811,448,654.88	794,494,134.65	134,500,478.71	2,471,442,310.82
III. Total amount of provision for impairment of intangible	2,645,515,541.53	103,118,999.70	47,006,743.54	2,701,627,797.69

Item	Balance as at January 1, 2024	Amount increased in 2024	Decrease in 2024	Balance as at December 31, 2024
assets				
Including: Software	4,073,469.95	10,855,695.08	82,292.17	14,846,872.86
Land use right	216,458,785.34	1,336,217.10		217,795,002.44
Patent right				
Non-patent technology	7,169,197.11			7,169,197.11
Trademark right				
Franchise	696,001,349.19			696,001,349.19
Mining right	1,016,064,129.17			1,016,064,129.17
Exploration right	38,512,367.95			38,512,367.95
Others	667,236,242.82	90,927,087.52	46,924,451.37	711,238,878.97
IV. Total book value	65,691,736,486.25			68,570,591,886.80
Including: Software	2,741,828,625.22			3,330,179,358.96
Land use right	26,514,721,242.37			29,521,478,880.70
Patent right	2,078,756,432.59			1,991,375,110.41
Non-patented technology	1,748,554,613.99			1,719,299,365.53
Trademark right	5,670.68			4,595,605.69
Franchise	10,418,775,608.19			9,685,129,787.14
Mining right	10,034,825,688.18			8,922,662,751.61
Exploration right	1,375,469,021.61			172,053,600.54
Others	10,778,799,583.42			13,223,817,426.22

8.26.2 Land use right with pending certificate of title

Item	Book value	Reason for pending certificates of title
Land use right	8,097,507,552.10	It is going through the formalities
Total	8,097,507,552.10	

8.27 Development expenses

Item	Balance as at January 1, 2024	Increase in 2024		Decrease in 2024			Balance as at December 31, 2024
		Internal development expenses	Others	Recognized as intangible assets	Transferred in current profit or loss	Others	
UGTC Heavy-duty Gas Turbine Research and Development	7,655,138,030.21	1,301,295,153.13					8,956,433,183.34
SNPTC Nuclear Technology Research and Development	1,856,533,360.64	667,343,414.30		300,295,883.85	189,467,466.63		2,034,113,424.46
Academia Sinica Research and Development Project	498,562,966.35	88,135,428.56		162,016,300.54	67,397,017.83		357,285,076.54
Others	1,228,353,704.57	1,127,436,451.18		180,854,768.72	649,611,382.63		1,525,324,004.40
Total	11,238,588,061.77	3,184,210,447.17		643,166,953.11	906,475,867.09		12,873,155,688.74
Including: data resources							

8.28 Goodwill

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Hong Kong Green Energy: SPIC Pacific Hydro Pty Ltd.	4,652,237,983.06	-	327,587,255.06	4,324,650,728.00	1,878,281,002.94	239,429,490.65	132,259,123.39	1,985,451,370.20
Acquisition of SPIC Guizhou Jinyuan Suiyang Industrial Co., Ltd. by Guizhou Jinyuan	3,501,241,469.15	-	-	3,501,241,469.15	3,501,241,469.15			3,501,241,469.15
Sichuan Company: Sichuan Xingding Electric Power Co., Ltd. merged with Sichuan Zhongshui Energy Co., Ltd.	1,383,351,755.87	-	-	1,383,351,755.87	1,383,351,755.87			1,383,351,755.87
China Power International: Mexico: GOODWILL PARQUE SOLAR OREJANA	930,168,780.76	-	-	930,168,780.76				
China Power International: Acquisition of goodwill of China Power	846,224,399.15	-	-	846,224,399.15				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
New Energy Development Company Limited								
China Power New Energy: clean energy parent company: Acquisition Dongguan China Power New Energy Thermal Power Co., Ltd.	547,956,000.00	-	-	547,956,000.00	547,956,000.00			547,956,000.00
Acquisition of Bridge Trust	534,428,734.67	-	-	534,428,734.67				
Acquisition of Shanxi Aluminum	442,838,162.53	-	-	442,838,162.53				
Hong Kong Green Energy: Taralga (PHA)	347,518,626.12	-	24,470,517.87	323,048,108.25		323,048,108.23		323,048,108.23
Sichuan Company: Acquisition of 100% equity of Huidong Xingguang Electric Power Co., Ltd.	322,790,327.50	-	-	322,790,327.50	322,790,327.50			322,790,327.50
Sichuan Company: Acquisition of	304,100,959.47	-	-	304,100,959.47	304,100,959.47			304,100,959.47

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
61.17% of equity of Mabian Xianjia Puhe Electric Power Co., Ltd.								
China Power International: China Power New Energy: Shanghai China Power Clean New Energy Company	279,820,000.00	-	-	279,820,000.00				
Merger and acquisition of Dianneng Group and Luquan Company	234,887,913.72	-	-	234,887,913.72	234,887,913.72			234,887,913.72
Acquisition of Jianing Aluminum	234,105,355.60	-	-	234,105,355.60	234,105,355.60			234,105,355.60
Goodwill arising from the acquisition of the minority of equity of Inner Mongolia HMHJ Aluminum Electricity Co., Ltd. by Inner Mongolia Dian Tou Energy	185,828,911.21	-	-	185,828,911.21				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Corporation Limited								
Gansu Guazhou Concord Wind Power Co., Ltd.	170,223,918.06	-	-	170,223,918.06	170,223,918.06			170,223,918.06
China Power New Energy: clean energy parent company: Shanghai China Power New Energy Property Development Co., Ltd.	160,620,535.55	-	-	160,620,535.55				
Wuling Company: Lixian Huacheng Hydropower Development Co., Ltd.	140,422,630.13	-	-	140,422,630.13	140,422,630.13			140,422,630.13
Shanghai Electric Power Co., Ltd.	136,540,848.05	-	-	136,540,848.05	136,540,848.05			136,540,848.05
Mexico: FRV Potrero Solar S. de R.L	112,399,091.25	-	-2,347,842.23	114,746,933.48				
Wuling Company: Sichuan Jiuyuan Electric Power Development Co., Ltd.	83,576,432.48	-	-	83,576,432.48	83,576,432.48			83,576,432.48
Jilin Electric	81,805,638.28	-	-	81,805,638.28				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Power Co., Ltd.								
China Power New Energy: Fujian Development: Acquisition of Niutoushan Hydropower Co., Ltd.	78,462,389.32	-	-	78,462,389.32				
China Power: Gansu China Power Guazhou Wind Power Co., Ltd.	70,367,000.00	-	-	70,367,000.00				
SPIC Hebei Electric Power Co., Ltd.		64,475,691.63	-	64,475,691.63				
Wuling Company: Jiangling GCL Solar Energy Co., Ltd.	59,994,445.72	-	-	59,994,445.72				
Chongqing Yuanda Environmental Protection	57,364,765.67	-	-	57,364,765.67				
Wuling Company: Ruzhou GCL Solar Energy Co., Ltd.	51,276,540.38	-	-	51,276,540.38				
China Power	44,915,760.28	-	-	44,915,760.28				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
New Energy: clean energy parent company: Acquisition of Zehnte Wind Parkupport GmbH & Co. KG (German wind power)								
China Power New Energy: Fujian Development: Acquisition of Chongqing Meixi River Basin Hydropower Co., Ltd.	41,168,583.62	-	-	41,168,583.62	41,168,583.62			41,168,583.62
SPIC Guizhou Jinyuan Group Co., Ltd.	32,361,138.02	-	-	32,361,138.02	32,361,138.02			32,361,138.02
Mexico: GOODWILL PARQUE SOLAR OREJANA	30,505,046.71	-	-	30,505,046.71				
Chongqing Yuneng Mining Industry (Group) Co., Ltd.	29,604,296.68	-	-	29,604,296.68	29,604,296.68			29,604,296.68
Hong Kong Green Energy:	32,841,136.44	-	6,350,855.05	26,490,281.39				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Merger								
China Power International: Vietnam Binh Thuan New Energy Co., Ltd.	24,218,160.00	-	-	24,218,160.00				
China Power New Energy: clean energy parent company: Acquisition of Kunming China Power Environmental Protection Power Generation Co., Ltd.	24,032,900.29	-	-	24,032,900.29	24,032,900.29			24,032,900.29
Acquisition of the project of Longnan Jinfusheng New Energy Co., Ltd.	23,204,966.62	-	-	23,204,966.62				
Acquisition of Qianshan Haiyuan Project	21,451,626.82	-	-	21,451,626.82	21,451,626.82			21,451,626.82
In 2018, UGTC acquired Beijing Huatsing with premium, by which the goodwill was generated.	18,302,232.51	-	-	18,302,232.51				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Beijing Company: Merger and acquisition of Yantai Runfeng	18,016,300.00	-	-	18,016,300.00		7,954,503.64		7,954,503.64
Merger and acquisition of Yixian Tianrun		17,923,758.15	-	17,923,758.15				
Acquisition of Chongqing Yuanda Environmental Protection (Group) Co., Ltd. by SPIC Yuanda Environmental Protection Co., Ltd.	16,920,377.89	-	-	16,920,377.89	16,920,377.89			16,920,377.89
Merger and acquisition of Pingzhuang Thermal Power Company		15,771,000.98	-	15,771,000.98				
Project acquisition of Ruijin Liujinba Hydropower Development Co., Ltd.	15,445,912.34	-	-	15,445,912.34				
China Power: China Power (Shangqiu)	14,629,496.51	-	-	14,629,496.51				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Thermal Power Co., Ltd.								
Mexico: GOODWILL PARQUE SOLAR SANTA MARIA	14,419,060.90	-	-	14,419,060.90				
Shandong Energy: SPIC (Rushan) Energy Development Co., Ltd.		14,325,050.00	-	14,325,050.00				
China Power International: Acquisition of 100% Equity of Kazakhstan YUKSES50	13,319,224.80	-	-	13,319,224.80				
Wuling Company: Hunan Zhongshui Investment Co., Ltd.	12,720,022.06	-	-	12,720,022.06				
Acquisition of Xianrong Futures	11,728,089.77	-	-	11,728,089.77				
Acquisition of Wuyiyuan Project	11,556,900.08	-	-	11,556,900.08	11,556,900.08			11,556,900.08
China Power International: Subscription and delivery of	11,263,032.00	-	-	11,263,032.00				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
CAWP: 62.96% equity of CentralAsia WindPower B.V.								
Sichuan Company: Acquisition of 60% equity of Sichuan Zhongxing Electric Power Development Co., Ltd.	9,656,172.09	-	-	9,656,172.09	9,656,172.09			9,656,172.09
Transfer of four wind power plants by Baiyinhua Coal Power Co., Ltd. to Jilin Electric Power Co., Ltd.	9,568,443.05	-	-	9,568,443.05	9,568,443.05			9,568,443.05
Acquisition of SPIC Xianrong Futures Co., Ltd. by SPIC China Power Complete Equipment Co., Ltd.	9,259,018.24	-	-	9,259,018.24				
Goodwill from acquisition and combination of Liangzhu Yixing by Yellow River	9,195,095.23	-	-	9,195,095.23				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Company								
Beijing Company: impairment of goodwill due to merger and acquisition of Shangjian project		8,800,163.70	-	8,800,163.70		8,800,163.70		8,800,163.70
Northwest Zirconium Tube Co., Ltd.	8,300,602.30	-	-	8,300,602.30				
Acquisition of Shandong Electric Power Engineering Consulting Institute Corp.	8,155,164.35	-	-	8,155,164.35				
Hubei Electric Power: Goodwill arising from the acquisition of Macheng Jindi Solar Power Co., Ltd.	7,819,628.18	-	-	7,819,628.18				
Inner Mongolia Hongjing Environmental Protection Technology Co., Ltd.	5,215,837.97	-	-	5,215,837.97				
Acquisition of project of Yanjin		5,162,810.72	-	5,162,810.72				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Taihang Mountain New Energy Co., Ltd.								
China Power International: Acquisition of 100% equity of Kazakhstan KPM-Delta Co., Ltd.	5,093,952.60	-	-	5,093,952.60				
Changchun Zhetai Solar Power Generation Co., Ltd.	4,478,112.28	-	-	4,478,112.28				
Goodwill arising from the acquisition of Erlianhaote Changfeng Xiehe Wind Energy Development Co., Ltd. by SPIC Inner Mongolia Baiyinhua Coal Power Co., Ltd.	4,165,271.57	-	-	4,165,271.57	4,165,271.57			4,165,271.57
Anhui Company: Tianjin Xingtaisheng New Energy Technology	4,066,650.22	-	-	4,066,650.22				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Development Co., Ltd.								
Goodwill arising from the acquisition of Tongliao Taihe Wind Power Co., Ltd. by SPIC Inner Mongolia Baiyinhua Coal Power Co., Ltd.	3,817,739.09	-	-	3,817,739.09				
Acquisition of wind power projects in Heishan	3,782,798.55	-	160,520.57	3,622,277.98				
Sichuan Company: Acquisition of 100% of equity of Sichuan Ebian Jianeng Hydropower Development Co., Ltd.	3,554,343.29	-	-	3,554,343.29	3,554,343.29			3,554,343.29
Wuling Company: Hunan Wuhua Hotel Co., Ltd.	3,340,473.34	-	-	3,340,473.34	3,340,473.34			3,340,473.34
China Power New Energy: Fujian Development:	3,025,197.95	-	-	3,025,197.95	3,025,197.95			3,025,197.95

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Acquisition of Zhangping Huakou Hydropower Co., Ltd.								
China Power International: Sofievskaya Wind Power LLP	92,853,530.88	-	90,894,485.68	1,959,045.20				
Acquisition of Wuyishan Project	1,630,466.07	-	-	1,630,466.07	1,630,466.07			1,630,466.07
China Power International: Eco Watt AKA LLP	1,920,278.14	-	614,669.34	1,305,608.80				
Absorption and combination of Shandong Tiandi Communication Design Consulting Co., Ltd.	1,149,204.52	-	-	1,149,204.52		1,149,204.52		1,149,204.52
Ruzhou Xintai Photovoltaic Power Technology Development Co., Ltd. Company	905,777.10	-	-	905,777.10				
Dongfang Power Generation Company		889,261.57	-	889,261.57				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Transfer of Tianchang Xiehe by Baiyinhua Coal Power to Shanghai Electric Power	784,640.00	-	-	784,640.00	784,640.00			784,640.00
China Power International: Aspan Energo LLP	7,906,911.24	-	7,375,702.24	531,209.00				
Goodwill increase from the acquisition of Turkish EMBA	522,526.60	-	-	522,526.60				
Merger of Chongqing China Power Self-Energy Technology	518,665.51	-	-	518,665.51				
Merger and acquisition of Wenzhou Hongtai Power Generation Co., Ltd.	395,312.50	-	-	395,312.50				
Merger and acquisition of Jurong Xinda PV Power Generation Co., Ltd.	358,169.67	-	-	358,169.67				
Acquisition of	169,785.97	-	-	169,785.97		169,785.97		169,785.97

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Chongqing Qianqiu Environmental Protection Engineering Co., Ltd. by SPIC Yuanda Water Service Co., Ltd.								
Zhenlai Huaxing Wind Power Co., Ltd.	143,540.00	-	-	143,540.00				
Merger and acquisition of Nanjing Chuanli New Energy Technology Co., Ltd.	138,015.52	-	-	138,015.52				
Merger and acquisition of Huai'an Xinyuan PV Power Co., Ltd.	129,437.05	-	-	129,437.05				
Merger and acquisition of Peixian Xinri PV Power Co., Ltd.	94,443.32	-	-	94,443.32				
Merger and acquisition of Xinyi Xinri PV Power Co., Ltd.	76,945.13	-	-	76,945.13				
Merger and acquisition of	58,964.62	-	-	58,964.62				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Nantong GCL New Energy Co., Ltd.								
Merger and acquisition of Huai'an Ronggao PV Power Generation Co., Ltd.	43,341.33	-	-	43,341.33				
Merger and acquisition of Lianyungang Xinzhong PV Power Co., Ltd.	38,418.91	-	-	38,418.91				
Merger and acquisition of Guanyun GCL Solar Energy Co., Ltd.	35,665.79	-	-	35,665.79				
Acquisition of an intelligent energy company	24,139.27	-	-	24,139.27				
Anhui Company: Hefei Youlitai New Energy Investment Co., Ltd.	24,101.15	-	-	24,101.15				
Acquisition of Xinte Liushuquan Project	20,014.79	-	-	20,014.79				
Merger and	18,319.88	-	-	18,319.88				

Name of the investee or matters forming goodwill	Original book value of goodwill				Provision for impairment of goodwill			
	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
acquisition project of Xinjiang Silk Road Haoyuan								
Hong Kong Green Energy: Merger and acquisition of Panati Goodwill	14,201,650.08	-	14,201,650.08					
Hong Kong Green Energy: Merger and acquisition of Marangatu	81,450,468.10	-	81,450,468.10					
China Power International: Jasil Jel Energy LLP	18,692,859.96	-	18,692,859.96					
China Power International: Arkalyk Wind Power LLP	34,550,350.38	-	34,550,350.38					
China Power New Energy: clean energy parent company: Acquisition of China Power Hongze Thermal Power Co., Ltd.	18,480,392.61	-	18,480,392.61	-	18,480,392.61		18,480,392.61	-
Total	16,793,008,714.43	127,347,736.75	622,481,884.71	16,297,874,566.47	9,168,779,836.34	580,551,256.71	150,739,516.00	9,598,591,577.05

Remark: the impairment test method and impairment provision method of goodwill are explained, and the reasons for impairment and the recognition basis of impairment amount are detailed.

8.29 Long-term deferred expenses

Item	Balance as at January 1, 2024	Amount increased in 2024	Amortization in 2024	Other decreases	Balance as at December 31, 2024	Reasons for other decreases
Production staff training and early entry fees	179,007,309.18	306,623,004.56	52,057,394.51	56,807,315.19	376,765,604.04	1. Transfer-out due to exclusion of subsidiaries from the consolidated statements; 2. Adjustment of long-term deferred expenses in the final accounts of completed project; 3. Adjustment of details of this item
Expenditure on improvement of assets leased in	120,707,208.83	13,033,172.29	37,688,358.92	6,483,735.80	89,568,286.40	
Housing renovation expenses	450,849,698.26	122,759,579.43	120,329,345.24	83,219,302.42	370,060,630.03	
Others	5,242,403,362.65	627,535,701.48	1,358,593,650.87	903,358,879.76	3,607,986,533.50	
Total	5,992,967,578.92	1,069,951,457.76	1,568,668,749.54	1,049,869,233.17	4,444,381,053.97	

8.30 Deferred income tax assets and deferred income tax liabilities

8.30.1 Deferred income tax assets and deferred income tax liabilities without offset

Item	Balance as at December 31, 2024		Balance as at January 1, 2024	
	Deductible/taxable temporary differences	Deferred income tax assets/liabilities	Deductible/taxable temporary differences	Deferred income tax assets/liabilities
I. Deferred income tax assets	34,680,642,402.51	7,464,094,093.90	31,693,852,965.31	6,702,518,495.62
Deductible loss	22,123,941.12	4,250,207.43	3,394,092,120.58	513,839,551.19
Accounts receivable	1,077,977,672.88	200,110,565.67	942,066,397.01	172,749,149.70
Other receivables	1,104,401,854.59	200,368,592.83	913,684,815.64	157,819,830.18
Other receivables	12,946,851.37	2,818,477.70	26,682,674.80	6,665,077.34
Inventories	134,875,159.95	28,717,206.89	195,924,603.88	45,114,679.38
Long-term receivables	2,584,786.64	621,230.84	10,823,650.20	2,678,797.53
Long-term equity investments	53,637,348.40	13,409,337.10	31,612,459.92	6,103,114.98
Investment properties	141,439,532.62	34,885,227.55	89,064,895.14	21,379,913.39
Fixed assets	5,143,767,121.80	1,009,733,567.01	6,467,305,777.98	1,418,799,456.54
Construction in progress	352,814,067.25	74,177,959.59	272,979,834.30	59,515,687.92
Intangible assets	447,160,412.57	78,245,423.99	670,223,080.05	119,536,237.84
Research and development expenses	8,909,984.40	1,336,497.66	21,167,143.79	5,013,645.48
Employee compensation payable	460,628,950.88	83,127,411.53	495,816,823.58	90,387,999.42
Estimated liabilities	648,052,312.58	152,023,635.48	749,474,873.11	180,355,075.39
Deferred income	898,679,123.08	207,415,781.84	842,693,361.61	202,667,490.03
Advances to suppliers	90,686,930.49	21,819,159.98	59,570,480.30	14,023,507.00
Financial assets held for trading	525,369,859.73	131,342,464.91	307,080,201.08	78,538,931.98
Contract assets	180,530,212.38	28,489,441.14	132,804,792.57	20,370,488.35
Creditor's right investment	116,207,828.68	29,051,957.18	154,108,522.69	38,527,130.67
Receivables financing	9,629,282.36	2,121,333.19	25,766,163.49	4,530,527.12
Lease liabilities	11,438,220,181.55	2,418,845,180.13	9,989,254,695.77	2,248,744,242.95
Others	11,809,998,987.19	2,741,183,434.26	5,901,655,597.82	1,295,157,961.24
II. Deferred income tax liabilities	33,126,454,544.27	6,786,144,452.66	24,676,636,771.74	5,643,662,739.45
Long-term equity investments	10,599,439.40	1,589,915.91	10,599,439.42	1,589,915.91

Item	Balance as at December 31, 2024		Balance as at January 1, 2024	
	Deductible/taxable temporary differences	Deferred income tax assets/liabilities	Deductible/taxable temporary differences	Deferred income tax assets/liabilities
Investment properties	1,410,664,180.27	269,434,677.79	1,000,790,854.55	203,759,982.95
Fixed assets	4,894,581,437.27	1,284,568,251.15	1,343,968,623.27	318,697,920.61
Construction in progress	187,482,336.11	36,328,454.89	108,207,638.88	27,051,909.72
Intangible assets	1,772,303,630.26	391,592,812.59	1,978,720,003.89	484,218,895.37
Research and development expenses	122,802,374.43	36,840,712.33		
Deferred income	1,989,034.89	497,258.72	3,454,600,989.72	883,272,614.78
Financial assets held for trading	1,682,773,097.24	420,643,645.78	965,341,114.20	240,929,489.79
Right-of-use assets	11,746,939,763.81	2,517,323,963.25	9,889,041,594.15	2,186,887,197.06
Others	11,296,319,250.59	1,827,324,760.25	5,861,234,628.45	1,289,546,857.18
Deductible loss			64,131,885.21	7,707,956.08

8.30.2 Deferred income tax assets or liabilities presented by net amount after offset

Item	Ending		Beginning	
	Amount after mutual offset of deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offset	Amount after mutual offset of deferred income tax assets and liabilities	Balance of deferred income tax assets or liabilities after offset
I. Deferred income tax assets	2,789,323,524.60	4,674,770,569.30	1,657,646,102.33	5,044,872,393.29
II. Deferred income tax liabilities	2,789,323,524.60	3,996,820,928.06	1,657,646,102.33	3,986,016,637.12

8.30.3 Breakdowns of unrecognized deferred income tax assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Deductible temporary differences		
Deductible loss	36,440,402,236.01	37,899,821,537.30
Total	36,440,402,236.01	37,899,821,537.30

8.30.4 Deductible losses of unrecognized deferred income tax assets will become due in the following year

Year	Balance as at December 31, 2024	Balance as at January 1, 2024	Remarks
Year 2024		5,511,524,306.32	
Year 2025	6,232,699,074.89	5,670,540,540.41	
Year 2026	9,178,887,240.06	10,689,703,894.10	
Year 2027	7,806,159,663.58	8,843,434,101.06	
Year 2028	8,079,565,834.58	7,184,618,695.41	
Year 2029	5,143,090,422.90		
Total	36,440,402,236.01	37,899,821,537.30	

8.31 Other non-current assets

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Reclassification of the debit balance of value-added tax payable (Long term)	23,100,538,927.41	18,540,136,144.45
Advances to suppliers for projects	8,319,678,406.35	7,964,812,057.59
Advances to suppliers for equipment	8,031,904,827.02	10,731,074,998.31
Entrusted loans (Long-term)	752,809,367.16	293,597,649.86
Contract acquisition cost	445,264.66	4,246,756.62
Others	7,877,545,672.39	9,197,958,691.55
Total	48,082,922,464.99	46,731,826,298.38

8.32 Short-term borrowings

8.32.1 Classification of short-term borrowings

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Credit loans	179,780,799,757.06	159,976,577,097.34
Mortgage borrowings	1,464,830,574.18	3,011,699,653.57
Guaranteed borrowings	18,998,359,129.87	22,226,192,978.78
Pledged borrowings	4,044,542,615.20	3,913,453,221.66
Total	204,288,532,076.31	189,127,922,951.35

8.33 Loans from banks and other financial institutions

Item	Balance as at December 31, 2024	Balance as at December 31, 2023
Loans from banks		3,999,967,034.34
Loans from non-banking financial institutions		1,000,000,000.00
Plus: Interest payable		
Total		4,999,967,034.34

8.34 Derivative financial liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Swap	151,696,129.21	34,127,530.03
Consolidated structured products		3,885.00
Total	151,696,129.21	34,131,415.03

8.35 Notes payable

Category	Balance as at December 31, 2024	Balance as at January 1, 2024
Commercial acceptance bill	1,584,745,272.15	324,895,854.64
Bank acceptance bill	5,172,297,977.25	7,949,091,195.41
Total	6,757,043,249.40	8,273,987,050.05

8.36 Accounts payable

Aging	Balance as at December 31, 2024	Balance as at January 1, 2024
Within 1 year (including 1 year)	69,604,745,804.23	71,606,625,617.25
1- 2 (inclusive) years	17,499,971,783.93	16,025,540,873.62
2- 3 (inclusive) years	6,279,377,830.83	9,217,730,209.33
Over 3 years	7,709,182,991.55	5,733,097,014.78
Total	101,093,278,410.54	102,582,993,714.98

Significant accounts payable with aging over one year:

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Mingyang Smart Energy Group Co., Ltd.	751,816,236.67	Payment terms have not been met.
TBEA Sunoasis Co., Ltd.	443,821,833.22	Payment terms have not been met.
China Energy Engineering Group Guangxi Electric Power Design Institute Co., Ltd.	422,416,128.14	Payment terms have not been met.
Guoneng Ningxia Dam Power Generation Co., Ltd.	372,769,081.82	Payment terms have not been met.
Ministry of Finance of the People's Republic of China	371,014,916.40	After the reduction of subsidies, the subsidies that should be refunded are now listed as no notice of refund has been received from the state.
Jiangsu Linyang Energy Storage Technology Co., Ltd.	348,922,611.93	Payment terms have not been met.
XJ Electric Co., Ltd.	348,324,014.83	Payment terms have not been met.
China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd.	306,053,294.27	Payment terms have not been met.
Xi'an Longi Clean Energy Co., Ltd.	219,362,637.64	Payment terms have not been met.
Hefei GOTION High-Tech Power Energy Co., Ltd.	195,079,009.96	Payment terms have not been met.
Mingyang Smart Energy Group Co., Ltd.	160,167,500.00	Payment terms have not been met.
Sungrow Power Supply Co., Ltd.	155,415,253.87	Payment terms have not been met.
Sany Heavy Energy Co., Ltd.	155,363,314.78	Payment terms have not been met.
Jiangsu Tianhe Contract Innovation Energy Engineering Co., Ltd.	154,978,985.81	Payment terms have not been met.
Changzhou Huayao Photoelectric Technology Co., Ltd.	149,010,060.81	Payment terms have not been met.
Ningbo Jiangong Jianle Engineering Co., Ltd.	134,513,912.79	Payment terms have not been met.
CCCC Fourth Harbor Engineering Co., Ltd.	130,483,271.14	Payment terms have not been met.
Envision Energy Co., Ltd.	126,496,300.00	Payment terms have not been met.
Yellow River Engineering Consulting Co., Ltd.	112,586,683.46	Payment terms have not been met.
Hami Smart Exhaust Gas Supply Co., Ltd.	101,312,636.13	Payment terms have not been met.
BYD Automobile Industry Co., Ltd.	100,800,000.00	Payment terms have not been met.
Xuchang Xuji Dianke Energy Storage Technology Co., Ltd.	99,624,271.24	Payment terms have not been met.
Shaanxi Dingxin Jiachuang	93,423,594.56	Payment terms have not been

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Construction Engineering Co., Ltd.		met.
Nanjing NARI New Energy Technology Co., Ltd.	92,770,624.00	Payment terms have not been met.
SEPCOIII Electric Power Construction Corporation	92,111,397.00	Payment terms have not been met.
Central Southern China Electric Power Design Institute Co., Ltd. of China Power Engineering Consulting Group	87,391,169.71	Payment terms have not been met.
PowerChina Hebei Engineering Corporation Limited	82,007,221.91	Payment terms have not been met.
PowerChina Northwest Engineering Corporation Limited	76,519,281.89	Payment terms have not been met.
Shanghai Nenghui Technology Co., Ltd.	71,559,375.96	Payment terms have not been met.
Shanghai Electric Wind Power Group Co., Ltd.	69,111,040.00	Payment terms have not been met.
Shuifa Xingye Energy (Zhuhai) Co., Ltd.	47,885,309.00	Payment terms have not been met.
PowerChina Guizhou Engineering Co., Ltd.	46,299,070.37	Payment terms have not been met.
Jiangsu Zhongqing Guotou Industrial Development Group Co., Ltd.	44,557,294.77	Payment terms have not been met.
Pinggao Group Co., Ltd.	44,098,646.52	Payment terms have not been met.
State Grid Xinjiang Electric Power Co., Ltd.	42,684,978.87	Payment terms have not been met.
XJ Electric Co., Ltd.	37,730,134.00	Payment terms have not been met.
Dongfang Electric Wind Power Corporation Limited	36,562,500.00	Payment terms have not been met.
Goldwind Science & Technology Co., Ltd.	36,332,682.64	Payment terms have not been met.
Fuyao Energy Technology (Shanghai) Co., Ltd.	35,570,535.74	Payment terms have not been met.
Jiangsu Dianyuan Materials Co., Ltd.	33,885,000.00	Payment terms have not been met.
Xi'an Longi Clean Energy Co., Ltd.	33,687,696.82	Payment terms have not been met.
China Energy Engineering Group Shanxi Electric Power Construction Co., Ltd.	33,080,333.02	Payment terms have not been met.
Beijing Kenuoweiye Technologies Co., Ltd.	30,512,335.00	Payment terms have not been met.
CSSC Haizhuang Wind Power Co., Ltd.	28,858,000.00	Payment terms have not been met.
PowerChina SEPCO1 Electric Power Construction Co., Ltd.	28,755,698.92	Payment terms have not been met.
Northwest Electric Power Design Institute Co., Ltd. of China Power	26,226,413.44	Payment terms have not been met.

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Engineering Consulting Group		
Beijing Yingherui Environmental Technology Co., Ltd.	22,575,497.61	There is a certain dispute in the project, which is being resolved through coordination
Jiangsu Weier Hardware Co., Ltd.	22,285,996.88	Payment terms have not been met.
PowerChina Zhongnan Engineering Corporation Limited	20,513,583.42	Payment terms have not been met.
SPIC Yuanda Environmental Protection Equipment Manufacturing Co., Ltd.	20,095,984.70	Payment terms have not been met.
Xuchang Xuji Wind Power Technology Co., Ltd.	18,754,696.25	Payment terms have not been met.
Sinohydro Bureau 14 Co., Ltd.	17,050,207.10	Payment terms have not been met.
Jiangsu Dingyang Green Energy Electric Power Co., Ltd.	16,377,404.38	Payment terms have not been met.
China Construction Sixth Engineering Bureau Water Conservancy and Hydropower Construction Group Co., Ltd.	15,646,735.40	Payment terms have not been met.
Zhangbei County New Energy Office	14,929,847.19	Payment terms have not been met.
Yellow River Engineering Consulting Co., Ltd.	14,363,038.75	Payment terms have not been met.
Huaneng Dingbian New Energy Power Generation Co., Ltd.	13,333,072.05	Payment terms have not been met.
Beijing National Power Group Co., Ltd.	13,164,400.90	Payment terms have not been met.
China Energy Construction Group Co., Ltd.	13,066,221.23	Payment terms have not been met.
Jiangsu Longshan Environmental Technology Co., Ltd.	11,809,140.00	Payment terms have not been met.
Baoshan Bureau of Immigration Development	11,734,471.97	Payment terms have not been met.
Fujian Longjing Environmental Protection Co., Ltd.	11,543,267.10	Payment terms have not been met.
PowerChina Jiangxi Electric Power Construction Co., Ltd.	11,466,257.77	Payment terms have not been met.
Xinjiang Electric Power Construction Co., Ltd.	10,713,817.07	Payment terms have not been met.
Alibaba Cloud Computing Co., Ltd.	10,701,782.00	Payment terms have not been met.
PowerChina Henan Electric Power Survey and Design Institute Co., Ltd.	10,427,900.00	Payment terms have not been met.
Qinghai Provincial Immigration and Resettlement Bureau	10,000,000.00	Payment terms have not been met.
Total	6,922,505,610.82	

8.37 Advances from customers

Aging	Balance as at December 31, 2024	Balance as at January 1, 2024
Within 1 year (including 1 year)	129,662,017.74	773,675,719.89
Over 1 years	129,582,443.77	51,900,207.90
Total	259,244,461.51	825,575,927.79

Significant advances from customers with aging of more than one year

Name of creditor	Balance as at December 31, 2024	Reason for no carry-over
Zhuhai Railway Construction Building Real Estate Co., Ltd.	29,329,908.16	Failure to meet the carry-forward conditions
Tianjin Qi'an Hongda New Energy Technology Co., Ltd.	14,700,000.00	The carry-forward period has not started
Zhuhai Hengqin United Financial Service Co., Ltd.	13,302,752.36	Failure to meet the carry-forward conditions
Zhuhai Dahengqin Science City Development Management Co., Ltd.	11,214,220.18	Failure to meet the carry-forward conditions
Zhuhai Zhujiang Dijing Investment Co., Ltd.	10,668,807.38	Failure to meet the carry-forward conditions
Total	79,215,688.08	

8.38 Contract liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Payment for sales of goods	11,333,135,615.48	5,730,886,699.37
Service payment	2,736,870,585.25	2,075,647,496.28
Project payment	2,551,359,681.04	6,248,651,995.27
Financial business payment	19,713,876.16	27,184,960.81
Others	862,775,466.49	535,399,051.46
Total	17,503,855,224.42	14,617,770,203.19

8.39 Absorption of deposits and interbank deposits

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Demand deposits	5,191,495,700.17	6,492,940,734.36
Company	5,191,495,700.17	6,492,940,734.36
Time deposits (including the call deposits)		
Company		
Plus: Interest payable		
Total	5,191,495,700.17	6,492,940,734.36

8.40 Employee compensation payable

8.40.1 Presentation of employee compensation payable

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Short-term compensation	4,232,617,787.62	43,860,500,392.03	43,915,886,220.84	4,177,231,958.81
II. Post-departure benefits - defined contribution plans	111,874,032.42	6,492,408,533.08	6,493,513,338.02	110,769,227.48
III. Dismissal welfare	318,661,094.43	-81,090,285.47	133,251,556.05	104,319,252.91
IV. Other benefits due within one year				
V. Others	6,423,089.37	38,405,187.67	61,658,120.59	-16,829,843.55
Total	4,669,576,003.84	50,310,223,827.31	50,604,309,235.50	4,375,490,595.65

8.40.2 Presentation of short-term compensation

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Wages, bonus, allowances and subsidies	2,631,718,211.74	33,165,521,208.47	33,326,416,318.75	2,470,823,101.46
II. Employee welfare expenses	552,977.02	2,653,422,468.65	2,653,348,868.17	626,577.50
III. Social insurance premiums	214,751,526.53	3,471,260,629.19	3,454,199,257.87	231,812,897.85
Including: medical insurance premiums and maternity insurance premiums	42,056,543.50	2,096,803,490.23	2,091,977,080.40	46,882,953.33
Work-related injury insurance premium	1,757,268.80	216,955,849.38	216,949,324.05	1,763,794.13
Others	170,937,714.23	1,157,501,289.58	1,145,272,853.42	183,166,150.39
IV. Housing provident funds	15,173,512.98	3,080,706,653.43	3,075,295,409.03	20,584,757.38
V. Labor union expenditure and employee education expenses	1,351,423,324.83	1,310,071,664.86	1,232,490,302.46	1,429,004,687.23
VI. Short-term compensated absences	16,906,342.97	8,746,891.46	2,155,187.41	23,498,047.02
VII. Short-term				

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
profit sharing plan				
VIII. Other short-term compensation	2,091,891.55	170,770,875.97	171,980,877.15	881,890.37
Total	4,232,617,787.62	43,860,500,392.03	43,915,886,220.84	4,177,231,958.81

8.40.3 Presentation of defined contribution plans

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Basic endowment insurance	33,254,941.37	4,123,665,047.62	4,111,967,895.14	44,952,093.85
II. Unemployment insurance premiums	3,548,185.51	145,920,686.35	145,508,762.74	3,960,109.12
III. Enterprise annuity payments	75,070,905.54	2,222,822,799.11	2,236,036,680.14	61,857,024.51
Total	111,874,032.42	6,492,408,533.08	6,493,513,338.02	110,769,227.48

8.41 Taxes and surcharges payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Value-added tax	2,554,158,550.61	2,136,439,863.23
Consumption tax	31,842,170.19	10,234,964.65
Resource tax	204,537,226.79	190,157,972.18
Urban maintenance and construction tax	58,725,953.41	69,401,156.02
Enterprise income tax	2,255,379,816.19	2,015,404,790.35
House property tax	98,355,110.91	93,103,192.55
Land use tax	127,574,542.80	135,212,072.19
Individual income tax	1,025,700,593.72	908,509,086.76
Stamp duty	149,124,098.37	117,976,824.26
Deed tax	4,490,467.52	2,647,368.69
Value-added tax on land	1,869,839.44	77,184,079.15
Educational surtax (including local educational surtax)	51,755,259.35	59,701,548.27
Environmental protection tax	79,812,061.90	70,891,682.03
Water resource tax	67,610,838.23	30,304,437.75
Other taxes	487,411,440.60	538,492,879.00
Expenses on pollutant emission		419,098.74
Water resources fees	93,973,155.09	255,708,938.70
Reservoir maintenance fund	383,636,092.34	402,376,426.04
River management fee	2,723,025.62	500,000.00
Flood control construction fund	33,834.94	1,392,310.78
Flood control construction fund	20,198,857.16	19,624,791.98
Water conservancy construction fund	8,547,952.79	10,576,132.09
Electricity supervision fee	135,627.81	135,627.81
Other policy-related fees	26,363,211.01	29,116,032.15
Total	7,733,959,726.79	7,175,511,275.37

8.42 Other payables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interest payable	71,035,415.94	63,359,663.71
Dividends payable	2,270,796,171.46	1,654,821,830.05
Other amounts payable	33,064,897,897.98	42,383,695,175.29
Total	35,406,729,485.38	44,101,876,669.05

8.42.1 Interest payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interest on long-term borrowings with interest paid by installments and principal paid on maturity date	3,568,699.84	4,486,563.00
Interest on corporate bond		147,069.04
Interest payable on short-term borrowings	27,606,532.03	55,043,340.01
Other interest	39,860,184.07	3,682,691.66
Total	71,035,415.94	63,359,663.71

8.42.2 Dividends payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Ordinary share dividends	2,270,796,171.46	1,654,821,830.05
Total	2,270,796,171.46	1,654,821,830.05

8.42.3 Other payables

(1) Presentation of other payables by nature

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Project quality deposit reserved	5,724,030,965.43	8,690,821,678.65
Warranty and security deposits other than reserved project quality deposits	3,939,981,879.11	4,169,094,723.22
Engineering and equipment payments	1,205,146,752.72	2,521,235,776.97
Employee social insurance premiums	504,032,445.49	561,766,278.27
Others	21,691,705,855.23	26,440,776,718.18
Total	33,064,897,897.98	42,383,695,175.29

(2) Other significant payables with aging over one year

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
SEPCOIII Electric Power Construction Corporation	342,112,503.40	Payment terms have not been met.
Jetion Solar (China) Co., Ltd.	213,697,988.39	Payment terms have not been met.
Goldwind Science & Technology Co., Ltd.	206,712,797.60	Payment terms have not been met.
PowerChina Jiangxi Electric Power Construction Co., Ltd.	172,233,799.48	Payment terms have not been met.

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Mingyang Smart Energy Group Co., Ltd.	148,740,016.45	Payment terms have not been met.
Sany Heavy Energy Co., Ltd.	136,824,695.53	Payment terms have not been met.
Sinohydro Engineering Bureau 4 Co., Ltd.	134,570,716.40	Payment terms have not been met.
East China Electric Power Design Institute Co., Ltd. of China Power Engineering Consulting Group	133,549,060.89	Payment terms have not been met.
Sungrow Power Supply Co., Ltd.	109,249,000.36	Payment terms have not been met.
Gansu Jiangneng New Energy Co., Ltd.	105,433,735.21	Not paid for the time being due to financial strain
PowerChina Northwest Engineering Corporation Limited	94,506,152.87	Payment terms have not been met.
Heightenburg Investment Pty. Ltd.	87,324,701.81	Lawsuit-related
Pinggao Group Co., Ltd.	75,142,951.55	Payment terms have not been met.
Shanghai Electric Group Company Limited	73,914,120.00	Payment terms have not been met.
Chongqing Casin Environmental Resources Co., Ltd.	71,063,276.71	Payment terms have not been met.
Suzhou Xiexin New Energy Investment Co., Ltd.	69,678,640.51	Payment terms have not been met.
Guizhou Zhongshan Yemazhai Thermal Power Co., Ltd.	68,044,562.99	Payment terms have not been met.
Huangjia Shengli Service Co., Ltd.	57,349,089.63	Payment terms have not been met.
Envision Energy Co., Ltd.	48,978,350.00	Payment terms have not been met.
Shanghai Electric Wind Power Group Co., Ltd.	40,933,271.60	Payment terms have not been met.
SPIC Power Engineering Co., Ltd.	38,686,008.49	Payment terms have not been met.
Henan Senyuan Group Co., Ltd.	38,299,945.00	Payment terms have not been met.
Changfei (Jiangsu) Marine Technology Co., Ltd.	37,544,400.66	Payment terms have not been met.
PowerChina Hubei Electric Power Construction Co., Ltd.	32,647,917.41	The warranty period has not expired
Qinghai Qiming New Energy Co., Ltd.	26,640,130.53	The payment term has not matured.
Dadang Dulan Wind Power Generation Co., Ltd.	26,029,779.27	The payment term has not matured.
Shaanxi Huaping New Energy Technology Co., Ltd.	24,616,297.67	The payment term has not matured.

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Jilin Jida Electric Power Design Co., Ltd.	24,545,504.65	Matters not performed by the original shareholders
PowerChina Jiangxi Hydropower Engineering Bureau Co., Ltd.	21,246,542.38	Payment terms have not been met.
Jiangsu Yinjia New Energy Technology Co., Ltd.	20,920,259.48	Payment terms have not been met.
China Energy Engineering Group Tianjin Electric Power Construction Co., Ltd.	20,807,380.40	Payment terms have not been met.
Dongfang Electric Wind Power Corporation Limited	20,273,970.00	Payment terms have not been met.
Zhejiang Zhengtai New Energy Development Co., Ltd.	20,131,443.03	Payment terms have not been met.
Caizhi Gongxiang (Beijing) Technology Service Co., Ltd.	18,438,530.85	Payment terms have not been met.
Zhuhai Huashan Technology Development Co., Ltd.	18,308,000.00	Payment terms have not been met.
Suzhou Talesun Solar Technologies Co., Ltd.	17,869,033.00	Payment terms have not been met.
Guangdong Mingyang Electric Co., Ltd.	15,937,395.52	Payment terms have not been met.
PowerChina Guizhou Engineering Co., Ltd.	15,399,620.73	Payment terms have not been met.
Housing maintenance fund (Qinghe Power Generation)	15,100,609.12	Payment terms have not been met.
Northwest Electric Power Design Institute Co., Ltd. of China Power Engineering Consulting Group	14,470,060.56	Payment terms have not been met.
Xinjiang Huadian Mulei New Energy Co., Ltd.	14,386,974.62	Payment terms have not been met.
Jiangsu Weier Hardware Co., Ltd.	13,646,659.07	Payment terms have not been met.
Ningbo Ruikun New Energy Co., Ltd.	13,273,300.00	Payment terms have not been met.
China Railway Shanghai Design Institute Group Co., Ltd.	12,427,274.84	Payment terms have not been met.
PowerChina Chongqing Engineering Co., Ltd.	12,207,464.26	Payment terms have not been met.
CAIDIG Co., Ltd.	12,146,148.13	Payment terms have not been met.
Chifeng Hongshan Power Plant	12,000,000.00	Payment terms have not been met.
CSSC Haizhuang Wind Power Co., Ltd.	12,000,000.00	Payment terms have not been met.
China Three Gorges New Energy (Dulan) Co., Ltd.	11,726,944.39	Payment terms have not been met.
Zhejiang Unisun Hezhong New Energy Co., Ltd.	11,124,829.52	Payment terms have not been met.

Name of creditor	Balance as at December 31, 2024	Reason for nonpayment
Shijiazhuang Xinyuanshun Industrial Co., Ltd.	10,699,740.70	Lawsuit-related
Sinohydro Bureau 1 Co., Ltd.	10,351,883.17	The warranty period has not expired
Total	3,003,963,478.83	

8.43 Non-current liabilities maturing within one year

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Long-term borrowings maturing within one year	71,512,978,062.76	57,759,829,514.46
Bonds payable maturing within one year	54,371,970,642.72	47,425,904,686.41
Long-term payables maturing within one year	10,717,271,703.84	8,092,239,976.89
Other long-term liabilities maturing within one year	639,000,624.88	18,749,104.78
Lease liabilities maturing within one year	1,547,332,397.74	1,676,113,542.13
Total	138,788,553,431.94	114,972,836,824.67

8.44 Other current liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Short-term bonds payable	12,258,098,015.52	15,758,305,762.26
Output tax to be carried forward	3,683,073,713.21	3,225,692,989.67
Others	4,777,220,356.51	2,232,171,012.08
Total	20,718,392,085.24	21,216,169,764.01

Changes in short-term bonds payable:

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Amount repaid in 2024	Balance as at December 31, 2024
24 Jilin Electric short-term financing bond	2,700,000,000.00	December 20, 2024	32 days	2,700,000,000.00		2,700,000,000.00	1,002,666.67		2,100,000,000.00	601,002,666.67
23 JEP SCP	700,000,000.00	December 18, 2023	30 days	700,000,000.00	700,742,958.90				700,742,958.90	
23 SPIC SCP011	1,500,000,000.00	August 16, 2023	170 days	1,500,000,000.00	1,500,000,000.00				1,500,000,000.00	
23 SPIC SCP012	2,200,000,000.00	November 07, 2023	136 days	2,200,000,000.00	2,200,000,000.00				2,200,000,000.00	
23 SPIC SCP013	2,100,000,000.00	November 21, 2023	129 days	2,100,000,000.00	2,100,000,000.00				2,100,000,000.00	
23 SEP SCP0021	2,000,000,000.00	November 07, 2023	79 days	2,000,000,000.00	2,007,766,600.00				2,007,766,600.00	
23 SEP SCP0023	1,000,000,000.00	November 21, 2023	58 days	1,000,000,000.00	1,001,950,000.00				1,001,950,000.00	
23 SEP SCP0024	1,700,000,000.00	December 05, 2023	86 days	1,700,000,000.00	1,703,683,300.00				1,703,683,300.00	
23 SEP SCP0025	2,500,000,000.00	December 12, 2023	86 days	2,500,000,000.00	2,505,625,000.00				2,505,625,000.00	
23 China Power International SCP001	2,000,000,000.00	December 15, 2023	90 days	2,000,000,000.00	2,002,109,589.04		11,415,001.12		2,013,524,590.16	
24 SEP SPC001	1,000,000,000.00	January 17, 2024	93 days	1,000,000,000.00		1,000,000,000.00			1,000,000,000.00	
24 SEP SPC002	2,000,000,000.00	January 24, 2024	51 days	2,000,000,000.00		2,000,000,000.00			2,000,000,000.00	
24 SEP SPC003	1,700,000,000.00	February 28, 2024	72 days	1,700,000,000.00		1,700,000,000.00			1,700,000,000.00	
24 SEP SPC004	2,500,000,000.00	March 06, 2024	37 days	2,500,000,000.00		2,500,000,000.00			2,500,000,000.00	
24 SEP SPC005	2,000,000,000.00	March 13, 2024	72 days	2,000,000,000.00		2,000,000,000.00			2,000,000,000.00	
24 SEP SPC006	2,500,000,000.00	April 08, 2024	37 days	2,500,000,000.00		2,500,000,000.00			2,500,000,000.00	
24 SEP SPC007	1,000,000,000.00	April 17, 2024	58 days	1,000,000,000.00		1,000,000,000.00			1,000,000,000.00	
24 SEP SPC008	1,400,000,000.00	April 29, 2024	46 days	1,400,000,000.00		1,400,000,000.00			1,400,000,000.00	
24 SEP SPC009	1,700,000,000.00	May 08, 2024	72 days	1,700,000,000.00		1,700,000,000.00			1,700,000,000.00	
24 SEP SPC010	2,500,000,000.00	May 15, 2024	72 days	2,500,000,000.00		2,500,000,000.00			2,500,000,000.00	
24 SEP SPC011	2,400,000,000.00	May 22, 2024	79 days	2,400,000,000.00		2,400,000,000.00			2,400,000,000.00	
24 SEP SPC0012	2,400,000,000.00	June 12, 2024	72 days	2,400,000,000.00		2,400,000,000.00			2,400,000,000.00	
24 SEP SPC0013	1,700,000,000.00	July 17, 2024	30 days	1,700,000,000.00		1,700,000,000.00			1,700,000,000.00	
24 SEP SPC0014	2,500,000,000.00	July 24, 2024	233 days	2,500,000,000.00		2,500,000,000.00	19,297,945.21			2,519,297,945.21
24 SEP SPC0015	2,600,000,000.00	August 07, 2024	72 days	2,600,000,000.00		2,600,000,000.00			2,600,000,000.00	
24 SEP SPC0016	1,700,000,000.00	August 14, 2024	93 days	1,700,000,000.00		1,700,000,000.00			1,700,000,000.00	
24 SEP SPC0017	2,400,000,000.00	August 21, 2024	268 days	2,400,000,000.00		2,400,000,000.00	17,577,863.01			2,417,577,863.01

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Amount issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Amount repaid in 2024	Balance as at December 31, 2024
24 SEP SPC0018	2,300,000,000.00	As at October 16, 2024	58 days	2,300,000,000.00		2,300,000,000.00			2,300,000,000.00	
24 SEP SPC0019	1,400,000,000.00	November 13, 2024	100 days	1,400,000,000.00		1,400,000,000.00	3,664,931.50			1,403,664,931.50
24 SEP SPC0020	2,600,000,000.00	December 11, 2024	86 days	2,600,000,000.00		2,600,000,000.00	2,737,479.45			2,602,737,479.45
2024 Phase I ultra-short-term financing bonds of Shandong Nuclear Power	720,000,000.00	September 18, 2024	253 days	720,000,000.00		720,000,000.00				720,000,000.00
2024 Phase II ultra-short-term financing bonds of Shandong Nuclear Power	700,000,000.00	December 16, 2024	255 days	700,000,000.00		700,000,000.00				700,000,000.00
SCP	400,000,000.00	September 03, 2024	181 days	400,000,000.00		400,000,000.00	2,626,666.68			402,626,666.68
24 Xinjiang Energy Chemical SCP001	880,000,000.00	December 12, 2024	270 days	880,000,000.00		880,000,000.00	930,624.05			880,930,624.05
Interest					36,428,314.32				36,428,314.32	
Underwriting cost							10,259,838.95			10,259,838.95
Total				61,400,000,000.00	15,758,305,762.26	45,700,000,000.00	69,513,016.64		49,269,720,763.38	12,258,098,015.52

8.45 Long-term borrowings

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Interest interval as at December 31, 2024 (%)
Pledged borrowings	223,179,700,175.90	210,169,996,861.53	1.60-5.50
Mortgage borrowings	25,743,848,685.59	27,418,055,047.11	0.49-8.80
Guaranteed borrowings	6,438,315,876.03	7,981,166,558.83	2.00-5.50
Credit loans	333,196,885,320.87	280,489,989,293.65	0.75-6.76
Total	588,558,750,058.39	526,059,207,761.12	

8.46 Bonds payable

8.46.1 Bonds payable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Medium-term notes	63,872,740,886.16	64,500,000,000.00
Corporate bonds	6,090,791,599.37	19,327,381,867.23
Corporate bonds	5,000,000,000.00	5,000,000,000.00
Interest adjustment	212,633,750.44	12,422,317.08
Total	75,176,166,235.97	88,839,804,184.31

8.46.2 Increase/decrease in bonds payable: (excluding preferred stocks, perpetual bonds and other financial instruments divided into the financial liabilities)

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
14 Enterprise Bond (RMB 2.0 billion)	2,000,000,000.00	April 23, 2014	Year 15	2,000,000,000.00	2,000,000,000.00		81,334,246.58			81,334,246.58	2,000,000,000.00
14 Enterprise Bond 002 (RMB 3.0 billion)	3,000,000,000.00	September 17, 2014	Year 15	3,000,000,000.00	3,000,000,000.00		47,041,859.35			47,041,859.35	3,000,000,000.00
19 MTN001 (RMB 2.3 billion)	700,000,000.00	February 18, 2019	Year 5	700,000,000.00							
19 MTN002 (RMB 1.7 billion)	500,000,000.00	March 13, 2019	Year 5	500,000,000.00							
19 MTN008 (RMB 1.8 billion)	300,000,000.00	May 16, 2019	Year 5	300,000,000.00							
19 MTN009 (RMB 2.0 billion)	500,000,000.00	May 23, 2019	Year 5	500,000,000.00							
19 MTN010 (RMB 2.0 billion)	300,000,000.00	June 05, 2019	Year 5	300,000,000.00							
19 MTN012 (RMB 2.0 billion)	400,000,000.00	July 05, 2019	Year 5	400,000,000.00							
19 MTN014 (RMB 2.1 billion)	900,000,000.00	August 07, 2019	Year 5	900,000,000.00							
19 MTN015 (RMB 2.4 billion)	1,400,000,000.00	August 22, 2019	Year 5	1,400,000,000.00							
19 MTN016 (RMB 1.6 billion)	800,000,000.00	August 30, 2019	Year 5	800,000,000.00							
21 MTN005 (RMB 2.0 billion)	2,000,000,000.00	June 16, 2021	Year 3	2,000,000,000.00							
21 MTN009 (RMB 2.0 billion)	2,000,000,000.00	September 16, 2021	Year 3	2,000,000,000.00							
21 MTN011 (RMB 2.0 billion)	2,000,000,000.00	November 16, 2021	Year 3	2,000,000,000.00							
21 MTN012 (RMB 2.0 billion)	2,000,000,000.00	November 18, 2021	Year 3	2,000,000,000.00							
21 MTN013 (RMB 2.0 billion)	2,000,000,000.00	December 08, 2021	Year 3	2,000,000,000.00							
21 SPIC Corporate Bond 06 (RMB 2.0 billion)	2,000,000,000.00	July 13, 2021	Year 3	2,000,000,000.00							
21 SPIC Corporate Bond 07 (RMB 2.0 billion)	2,000,000,000.00	July 21, 2021	Year 3	2,000,000,000.00							
21 SPIC Corporate Bond 08 (RMB 3.0 billion)	3,000,000,000.00	August 09, 2021	Year 3	3,000,000,000.00							
21 SPIC Corporate	3,000,000,000.00	August	Year 3	3,000,000,000.00							

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
Bond 10 (RMB 3.0 billion)		24, 2021									
21 SPIC Corporate Bond Publicly Offered to Qualified Investors 11 (RMB 2.0 billion)	2,000,000,000.00	September 02, 2021	Year 3	2,000,000,000.00							
21 SPIC Corporate Bond Publicly Offered to Qualified Investors 12 (RMB 2.0 billion)	2,000,000,000.00	September 14, 2021	Year 3	2,000,000,000.00							
21 SPIC Corporate Bond Publicly Offered to Qualified Investors 13 (RMB 2.4 billion)	2,400,000,000.00	As at October 26, 2021	Year 3	2,400,000,000.00							
21 Convertible Bond 001 (RMB 1.0 billion)	1,000,000,000.00	November 22, 2021	Year 3	1,000,000,000.00							
22 SPIC MTN002	2,100,000,000.00	March 10, 2022	Year 3	2,100,000,000.00	2,100,000,000.00		96,255,612.53			2,196,255,612.53	
22 SPIC MTN003A	1,200,000,000.00	March 16, 2022	Year 3	1,200,000,000.00	1,200,000,000.00		30,912,381.53			1,230,912,381.53	
22 SPIC MTN003B	1,100,000,000.00	March 16, 2022	Year 5	1,100,000,000.00	1,100,000,000.00		31,553,667.28			31,553,667.28	1,100,000,000.00
22 SPIC MTN004	2,000,000,000.00	April 08, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		42,243,368.36			2,042,243,368.36	
22 SPIC MTN005	1,900,000,000.00	April 15, 2022	Year 2	1,900,000,000.00							
22 SPIC MTN007	1,900,000,000.00	April 15, 2022	Year 3	1,900,000,000.00	1,900,000,000.00		39,178,190.90			1,939,178,190.90	
22 SPIC MTN009	2,300,000,000.00	April 21, 2022	Year 2	2,300,000,000.00							
22 SPIC MTN011	2,000,000,000.00	May 05, 2022	Year 2	2,000,000,000.00							
22 SPIC MTN013	2,000,000,000.00	May 19, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		31,252,879.01			2,031,252,879.01	
22 SPIC MTN015	2,000,000,000.00	June 01, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		32,343,227.47			2,032,343,227.47	
22 SPIC MTN016	1,800,000,000.00	June 09, 2022	Year 3	1,800,000,000.00	1,800,000,000.00		32,112,834.02			1,832,112,834.02	
22 SPIC MTN017	2,800,000,000.00	June 23, 2022	Year 3	2,800,000,000.00	2,800,000,000.00		40,839,979.85			2,840,839,979.85	
22 SPIC MTN018A	1,900,000,000.00	July 01, 2022	Year 3	1,900,000,000.00	1,900,000,000.00		25,706,070.65			1,925,706,070.65	

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
22 SPIC MTN018B	400,000,000.00	July 01, 2022	Year 5	400,000,000.00	400,000,000.00		5,650,329.83			5,650,329.83	400,000,000.00
22 SPIC MTN020	2,100,000,000.00	July 14, 2022	Year 5	2,100,000,000.00	2,100,000,000.00		29,283,035.61			29,283,035.61	2,100,000,000.00
22 SPIC MTN021	2,100,000,000.00	July 15, 2022	Year 3	2,100,000,000.00	2,100,000,000.00		27,036,938.76			2,127,036,938.76	
22 SPIC MTN023	1,700,000,000.00	August 03, 2022	Year 3	1,700,000,000.00	1,700,000,000.00		16,885,444.45			1,716,885,444.45	
22 SPIC MTN025	1,800,000,000.00	August 18, 2022	Year 3	1,800,000,000.00	1,800,000,000.00		14,498,421.25			1,814,498,421.25	
22 SPIC MTN027	2,000,000,000.00	September 05, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		17,173,003.31			2,017,173,003.31	
22 SPIC MTN028	2,000,000,000.00	September 22, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		13,512,706.78			2,013,512,706.78	
23 SPIC MTN004	1,100,000,000.00	March 15, 2023	Year 3	1,100,000,000.00	1,100,000,000.00		25,070,958.90			25,070,958.90	1,100,000,000.00
23 SPIC MTN010	1,700,000,000.00	April 14, 2023	Year 3	1,700,000,000.00	1,700,000,000.00		33,685,150.68			33,685,150.68	1,700,000,000.00
23 SPIC MTN011	1,600,000,000.00	April 18, 2023	Year 3	1,600,000,000.00	1,600,000,000.00		30,874,301.37			30,874,301.37	1,600,000,000.00
23 SPIC MTN012	1,600,000,000.00	April 20, 2023	Year 3	1,600,000,000.00	1,600,000,000.00		30,409,643.84			30,409,643.84	1,600,000,000.00
23 SPIC MTN020	2,000,000,000.00	June 14, 2023	Year 3	2,000,000,000.00	2,000,000,000.00		27,001,643.83			27,001,643.83	2,000,000,000.00
23 SPIC MTN023	2,400,000,000.00	July 04, 2023	Year 3	2,400,000,000.00	2,400,000,000.00		31,707,616.44			31,707,616.44	2,400,000,000.00
23 SPIC MTN024	2,400,000,000.00	July 05, 2023	Year 2	2,400,000,000.00	2,400,000,000.00		29,510,136.99			2,429,510,136.99	
23 SPIC MTN028	2,000,000,000.00	July 21, 2023	Year 2	2,000,000,000.00	2,000,000,000.00		21,349,041.10			2,021,349,041.10	
23 SPIC MTN040	2,200,000,000.00	September 26, 2023	Year 3	2,200,000,000.00	2,200,000,000.00		14,682,739.72			14,682,739.72	2,200,000,000.00
23 SPIC MTN042	1,600,000,000.00	As at October 18, 2023	Year 2	1,600,000,000.00	1,600,000,000.00		7,579,178.08			1,607,579,178.08	
23 SPIC MTN043	1,700,000,000.00	As at October 19, 2023	Year 2	1,700,000,000.00	1,700,000,000.00		7,928,986.30			1,707,928,986.30	
23 SPIC MTN045	1,300,000,000.00	November 07, 2023	Year 3	1,300,000,000.00	1,300,000,000.00		4,372,273.97			4,372,273.97	1,300,000,000.00
23 SPIC MTN046	2,100,000,000.00	November 22, 2023	Year 2	2,100,000,000.00	2,100,000,000.00		4,438,191.78			2,104,438,191.78	
24 SPIC MTN001	1,800,000,000.00	March 13, 2024	Year 5	1,800,000,000.00		1,800,000,000.00	31,680,493.15			31,680,493.15	1,800,000,000.00
24 SPIC MTN004	2,300,000,000.00	April 29, 2024	Year 3	2,300,000,000.00		2,300,000,000.00	32,419,287.67			32,419,287.67	2,300,000,000.00

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
24 SPIC MTN010	2,000,000,000.00	July 15, 2024	Year 3	2,000,000,000.00		2,000,000,000.00	17,337,534.25			17,337,534.25	2,000,000,000.00
24 SPIC MTN012	1,900,000,000.00	July 18, 2024	Year 5	1,900,000,000.00		1,900,000,000.00	15,997,479.45			15,997,479.45	1,900,000,000.00
24 SPIC MTN015	2,000,000,000.00	August 16, 2024	Year 3	2,000,000,000.00		2,000,000,000.00	14,544,109.59			14,544,109.59	2,000,000,000.00
24 SPIC MTN018	2,000,000,000.00	August 20, 2024	Year 3	2,000,000,000.00		2,000,000,000.00	14,153,424.66			14,153,424.66	2,000,000,000.00
24 SPIC MTN019	2,000,000,000.00	August 22, 2024	Year 5	2,000,000,000.00		2,000,000,000.00	13,260,273.97			13,260,273.97	2,000,000,000.00
24 SPIC MTN020	1,900,000,000.00	August 28, 2024	Year 3	1,900,000,000.00		1,900,000,000.00	12,631,095.89			12,631,095.89	1,900,000,000.00
24 SPIC MTN021	1,900,000,000.00	August 29, 2024	Year 3	1,900,000,000.00		1,900,000,000.00	12,521,260.27			12,521,260.27	1,900,000,000.00
24 SPIC MTN022	1,900,000,000.00	September 14, 2024	Year 3	1,900,000,000.00		1,900,000,000.00	10,712,876.71			10,712,876.71	1,900,000,000.00
24 SPIC MTN023	1,900,000,000.00	September 25, 2024	Year 5	1,900,000,000.00		1,900,000,000.00	9,057,534.25			9,057,534.25	1,900,000,000.00
24 SPIC MTN024A	700,000,000.00	As at October 22, 2024	Year 5	700,000,000.00		700,000,000.00	2,358,904.11			2,358,904.11	700,000,000.00
24 SPIC MTN024B	2,100,000,000.00	As at October 22, 2024	Year 3	2,100,000,000.00		2,100,000,000.00	7,421,917.81			7,421,917.81	2,100,000,000.00
24 SPIC MTN025	1,700,000,000.00	November 14, 2024	Year 3	1,700,000,000.00		1,700,000,000.00	3,515,506.85			3,515,506.85	1,700,000,000.00
24 SPIC MTN030	2,500,000,000.00	December 17, 2024	Year 3	2,500,000,000.00		2,500,000,000.00	476,712.33			476,712.33	2,500,000,000.00
24 SPIC MTN031	2,500,000,000.00	December 18, 2024	Year 3	2,500,000,000.00		2,500,000,000.00	380,136.99			380,136.99	2,500,000,000.00
22 SEP MTN001	1,900,000,000.00	April 11, 2022	Year 3	1,900,000,000.00	1,900,000,000.00		39,428,383.56			1,939,428,383.56	
JEP 22 Green Corporate Bond (Carbon-neutral bonds) 002	1,000,000,000.00	March 17, 2022	Year 5	991,148,901.18	1,003,654,537.71	67,000,000.00	801,741.59		67,000,000.00	11,778,663.56	992,677,615.74
JEP 22 Green Corporate Bond (Carbon-neutral bonds) 001	500,000,000.00	As at October 21, 2022	Year 3	500,000,000.00	513,704,475.16				-200,507,890.41	714,212,365.57	
22 SEP 01	2,000,000,000.00	February 23, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		50,285,245.90			2,050,285,245.90	
22 SEP 02	1,400,000,000.00	March 16, 2022	Year 3	1,400,000,000.00	1,400,000,000.00		34,377,863.01			1,434,377,863.01	
22 SEP 03	1,700,000,000.00	April 20, 2022	Year 3	1,700,000,000.00	1,700,000,000.00		36,366,027.40			1,736,366,027.40	

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
23 MTN 001 (Sustainability-Linked bonds / Rural revitalization bonds) of Jilin Electric Power Co., Ltd.	1,000,000,000.00	September 27, 2023	Year 3	1,008,694,988.84	1,008,694,988.84		264,535.04			8,626,849.32	1,000,332,674.56
Corporate Bonds for Science and Technology Innovation and Green Rural Revitalization	500,000,000.00	November 30, 2023	Year 3	502,578,180.92	502,578,180.92			-493,065.95	200,507,890.41	910,274.05	301,653,082.41
MTN	500,000,000.00	As at October 22, 2024	Year 3	500,000,000.00		500,000,000.00	2,233,499.15	-102,784.13		2,233,499.15	500,102,784.13
24 China Power 02	1,000,000,000.00	April 19, 2024	Year 3	1,000,000,000.00		1,000,000,000.00	16,828,219.15			16,828,219.15	1,000,000,000.00
24 China Power 01	2,000,000,000.00	March 14, 2024	Year 3	2,000,000,000.00		1,900,000,000.00	42,866,301.41	2,143,315.07		42,866,301.41	1,897,856,684.93
21 China Power International MTN001 Medium-term Notes	2,000,000,000.00	April 26, 2021	Year 3	2,000,000,000.00							
21 China Power International MTN002 Medium-term Notes	2,000,000,000.00	As at October 13, 2021	Year 3	2,000,000,000.00							
21 China Power International GN001 Carbon-neutral bonds	1,000,000,000.00	As at October 22, 2021	Year 3	1,000,000,000.00							
22 China Power International MTN001 Medium-term Notes	2,000,000,000.00	June 14, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		33,041,095.89			2,033,041,095.89	
22 China Power International MTN002 Medium-term Notes	2,000,000,000.00	June 20, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		32,111,780.82			2,032,111,780.82	
22 China Power International MTN003 Medium-term Notes	2,000,000,000.00	July 20, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		25,997,990.90			2,025,997,990.90	
22 China Power International MTN004 Medium-term Notes	2,000,000,000.00	September 01, 2022	Year 3	2,000,000,000.00	2,000,000,000.00		18,066,666.67			2,018,066,666.67	
24 China Power GN001 Sustainable	1,800,000,000.00	April 26, 2024	Year 3	1,800,000,000.00		1,800,000,000.00	26,136,986.31			29,041,095.90	1,797,095,890.41

Bond	Par value	Date of issue	Term of bond	Amount issued	Balance as at January 1, 2024	Issued in 2024	Interest calculated at par value	Amortization of premiums or discounts	Repayment in 2024	Transferred in the item maturing within one year	Balance as at December 31, 2024
Linked Bond											
24 China Power International GN002 Medium-term Notes	1,500,000,000.00	June 19, 2024	Year 10	1,500,000,000.00		1,500,000,000.00	20,781,369.89			20,781,369.89	1,500,000,000.00
24 China Power GN003 Carbon Neutrality Bond	1,000,000,000.00	As at October 18, 2024	Year 5	1,000,000,000.00		1,000,000,000.00	4,684,931.51			4,684,931.51	1,000,000,000.00
Panda Bonds	2,000,000,000.00	February 06, 2023	Year 3	1,998,991,036.50	2,000,000,000.00		27,804,421.40			28,439,410.59	1,999,365,010.81
National Bio Energy Group Co., Ltd. - 21 National Bio Energy ABN001 (carbon neutrality bond)	500,000,000.00	September 02, 2021	Year 3	499,403,866.76							
National Bio Energy Group Co., Ltd. - MTN - 21 National Bio Energy MTN001	500,000,000.00	July 26, 2021	Year 3	500,000,000.00							
3 Million USD Bonds Payable	2,124,810,000.00	November 06, 2016	Year 10	2,124,810,000.00	2,124,810,000.00	31,710,000.00	6,109,066.60		305,928.79		2,162,323,137.81
10 Million USD Bonds Payable	7,073,939,684.60	July 27, 2020	Year 5	7,073,939,684.60	7,073,939,684.60	113,202,093.81	52,603,640.82		27,619,814.50		7,212,125,604.73
Underwriting cost							212,633,750.44				212,633,750.44
Interest					12,422,317.08				12,422,317.08		
Total				173,099,566,658.80	88,839,804,184.31	39,011,912,093.81	1,805,316,125.93	1,547,464.99	107,348,060.37	54,371,970,642.72	75,176,166,235.97

8.47 Preferred stock, perpetual bond and other financial instruments

8.47.1 Information on outstanding financial instruments such as preferred stocks and perpetual bonds as at December 31, 2024

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
20 SPIC MTN009B	May 11, 2020	Perpetual bond	3.57%	100.00	5,000,000	500,000,000.00	5+N years	None	None
22 SPIC MTN001	January 19, 2022	Perpetual bond	3.01%	100.00	11,000,000	1,100,000,000.00	3+N years	None	None
22 SPIC MTN005	April 12, 2022	Perpetual bond	3.18%	100.00	14,000,000	1,400,000,000.00	3+N years	None	None
22 SPIC MTN008	April 21, 2022	Perpetual bond	3.16%	100.00	15,000,000	1,500,000,000.00	3+N years	None	None
22 SPIC MTN010	April 28, 2022	Perpetual bond	3.12%	100.00	15,000,000	1,500,000,000.00	3+N years	None	None
22 SPIC MTN012	May 10, 2022	Perpetual bond	3.06%	100.00	14,000,000	1,400,000,000.00	3+N years	None	None
22 SPIC MTN014	May 25, 2022	Perpetual bond	2.99%	100.00	13,000,000	1,300,000,000.00	3+N years	None	None
22 SPIC MTN019	July 14, 2022	Perpetual bond	3.01%	100.00	18,000,000	1,800,000,000.00	3+N years	None	None
22 SPIC MTN022	July 26, 2022	Perpetual bond	2.90%	100.00	19,000,000	1,900,000,000.00	3+N years	None	None
22 SPIC MTN024	August 18, 2022	Perpetual bond	2.73%	100.00	21,000,000	2,100,000,000.00	3+N years	None	None
22 SPIC MTN026	August 29, 2022	Perpetual bond	2.80%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
22 SPIC MTN029 (Baogong)	September 28, 2022	Perpetual bond	2.83%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
22 SPIC MTN030 (Baogong)	September 28, 2022	Perpetual bond	2.79%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
22 SPIC	October	Perpetual	2.71%	100.00	23,000,000	2,300,000,000.00	3+N	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
MTN031	28, 2022	bond					years		
22 SPIC MTN032	October 31, 2022	Perpetual bond	2.71%	100.00	23,000,000	2,300,000,000.00	3+N years	None	None
22 SPIC MTN033	November 02, 2022	Perpetual bond	2.70%	100.00	24,000,000	2,400,000,000.00	3+N years	None	None
22 SPIC MTN034	November 24, 2022	Perpetual bond	3.17%	100.00	22,000,000	2,200,000,000.00	3+N years	None	None
22 SPIC MTN035	November 25, 2022	Perpetual bond	3.17%	100.00	22,000,000	2,200,000,000.00	3+N years	None	None
22 SPIC MTN036	November 28, 2022	Perpetual bond	3.39%	100.00	22,000,000	2,200,000,000.00	3+N years	None	None
Ping An - SPIC Ningxia Infrastructure Debt Investment Plan (Bairui Hengyi No.982)	August 16, 2021	Perpetual bond	4.80%	100.00	10,000,000	1,000,000,000.00	7+N years	None	None
Ping An - SPIC Ningxia Infrastructure Debt Investment Plan	December 10, 2021	Perpetual bond	4.80%	100.00	40,000,000	4,000,000,000.00	7+N years	None	None
Ping An - SPIC Guizhou Infrastructure Debt Investment Plan (Bairui Hengyi No.1076)	May 20, 2022	Perpetual bond	4.65%	100.00	50,000,000	5,000,000,000.00	7+N years	None	None
23 SPIC MTN001 (Baogong)	March 01, 2023	Perpetual bond	3.35%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
23 SPIC MTN002 (Baogong)	March 13, 2023	Perpetual bond	3.27%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN003 (Baogong)	March 14, 2023	Perpetual bond	3.27%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN005 (Baogong)	March 20, 2023	Perpetual bond	3.20%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN005	March 23, 2023	Perpetual bond	3.25%	100.00	22,000,000	2,200,000,000.00	2+N years	None	None
23 SPIC MTN007	March 24, 2023	Perpetual bond	3.25%	100.00	23,000,000	2,300,000,000.00	2+N years	None	None
23 SPIC MTN008	March 28, 2023	Perpetual bond	3.25%	100.00	23,000,000	2,300,000,000.00	2+N years	None	None
23 SPIC MTN009	April 14, 2023	Perpetual bond	3.21%	100.00	17,000,000	1,700,000,000.00	2+N years	None	None
23 SPIC MTN013 (Baogong)	April 24, 2023	Perpetual bond	3.13%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN014 (Baogong)	April 26, 2023	Perpetual bond	3.15%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN015 (Baogong)	May 08, 2023	Perpetual bond	3.05%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN016	May 12, 2023	Perpetual bond	3.02%	100.00	15,000,000	1,500,000,000.00	2+N years	None	None
23 SPIC MTN017	May 24, 2023	Perpetual bond	3.14%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
23 SPIC	May 30,	Perpetual	2.97%	100.00	14,000,000	1,400,000,000.00	2+N	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
MTN018A	2023	bond					years		
23 SPIC MTN018B	May 30, 2023	Perpetual bond	3.16%	100.00	11,000,000	1,100,000,000.00	3+N years	None	None
23 SPIC MTN019	June 05, 2023	Perpetual bond	3.17%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
23 SPIC MTN021A	June 16, 2023	Perpetual bond	2.95%	100.00	12,000,000	1,200,000,000.00	2+N years	None	None
23 SPIC MTN021B	June 16, 2023	Perpetual bond	3.15%	100.00	3,000,000	300,000,000.00	3+N years	None	None
23 SPIC MTN022A	July 03, 2023	Perpetual bond	2.94%	100.00	15,000,000	1,500,000,000.00	2+N years	None	None
23 SPIC MTN022B	July 03, 2023	Perpetual bond	3.14%	100.00	5,000,000	500,000,000.00	3+N years	None	None
23 SPIC MTN025	July 14, 2023	Perpetual bond	2.90%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN026A	July 20, 2023	Perpetual bond	2.85%	100.00	14,000,000	1,400,000,000.00	2+N years	None	None
23 SPIC MTN026B	July 20, 2023	Perpetual bond	3.05%	100.00	6,000,000	600,000,000.00	3+N years	None	None
23 SPIC MTN027 (Baogong)	July 21, 2023	Perpetual bond	2.84%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN029A	July 24, 2023	Perpetual bond	2.83%	100.00	14,000,000	1,400,000,000.00	2+N years	None	None
23 SPIC MTN029B	July 24, 2023	Perpetual bond	3.01%	100.00	6,000,000	600,000,000.00	3+N years	None	None
23 SPIC MTN030 (Baogong)	July 26, 2023	Perpetual bond	2.98%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN031A	August 01, 2023	Perpetual bond	2.96%	100.00	10,000,000	1,000,000,000.00	2+N years	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
23 SPIC MTN031B	August 01, 2023	Perpetual bond	3.19%	100.00	10,000,000	1,000,000,000.00	3+N years	None	None
23 SPIC MTN032	August 11, 2023	Perpetual bond	2.86%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN033	August 15, 2023	Perpetual bond	2.82%	100.00	15,000,000	1,500,000,000.00	2+N years	None	None
23 SPIC MTN034A	August 16, 2023	Perpetual bond	2.77%	100.00	10,000,000	1,000,000,000.00	2+N years	None	None
23 SPIC MTN034B	August 16, 2023	Perpetual bond	2.99%	100.00	5,000,000	500,000,000.00	3+N years	None	None
23 SPIC MTN035A	August 17, 2023	Perpetual bond	2.79%	100.00	16,000,000	1,600,000,000.00	2+N years	None	None
23 SPIC MTN035B	August 17, 2023	Perpetual bond	2.98%	100.00	4,000,000	400,000,000.00	3+N years	None	None
23 SPIC MTN036 (Baogong)	August 28, 2023	Perpetual bond	2.81%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN037 (Baogong)	September 05, 2023	Perpetual bond	2.98%	100.00	20,000,000	2,000,000,000.00	2+N years	None	None
23 SPIC MTN038	September 14, 2023	Perpetual bond	3.08%	100.00	19,000,000	1,900,000,000.00	2+N years	None	None
23 SPIC MTN039A	September 15, 2023	Perpetual bond	3.04%	100.00	13,000,000	1,300,000,000.00	2+N years	None	None
23 SPIC MTN039B	September 15, 2023	Perpetual bond	3.19%	100.00	6,000,000	600,000,000.00	3+N years	None	None
23 SPIC MTN041A	October 12, 2023	Perpetual bond	3.07%	100.00	5,000,000	500,000,000.00	2+N years	None	None
23 SPIC MTN041B	October 12, 2023	Perpetual bond	3.23%	100.00	15,000,000	1,500,000,000.00	3+N years	None	None
23 SPIC	October	Perpetual	3.19%	100.00	12,000,000	1,200,000,000.00	2+N	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
MTN044A	20, 2023	bond					years		
23 SPIC MTN044B	October 20, 2023	Perpetual bond	3.37%	100.00	6,000,000	600,000,000.00	3+N years	None	None
23 SPIC MTN047A	December 19, 2023	Perpetual bond	3.03%	100.00	6,000,000	600,000,000.00	2+N years	None	None
23 SPIC MTN047B	December 19, 2023	Perpetual bond	3.13%	100.00	12,000,000	1,200,000,000.00	3+N years	None	None
24 SPIC MTN002	March 22, 2024	Perpetual bond	2.67%	100.00	9,000,000	900,000,000.00	3+N years	None	None
24 SPIC MTN003	April 30, 2024	Perpetual bond	2.72%	100.00	11,000,000	1,100,000,000.00	5+N years	None	None
24 SPIC MTN005A	May 21, 2024	Perpetual bond	2.40%	100.00	8,000,000	800,000,000.00	3+N years	None	None
24 SPIC MTN005B	May 21, 2024	Perpetual bond	2.56%	100.00	12,000,000	1,200,000,000.00	5+N years	None	None
24 SPIC MTN006A	May 23, 2024	Perpetual bond	2.40%	100.00	7,000,000	700,000,000.00	3+N years	None	None
24 SPIC MTN006B	May 23, 2024	Perpetual bond	2.56%	100.00	12,000,000	1,200,000,000.00	5+N years	None	None
24 SPIC MTN007A	May 27, 2024	Perpetual bond	2.38%	100.00	4,000,000	400,000,000.00	3+N years	None	None
24 SPIC MTN007B	May 27, 2024	Perpetual bond	2.55%	100.00	15,000,000	1,500,000,000.00	5+N years	None	None
24 SPIC MTN008A	June 18, 2024	Perpetual bond	2.25%	100.00	8,000,000	800,000,000.00	3+N years	None	None
24 SPIC MTN008B	June 18, 2024	Perpetual bond	2.40%	100.00	10,000,000	1,000,000,000.00	5+N years	None	None
24 SPIC MTN009	June 20, 2024	Perpetual bond	2.26%	100.00	18,000,000	1,800,000,000.00	3+N years	None	None
24 SPIC MTN011A	July 19, 2024	Perpetual bond	2.18%	100.00	12,000,000	1,200,000,000.00	3+N years	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
24 SPIC MTN011B	July 19, 2024	Perpetual bond	2.32%	100.00	8,000,000	800,000,000.00	5+N years	None	None
24 SPIC MTN013A	July 23, 2024	Perpetual bond	2.14%	100.00	6,000,000	600,000,000.00	3+N years	None	None
24 SPIC MTN013B	July 23, 2024	Perpetual bond	2.28%	100.00	14,000,000	1,400,000,000.00	5+N years	None	None
24 SPIC MTN014A	July 25, 2024	Perpetual bond	2.13%	100.00	9,000,000	900,000,000.00	3+N years	None	None
24 SPIC MTN014B	July 25, 2024	Perpetual bond	2.26%	100.00	10,000,000	1,000,000,000.00	5+N years	None	None
24 SPIC MTN016	August 16, 2024	Perpetual bond	2.30%	100.00	17,000,000	1,700,000,000.00	5+N years	None	None
24 SPIC MTN017A	August 19, 2024	Perpetual bond	2.19%	100.00	5,000,000	500,000,000.00	3+N years	None	None
24 SPIC MTN017B	August 19, 2024	Perpetual bond	2.29%	100.00	12,000,000	1,200,000,000.00	5+N years	None	None
24 SPIC MTN026	November 19, 2024	Perpetual bond	2.35%	100.00	19,000,000	1,900,000,000.00	3+N years	None	None
24 SPIC MTN027	November 20, 2024	Perpetual bond	2.24%	100.00	19,000,000	1,900,000,000.00	2+N years	None	None
24 SPIC MTN028	November 22, 2024	Perpetual bond	2.30%	100.00	18,000,000	1,800,000,000.00	3+N years	None	None
24 SPIC MTN029	November 26, 2024	Perpetual bond	2.21%	100.00	18,000,000	1,800,000,000.00	2+N years	None	None
24 SPIC MTN032A	December 19, 2024	Perpetual bond	2.03%	100.00	12,000,000	1,200,000,000.00	2+N years	None	None
24 SPIC MTN032B	December 19, 2024	Perpetual bond	2.10%	100.00	12,000,000	1,200,000,000.00	3+N years	None	None
24 SPIC MTN033A	December 23, 2024	Perpetual bond	1.97%	100.00	6,000,000	600,000,000.00	2+N years	None	None
24 SPIC	December	Perpetual	2.05%	100.00	18,000,000	1,800,000,000.00	3+N	None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
MTN033B	23, 2024	bond					years		
24 SPIC MTN034	December 27, 2024	Perpetual bond	2.05%	100.00	23,000,000	2,300,000,000.00	3+N years	None	None
22 SEP MTN 002	November 01, 2022	Perpetual bond	3.00%	100.00	16,000,000	1,600,000,000.00	3+N years	None	None
22 SEP MTN 003	November 16, 2022	Perpetual bond	3.00%	100.00	16,000,000	1,600,000,000.00	3+N years	None	None
23 MTN 001 (23 SEP MTN001)	October 12, 2023	Perpetual bond	3.29%	100.00	20,000,000	2,000,000,000.00	3+N years	None	None
23 MTN 002 (23 SEP MTN002)	From October 13, 2023 to October 16, 2023	Perpetual bond	3.00%	100.00	18,000,000	1,800,000,000.00	3+N years	None	None
20 China Power International MTN001	November 05, 2020	Perpetual bond	4.00%		15,000,000	1,500,000,000.00	3+N years	None	None
20 China Power International MTN002	November 18, 2020	Perpetual bond	5.00%		15,000,000	1,500,000,000.00	3+N years	None	None
SPICIFC Overseas Publicly Offered Preferred Stocks (Phase II)	November 30, 2021	Preferred stock	3.45%	100.00	12,000,000	7,641,000,000.00	3.5+N years	None	None
SPICIFC Overseas Publicly Offered Preferred Stocks (Phase III)	November 05, 2024	Preferred stock	4.95%	100.00	10,000,000	7,101,600,000.00	3+N years	None	None
SPIC	December	Preferred	5.50%	100.00	10,260,000	1,026,000,000.00		None	None

Outstanding financial instruments	Issuing time	Accounting classification	Dividend or interest rate	Issuing price	Quantity	Amount	Due date or renewal	Conversion condition	Conversion details
International Energy Preferred Stocks in 2019	24, 2019	stock							
Total						171,468,600,000.00			

8.47.2 Itemized description of main clauses on financial instruments

(1) 2020 perpetual medium-term notes: offering period of 5+N years; interest payment method: the issuer shall, five working days before each interest payment date of the current medium-term notes, publish the Interest Payment Announcement on the information disclosure media designated by the competent department in accordance with the relevant regulations, and complete the interest payment on the interest payment date at the coupon rate by taking Shanghai Clearing House as the agent. If the issuer decides to defer the interest payment, the issuer and the relevant intermediary agency should disclose the Announcement on Deferred Interest Payment ten working days before the interest payment date.

(2) Renewable Corporate Bonds in 2021: The Company (the financing body) signed the Investment Contract on Ping An - SPIC Ningxia Infrastructure Creditor's Right Investment Plan with Ping An Asset Management Co., Ltd. (the authorized agent) in 2021, by which the authorized agent would provide the investment fund via perpetual creditor's right investments to the financing body for investment. Investment objective: Ningxia Zhongwei Xiangshan Wind Power Station Project, SPIC Wind Power Station Project and relevant extension project. Investment fund: RMB 5.0 billion. Investment term: 3+N years. Rate of return on investment: 4.80%.

Deferred payment of investment income: Unless there is a mandatory interest payment event or other agreement on forbidding deferred payment in the contract, the financing body may have the right to defer the payment of investment income, i.e. The financing body may postpone the payment of the investment income payable for the current period and the investment income subject to the deferred payment as agreed and the fruits (if any) to the next investment income payment date. Where the financing body deferred the payment of investment income, it shall delivery the Notice on Deferred Payment to the authorized agent at least [30] days before the current investment income payment date; otherwise, the investment income payment may not be deferred. The frequency of the financing body in deferring such payment was unlimited, and the deferred payment shall not be taken as the financing body's failure in performance of obligation under the contract mentioned above.

(3) 2022 perpetual medium-term notes: offering period of 2+N and 3+N years; interest payment method: the issuer shall, five working days before each interest payment date of the current medium-term notes, publish the Interest Payment Announcement on the information disclosure media designated by the competent department in accordance with the relevant regulations, and complete the interest payment on the interest payment date at the coupon rate by taking Shanghai Clearing House as the agent. If the issuer decides to defer

the interest payment, the issuer and the relevant intermediary agency should disclose the Announcement on Deferred Interest Payment ten working days before the interest payment date. Deferred interest payment terms: Unless mandatory interest payment event, on each interest payment date of the current perpetual medium-term notes, the issuer can choose to defer to pay the current interest and all the interest and fructus that have been deferred in accordance with the present article to the next interest payment date and does not subject to any restrictions on the number of deferred interest payments; the foregoing deferred interest does not belong to the issuer's failure to pay the agreed interest in full. The interest for each deferred interest shall be cumulatively accrued at the coupon rate for the current period during the deferral period.

If the issuer chooses to defer interest payment, the issuer shall disclose the Announcement on the Deferred Payment of Interest through a website approved by the National Association of Financial Market Institutional Investors (the NAFMII) 10 working days before the interest payment date.

(4) Ping An-SPIC Guizhou Infrastructure Creditor's Rights in 2022: Ping An Asset Management Co., Ltd. established the "Ping An-SPIC Guizhou Infrastructure Creditor's Right Investment Plan", and invested the raised entrusted funds for the debt structure adjustment of the agreed investment projects and the replenishment of the working capital of the financing body in the form of creditor's right investment. Investment projects include: Qianxi Power Plant Phase I Project, Qianxi Power Plant Phase II Project and Maojiahe Hydropower Station Project. Investment fund: RMB 5.0 billion. Investment term: 7+N years. Rate of return on investment: 4.80%.

Deferred payment of investment income: Unless there is a mandatory interest payment event or other agreement on forbidding deferred payment in the contract, the financing body may have the right to defer the payment of investment income, i.e. The financing body may postpone the payment of the investment income payable for the current period and the investment income subject to the deferred payment as agreed and the fruits (if any) to the next investment income payment date. Where the financing body deferred the payment of investment income, it shall delivery the Notice on Deferred Payment to the authorized agent at least 30 days before the current investment income payment date; otherwise, the investment income payment may not be deferred. The frequency of the financing body in deferring such payment was unlimited, and the deferred payment shall not be taken as the financing body's failure in performance of obligation under the contract mentioned above.

(5) Renewable medium-term notes of the Group Headquarters in 2023: the offering periods of 2+N years and 3+N years; the current medium-term notes adopt fixed interest rate. Deferred interest payment terms: Unless mandatory interest payment event, on each interest payment date of the current perpetual medium-term notes, the issuer can choose to defer to pay the current interest and all the interest and fructus that have been deferred in accordance with the present article to the next interest payment date and does not subject to any restrictions on the number of deferred interest payments; the foregoing deferred interest does not belong to the issuer's failure to pay the agreed interest in full. The interest for each deferred interest shall be cumulatively accrued at the coupon rate for the current period during the deferral period.
If the issuer chooses to defer interest payment, the issuer shall disclose the Announcement on the Deferred Payment of Interest through a website approved by the National Association of Financial Market Institutional Investors (the NAFMII) 10 working days before the interest payment date.

(6) Renewable medium-term notes (supply guaranteed) of the Group Headquarters in 2023: the offering periods of 2+N years and 3+N years; the current medium-term notes adopt fixed interest rate. Deferred interest payment terms: Unless mandatory interest payment event, on each interest payment date of the current perpetual medium-term notes, the issuer can choose to defer to pay the current interest and all the interest and fructus that have been deferred in accordance with the present article to the next interest payment date and does not subject to any restrictions on the number of deferred interest payments; the foregoing deferred interest does not belong to the issuer's failure to pay the agreed interest in full. The interest for each deferred interest shall be cumulatively accrued at the coupon rate for the current period during the deferral period.
If the issuer chooses to defer interest payment, the issuer shall disclose the Announcement on the Deferred Payment of Interest through a website approved by the National Association of Financial Market Institutional Investors (the NAFMII) 10 working days before the interest payment date.

(7) Renewable medium-term notes of the Group Headquarters in 2024: the offering periods of 2+N years, 3+N years and 5+N years; the current medium-term notes adopt fixed interest rate. Deferred interest payment terms: Unless mandatory interest payment event, on each interest payment date of the current perpetual medium-term notes, the issuer can choose to defer to pay the current interest and all the interest and fructus that have been deferred in accordance with the present article to the next interest payment date and does not subject to any restrictions on the number of deferred interest payments; the foregoing deferred interest does not belong to the issuer's failure to pay the agreed interest in full. The interest for each deferred interest shall be cumulatively accrued at the coupon rate for the current period during the deferral period.
If the issuer chooses to defer interest payment, the issuer shall disclose the Announcement on the Deferred Payment of Interest through a website approved by the National Association of Financial Market Institutional Investors (the NAFMII) 10 working days before the interest payment date.

(8) Renewable medium-term notes (supply guaranteed) of the Group Headquarters in 2024: the offering periods of 2+N years and 3+N years; the current medium-term notes adopt fixed interest rate. Deferred interest payment terms: Unless mandatory interest payment event, on each interest payment date of the current perpetual medium-term notes, the issuer can choose to defer to pay the current interest and all the interest and fructus that have been deferred in accordance with the present article to the next interest payment date and does not subject to any restrictions on the number of deferred interest payments; the foregoing deferred interest does not belong to the issuer's failure to pay the agreed interest in full. The interest for each deferred interest shall be cumulatively accrued at the coupon rate for the current period during the deferral period.
If the issuer chooses to defer interest payment, the issuer shall disclose the Announcement on the Deferred Payment of Interest through a website approved by the National Association of Financial Market Institutional Investors (the NAFMII) 10 working days before the interest payment date.

(9) Publicly Offered Preferred Shares (Phase II) of SPIC International Finance (Hong Kong) Company Limited: The initial distribution interest rate is 3.45% per annum, and dividends will be paid semi-annually (the "Dividends"). The distribution rate will be reset every 3 calendar years from the first maturity date of June 13, 2025. The reset distribution rate will be equal to the sum of (a) the initial interest rate of 2.582%; (b) the appropriate treasury bond rate and (c) 3%. The issuer may, at its sole discretion, elect to defer any prescribed dividend on this Preferred Shares. Under the terms of this preferred shares, the issuer may not pay dividends if the dividends are incomplete.

(10) Publicly Offered Preferred Shares (Phase III) of SPIC International Finance (Hong Kong) Company Limited: The initial distribution interest rate is 4.95% per annum, and dividends will be paid semi-annually (the "Dividends"). The distribution rate will be reset every 3 calendar years from the first maturity date of November 15, 2027. The reset distribution rate will be equal to the sum of (a) the initial interest rate of 0.821%; (b) the appropriate treasury bond rate and (c) 3%. The issuer may, at its sole discretion, elect to defer any prescribed dividend on this Preferred Shares. Under the terms of this preferred shares, the issuer may not pay dividends if the dividends are incomplete.

(11) SPIC International Energy Preferred Stocks in 2019: The dividends should be distributed no later than January 30 of each fiscal year, and the pre-audit of the cooperative company's distributable profits should be conducted in accordance with international accounting standards; if the pre-audit confirms that the cooperative company has profits that can be distributed, and the preferred stock dividend payable to the preferred stock investors should be first paid from the profits of the cooperative company. The dividend rate of preferred stocks is 8.5%. When the protection mechanism for investors stipulated in the agreement is triggered, the dividend rate of preferred stocks is changed to 8.5%; from the 11th anniversary date of the delivery date, the investor has the right to give the issuer written notice, requiring the issuer to repurchase or redeem all the investors 'preferred stocks at the agreed repurchase consideration within 60 natural days starting from the notice date.

8.47.3 Information on changes in such outstanding financial instruments as preferred stocks and perpetual bonds

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
19 SPIC Y2	9,000,000	900,000,000.00			9,000,000	900,000,000.00		
19 SPIC Y4	6,000,000	600,000,000.00			6,000,000	600,000,000.00		
19 SPIC Y6	5,000,000	500,000,000.00			5,000,000	500,000,000.00		
19 SPIC Y8	5,000,000	500,000,000.00			5,000,000	500,000,000.00		
19 SPIC Y10	6,000,000	600,000,000.00			6,000,000	600,000,000.00		
19 SPIC Y12	7,000,000	700,000,000.00			7,000,000	700,000,000.00		
19 SPIC Y14	7,000,000	700,000,000.00			7,000,000	700,000,000.00		
19 SPIC Y16	7,000,000	700,000,000.00			7,000,000	700,000,000.00		
19 SPIC Y18	9,000,000	900,000,000.00			9,000,000	900,000,000.00		
19 SPIC Y20	14,000,000	1,400,000,000.00			14,000,000	1,400,000,000.00		
19 SPIC Y22	10,000,000	1,000,000,000.00			10,000,000	1,000,000,000.00		
19 SPIC Y24	10,000,000	1,000,000,000.00			10,000,000	1,000,000,000.00		
19 SPIC Y26	5,000,000	500,000,000.00			5,000,000	500,000,000.00		
20 SPIC MTN009B	5,000,000	500,000,000.00					5,000,000	500,000,000.00
21 SPIC MTN002	20,000,000	2,000,000,000.00			20,000,000	2,000,000,000.00		
21 SPIC MTN003	20,000,000	2,000,000,000.00			20,000,000	2,000,000,000.00		
21 SPIC MTN004	18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00		
21 SPIC MTN005	18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00		
21 SPIC MTN007	18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00		
21 SPIC MTN008	18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00		
22 SPIC MTN001	11,000,000	1,100,000,000.00					11,000,000	1,100,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
22 SPIC MTN005	14,000,000	1,400,000,000.00					14,000,000	1,400,000,000.00
22 SPIC MTN008	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
22 SPIC MTN010	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
22 SPIC MTN012	14,000,000	1,400,000,000.00					14,000,000	1,400,000,000.00
22 SPIC MTN014	13,000,000	1,300,000,000.00					13,000,000	1,300,000,000.00
22 SPIC MTN019	18,000,000	1,800,000,000.00					18,000,000	1,800,000,000.00
22 SPIC MTN022	19,000,000	1,900,000,000.00					19,000,000	1,900,000,000.00
22 SPIC MTN024	21,000,000	2,100,000,000.00					21,000,000	2,100,000,000.00
22 SPIC MTN026	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
22 SPIC MTN029 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
22 SPIC MTN030 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
22 SPIC MTN031	23,000,000	2,300,000,000.00					23,000,000	2,300,000,000.00
22 SPIC MTN032	23,000,000	2,300,000,000.00					23,000,000	2,300,000,000.00
22 SPIC MTN033	24,000,000	2,400,000,000.00					24,000,000	2,400,000,000.00
22 SPIC MTN034	22,000,000	2,200,000,000.00					22,000,000	2,200,000,000.00
22 SPIC MTN035	22,000,000	2,200,000,000.00					22,000,000	2,200,000,000.00
22 SPIC MTN036	22,000,000	2,200,000,000.00					22,000,000	2,200,000,000.00
22 SPIC MTN037	23,000,000	2,300,000,000.00			23,000,000	2,300,000,000.00		
22 SPIC MTN038	23,000,000	2,300,000,000.00			23,000,000	2,300,000,000.00		
22 SPIC MTN039	23,000,000	2,300,000,000.00			23,000,000	2,300,000,000.00		
22 SPIC MTN040	24,000,000	2,400,000,000.00			24,000,000	2,400,000,000.00		
22 SPIC MTN041	24,000,000	2,400,000,000.00			24,000,000	2,400,000,000.00		
22 SPIC MTN042	24,000,000	2,400,000,000.00			24,000,000	2,400,000,000.00		
22 SPIC MTN043	24,000,000	2,400,000,000.00			24,000,000	2,400,000,000.00		
22 SPIC MTN044	23,000,000	2,300,000,000.00			23,000,000	2,300,000,000.00		
Ping An - SPIC Ningxia Infrastructure Debt Investment Plan (Bairui	10,000,000	1,000,000,000.00					10,000,000	1,000,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Hengyi No.982)								
Ping An - SPIC Ningxia Infrastructure Debt Investment Plan	40,000,000	4,000,000,000.00					40,000,000	4,000,000,000.00
Ping An - SPIC Guizhou Infrastructure Debt Investment Plan (Bairui Hengyi No.1076)	50,000,000	5,000,000,000.00					50,000,000	5,000,000,000.00
23 SPIC MTN001 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN002 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN003 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN005 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN005	22,000,000	2,200,000,000.00					22,000,000	2,200,000,000.00
23 SPIC MTN007	23,000,000	2,300,000,000.00					23,000,000	2,300,000,000.00
23 SPIC MTN008	23,000,000	2,300,000,000.00					23,000,000	2,300,000,000.00
23 SPIC MTN009	17,000,000	1,700,000,000.00					17,000,000	1,700,000,000.00
23 SPIC MTN013 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN014 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN015 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN016	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
23 SPIC MTN017	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
23 SPIC MTN018A	14,000,000	1,400,000,000.00					14,000,000	1,400,000,000.00
23 SPIC MTN018B	11,000,000	1,100,000,000.00					11,000,000	1,100,000,000.00
23 SPIC MTN019	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN021A	12,000,000	1,200,000,000.00					12,000,000	1,200,000,000.00
23 SPIC MTN021B	3,000,000	300,000,000.00					3,000,000	300,000,000.00
23 SPIC MTN022A	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
23 SPIC MTN022B	5,000,000	500,000,000.00					5,000,000	500,000,000.00
23 SPIC MTN025	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN026A	14,000,000	1,400,000,000.00					14,000,000	1,400,000,000.00
23 SPIC MTN026B	6,000,000	600,000,000.00					6,000,000	600,000,000.00
23 SPIC MTN027 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN029A	14,000,000	1,400,000,000.00					14,000,000	1,400,000,000.00
23 SPIC MTN029B	6,000,000	600,000,000.00					6,000,000	600,000,000.00
23 SPIC MTN030 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN031A	10,000,000	1,000,000,000.00					10,000,000	1,000,000,000.00
23 SPIC MTN031B	10,000,000	1,000,000,000.00					10,000,000	1,000,000,000.00
23 SPIC MTN032	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN033	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
23 SPIC MTN034A	10,000,000	1,000,000,000.00					10,000,000	1,000,000,000.00
23 SPIC MTN034B	5,000,000	500,000,000.00					5,000,000	500,000,000.00
23 SPIC MTN035A	16,000,000	1,600,000,000.00					16,000,000	1,600,000,000.00
23 SPIC MTN035B	4,000,000	400,000,000.00					4,000,000	400,000,000.00
23 SPIC MTN036 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN037 (Baogong)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 SPIC MTN038	19,000,000	1,900,000,000.00					19,000,000	1,900,000,000.00
23 SPIC MTN039A	13,000,000	1,300,000,000.00					13,000,000	1,300,000,000.00
23 SPIC MTN039B	6,000,000	600,000,000.00					6,000,000	600,000,000.00
23 SPIC MTN041A	5,000,000	500,000,000.00					5,000,000	500,000,000.00
23 SPIC MTN041B	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
23 SPIC MTN044A	12,000,000	1,200,000,000.00					12,000,000	1,200,000,000.00
23 SPIC MTN044B	6,000,000	600,000,000.00					6,000,000	600,000,000.00
23 SPIC MTN047A	6,000,000	600,000,000.00					6,000,000	600,000,000.00
23 SPIC MTN047B	12,000,000	1,200,000,000.00					12,000,000	1,200,000,000.00
24 SPIC MTN002			9,000,000	900,000,000.00			9,000,000	900,000,000.00
24 SPIC MTN003			11,000,000	1,100,000,000.00			11,000,000	1,100,000,000.00
24 SPIC			8,000,000	800,000,000.00			8,000,000	800,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
MTN005A								
24 SPIC MTN005B			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00
24 SPIC MTN006A			7,000,000	700,000,000.00			7,000,000	700,000,000.00
24 SPIC MTN006B			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00
24 SPIC MTN007A			4,000,000	400,000,000.00			4,000,000	400,000,000.00
24 SPIC MTN007B			15,000,000	1,500,000,000.00			15,000,000	1,500,000,000.00
24 SPIC MTN008A			8,000,000	800,000,000.00			8,000,000	800,000,000.00
24 SPIC MTN008B			10,000,000	1,000,000,000.00			10,000,000	1,000,000,000.00
24 SPIC MTN009			18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00
24 SPIC MTN011A			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00
24 SPIC MTN011B			8,000,000	800,000,000.00			8,000,000	800,000,000.00
24 SPIC MTN013A			6,000,000	600,000,000.00			6,000,000	600,000,000.00
24 SPIC MTN013B			14,000,000	1,400,000,000.00			14,000,000	1,400,000,000.00
24 SPIC MTN014A			9,000,000	900,000,000.00			9,000,000	900,000,000.00
24 SPIC MTN014B			10,000,000	1,000,000,000.00			10,000,000	1,000,000,000.00
24 SPIC MTN016			17,000,000	1,700,000,000.00			17,000,000	1,700,000,000.00
24 SPIC MTN017A			5,000,000	500,000,000.00			5,000,000	500,000,000.00
24 SPIC			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
MTN017B								
24 SPIC MTN026			19,000,000	1,900,000,000.00			19,000,000	1,900,000,000.00
24 SPIC MTN027			19,000,000	1,900,000,000.00			19,000,000	1,900,000,000.00
24 SPIC MTN028			18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00
24 SPIC MTN029			18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00
24 SPIC MTN032A			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00
24 SPIC MTN032B			12,000,000	1,200,000,000.00			12,000,000	1,200,000,000.00
24 SPIC MTN033A			6,000,000	600,000,000.00			6,000,000	600,000,000.00
24 SPIC MTN033B			18,000,000	1,800,000,000.00			18,000,000	1,800,000,000.00
24 SPIC MTN034			23,000,000	2,300,000,000.00			23,000,000	2,300,000,000.00
22 SEP MTN 002	16,000,000	1,600,000,000.00					16,000,000	1,600,000,000.00
22 SEP MTN 003	16,000,000	1,600,000,000.00					16,000,000	1,600,000,000.00
23 MTN 001 (23 SEP MTN001)	20,000,000	2,000,000,000.00					20,000,000	2,000,000,000.00
23 MTN 002 (23 SEP MTN002)	18,000,000	1,800,000,000.00					18,000,000	1,800,000,000.00
Minmetals CITIC Trust Shanxi Aluminum Perpetual Bonds	5,000,000	500,000,000.00			5,000,000	500,000,000.00		
Shanghai International Trust Shanxi Aluminum Perpetual Bonds	3,010,000	301,000,000.00			3,010,000	301,000,000.00		
20 China Power International MTN001	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00
20 China Power	15,000,000	1,500,000,000.00					15,000,000	1,500,000,000.00

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
International MTN002								
SPICIFC Overseas Publicly Offered Preferred Stocks (Phase I)	9,000,000	5,754,240,000.00			9,000,000	5,754,240,000.00		
SPICIFC Overseas Publicly Offered Preferred Stocks (Phase II)	12,000,000	7,641,000,000.00					12,000,000	7,641,000,000.00
SPICIFC Overseas Publicly Offered Preferred Stocks (Phase III)			10,000,000	7,101,600,000.00			10,000,000	7,101,600,000.00
ZODIYAH Preferred Stocks in 2022	34,791,567	3,479,156,700.00			34,791,567	3,479,156,700.00		
SPIC International Energy Preferred Stocks in 2019		1,026,000,000.00						1,026,000,000.00
Total		179,201,396,700.00		42,301,600,000.00		50,034,396,700.00		171,468,600,000.00

8.47.4 Information on holders of equity instruments

Item	Amount as at December 31, 2024	Amount as at January 1, 2024
1. Equity attributable to owners (or shareholders) of the company	145,700,000,000.00	150,500,000,000.00
(1) Equity attributable to holders of common stock of the company		
(2) Equity attributable to holders of other equity of the company	145,700,000,000.00	150,500,000,000.00
Including: net profit		
Total comprehensive income		
Dividends distributed in the current period	5,031,035,000.00	4,689,422,500.01
Accumulated dividends undistributed		
2. Equity attributable to minority shareholders	25,768,600,000.00	28,701,396,700.00
(1) Equity attributable to minority shareholders of common stock		
(2) Equity attributable to holders of other equity instruments of minority shareholders	25,768,600,000.00	28,701,396,700.00

8.48 Lease liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Lease payments	23,030,755,924.28	19,899,084,497.12
Less: unrecognized financing charges	5,667,803,381.07	4,521,760,355.19
Part reclassified to the non-current liabilities maturing within one year	1,547,332,397.74	1,676,113,542.13
Net lease liabilities	15,815,620,145.47	13,701,210,599.80

8.49 Long-term payables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Long-term payables	43,542,853,432.39	35,779,793,337.50
Special payables	3,713,186,996.59	3,434,902,364.47
Total	47,256,040,428.98	39,214,695,701.97

8.49.1 Long-term payables

Top 5 items with the largest ending balance:

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
China Power Investment Ronghe Financial Leasing Co., Ltd.	8,463,416,920.00	9,283,425,621.00
ABC Financial Leasing Co., Ltd.	5,581,679,031.00	2,552,966,679.00
State Grid International Leasing Co., Ltd.	3,749,130,735.00	3,438,581,078.00
Government price for mining rights	2,633,089,917.00	3,801,007,388.00
ICBC Financial Leasing Co., Ltd.	2,586,404,598.00	741,262,727.70
Total	23,013,721,201.00	19,817,243,493.70

8.49.2 Special payables

Top 5 items with the largest ending balance:

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Research and development of 300MW F-level heavy-duty gas turbine products	976,080,000.00	327,550,000.00		1,303,630,000.00
Shantytown reconstruction of Wusu Municipal Bureau of Finance, Xinjiang	315,591,651.71	4,794,030.88		320,385,682.59
Research and verification of key technologies in advanced heavy-duty gas turbine	320,000,000.00			320,000,000.00
Construction of power station for the testing of heavy gas turbines	200,000,000.00	86,800,000.00		286,800,000.00
Research and development of 400MW G/H-level heavy-duty gas turbine products	274,800,000.00			274,800,000.00
Total	2,086,471,651.71	419,144,030.88		2,505,615,682.59

8.50 Long-term employee compensation payable

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Post-employment benefits - net liabilities of defined benefit plans				
II. Dismissal benefits	142,784,038.33	218,225,869.81	4,511,736.82	356,498,171.32
III. Other long-term benefits	5,357,581.77	915,188.93	305,188.59	5,967,582.11
IV. Total wages	198,057,641.68	92,869,083.77	229,075,446.92	61,851,278.53
Total	346,199,261.78	312,010,142.51	233,892,372.33	424,317,031.96

8.51 Estimated liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Disposal costs	1,336,302,376.26	578,688,723.92

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
External guarantee	743,687,028.91	559,624,670.57
Pending litigation	262,751,902.90	312,887,711.60
Product quality assurance	80,706,722.34	55,395,066.91
Onerous contract to be performed	94,320,707.24	81,196,511.48
Others	140,487,099.49	141,435,688.00
Total	2,658,255,837.14	1,729,228,372.48

8.52 Deferred income

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Government subsidies	6,046,450,880.89	718,587,715.99	1,046,288,174.47	5,718,750,422.41
Others	1,115,994,708.49	240,889,940.06	285,594,771.35	1,071,289,877.20
Total	7,162,445,589.38	959,477,656.05	1,331,882,945.82	6,790,040,299.61

Items involving government subsidies:

Item	Balance as at January 1, 2024	New grants in 2024	Amount included in the current profit and loss	Amount refunded in 2024	Other changes	Balance as at December 31, 2024	Reason for refund	Assets/ income-related
Compensation for fairway construction	593,870,388.64		13,519,378.56			580,351,010.08		Related to assets
Research on maintenance technology for special equipment for CAP1000 and CAP1400 units.	399,344,981.08	386,502.84	49,845,392.54			349,886,091.38		Related to assets
Capacity improvement project	345,036,263.27		21,503,869.20			323,532,394.07		Related to assets
Special funds allocated to Ningbo Lvdong for hydrogen energy industry base by Cidong Industrial Development Co., Ltd. in Cixi City	270,000,000.00					270,000,000.00		Related to assets
Research and development of a digital instrument control system with enhanced information security by using domestic chips (statistical)	257,143,067.20		23,465,401.80			233,677,665.40		Related to assets
Yancheng Thermal Power Relocation Compensation	245,592,723.92		23,910,874.32			221,681,849.60		Related to assets
Foshan Lvdong SPIC South China hydrogen	155,916,283.74	660,000.00	2,770,326.66			153,805,957.08		Related to assets

Item	Balance as at January 1, 2024	New grants in 2024	Amount included in the current profit and loss	Amount refunded in 2024	Other changes	Balance as at December 31, 2024	Reason for refund	Assets/ income-related
energy industry base project (carbolic paper project)								
Special development support funds for Jinan Lvdong	200,102,867.23	5,344,800.00	53,085,958.40			152,361,708.83		Related to assets
Major special projects transferred to fixed assets	164,964,948.21		40,737,148.82			124,227,799.39		Related to assets
Northeast Company - Plant land compensation	142,621,651.39		20,338,770.24			122,282,881.15		Related to assets
Changshu Power Generation - rebate for environmental protection	122,382,893.93		9,287,155.80			113,095,738.13		Related to income
Related to nuclear grade zirconium materials	119,607,346.62	5,013,300.00	11,562,998.85		2,673,100.00	110,384,547.77		Related to assets
Compensation for land used for drying basin	116,205,349.39		16,600,764.12			99,604,585.27		Related to assets
Nuclear island key components automatic detection and maintenance equipment and technology research and development platform	92,961,047.59		10,772,842.17			82,188,205.42		Related to assets
Platform for research and development of	75,143,057.03		2,649,059.03			72,493,998.00		Related to assets

Item	Balance as at January 1, 2024	New grants in 2024	Amount included in the current profit and loss	Amount refunded in 2024	Other changes	Balance as at December 31, 2024	Reason for refund	Assets/ income-related
special maintenance equipment and intelligent monitoring technology for large advanced pressurized water reactor nuclear power plants								
Prototype development of CAP1400 nuclear power plant digital instrument control system engineering (statistical)	84,201,351.75		19,064,457.00			65,136,894.75		Related to assets
Subsidies for major national science and technology projects granted to scientific research projects of large advanced pressurized water reactor nuclear power plants	118,282,216.10		57,780,599.64			60,501,616.46		Related to assets
Phase I land subsidy	60,565,476.57		1,636,905.12			58,928,571.45		Related to assets
Financial appropriation for one-pipe to one-household	63,279,680.68		4,646,251.76			58,633,428.92		Related to assets
Nuclear safety related equipment	68,604,045.08		10,795,188.96			57,808,856.12		Related to assets

Item	Balance as at January 1, 2024	New grants in 2024	Amount included in the current profit and loss	Amount refunded in 2024	Other changes	Balance as at December 31, 2024	Reason for refund	Assets/ income-related
identification and material evaluation test platform of National Energy Administration								
Financial appropriation for clean energy gas to water	54,749,999.80		4,870,590.04			49,879,409.76		Related to assets
Special government subsidies to Guiyang Phase I	50,319,800.98		2,964,105.12			47,355,695.86		Related to assets
Others	2,245,555,440.69	707,183,113.15	635,669,479.69	1,198,110.48	4,939,446.15	2,310,931,517.52		Related to assets and income
Total	6,046,450,880.89	718,587,715.99	1,037,477,517.84	1,198,110.48	7,612,546.15	5,718,750,422.41		

8.53 Other non-current liabilities

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Contract liabilities	1,179,364,657.86	961,172,121.19
Payables to other investors of trust and asset management plans	1,061,161,575.05	415,310,774.19
Liabilities of technical transformation expenditure	617,837,886.49	797,851,832.70
Contract for poverty alleviation	476,687,042.00	497,868,051.46
Advances for pipeline connection	408,590,786.27	365,318,831.54
Expenses on booster station	162,362,537.99	193,788,448.73
Energy swap	395,840.80	25,366,988.24
Others	802,966,377.44	427,895,862.76
Total	4,709,366,703.90	3,684,572,910.81

8.54 Paid-in capital

Investee	Balance as at January 1, 2024		Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	
	Investment amount	Proportion (%)			Investment	Proportion (%)
Total	35,000,000,000.00	100.00			35,000,000,000.00	100.00
State-owned Assets Supervision and Administration Commission of the State Council	31,500,000,000.00	90.00			31,500,000,000.00	90.00
National Council for Social Security Fund of the People's Republic of China	3,500,000,000.00	10.00			3,500,000,000.00	10.00

8.55 Other equity instruments

Outstanding financial instruments	Amount as at January 1, 2024		Increase in 2024		Decrease in 2024		Amount as at December 31, 2024	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Perpetual bond	1,505,000,000	150,500,000,000.00	352,000,000	35,200,000,000.00	400,000,000	40,000,000,000.00	1,457,000,000	145,700,000,000.00
Total	1,505,000,000	150,500,000,000.00	352,000,000	35,200,000,000.00	400,000,000	40,000,000,000.00	1,457,000,000	145,700,000,000.00

Remark: See Note 8.47 Preferred stock, perpetual bond and other financial instruments for details of issuance.

8.56 Capital reserves

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
I. Capital (or share capital) premium	29,532,647,046.06	1,645,946,822.64	237,939,819.67	30,940,654,049.03
II. Other capital reserves	4,726,075,491.50	1,649,192,764.50	184,367,455.32	6,190,900,800.68
Total	34,258,722,537.56	3,295,139,587.14	422,307,274.99	37,131,554,849.71
Including: state-owned and exclusive capital reserves				

Remark: 1: The capital premiums increased by RMB 1,645,946,822.64 in 2024:

(1) The budget capital received by the Company from the Ministry of Finance amounted to RMB 900,000,000.00;

(2) The Company's subsidiaries received additional capital contribution from shareholders, which increased capital reserve of RMB465,090,086.02, mainly due to the impact of State Nuclear Power being RMB461,509,324.30;

(3) The acquisition of minority equity by the Company's subsidiaries increased the capital reserves by RMB280,856,736.62, mainly due to ① the impact of Henan Company being RMB239,922,196.94; ② the impact of Xinjiang Company being RMB37,357,334.81.

Remark 2: the capital premium decreased by RMB237,939,819.67 in 2024:

(1) The acquisition of minority equity by the Company's subsidiaries reduced the capital reserves by RMB144,394,588.93, mainly due to: ① the impact of Guizhou Jinyuan being RMB77,599,067.99; ② the impact of Jilin Energy Investment being RMB35,511,441.86;

(2) The Company paid the underwriting fee of RMB 89,065,230.74 for the issue of perpetual bonds;

(3) The Company's subsidiary Shanghai Power paid the underwriting fee of RMB 4,480,000.00 for the issue of perpetual bonds;

Remark 3: Other capital reserves increased by RMB 1,649,192,764.50 in 2024:

(1) The capital reserves of the Company and its subsidiaries increased by RMB887,765,344.86 due to investment mergers and acquisitions and cross-shareholdings, mainly due to: ① the impact of State Nuclear Power being RMB223,660,898.00; ② the impact of SPIC Industry-Finance being RMB207,948,245.36; ② the impact of Technology Research Institute being RMB40,638,634.82;

(2) The capital reserves of the Company and its subsidiaries increased by RMB462,144,594.24 due to the disposal of equity without actual loss of

control, mainly due to the impact of SPIC Industry-Finance being RMB363,237,430.59;

(3) The capital reserves increased by RMB279,655,726.56 due to changes in other equities of the entities in which the Company's subsidiaries invested and held shares;

(4) The capital reserves increased by RMB19,627,098.84 due to the share-based payment by the Company's subsidiaries.

Remark 4: Other capital reserves decreased by RMB 184,367,455.32 in 2024:

(1) The capital reserves of the Company and its subsidiaries decreased by RMB160,456,696.21 due to investment mergers and acquisitions, disposal of equity, cross-shareholding and other matters, mainly due to ① the impact of China Power being RMB47,443,945.66; ② the impact of Hebei Company being RMB46,023,470.42; ② the impact of SPIC Industry-Finance being RMB19,059,294.32;

(2) The capital reserves increased by RMB23,910,759.11 due to changes in other equities of the entities in which the Company's subsidiaries invested and held shares.

8.57 Special reserves

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024	Remarks
Work safety costs	622,225,608.13	2,421,642,890.22	2,200,331,044.66	843,537,453.69	
Renovation costs	140,315,106.95	413,398,899.80	317,015,642.26	236,698,364.49	
Others	8,375,938.46	42,402,227.55	34,180,145.29	16,598,020.72	
Total	770,916,653.54	2,877,444,017.57	2,551,526,832.21	1,096,833,838.90	

Remark: In 2024, the special reserves accrued in the period increased by RMB4,932,245,525.99, of which the portion attributable to owners' equity of the company increased by RMB2,877,444,017.57, and the portion attributable to minority interests increased by RMB2,054,801,508.42. The special reserves used in 2024 amounted to RMB4,186,722,311.10, of which the portion attributed to owners' equity of the company decreased by RMB2,551,526,832.21, and the portion attributable to minority interests decreased by RMB1,635,195,478.89.

8.58 Surplus reserves

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Statutory surplus reserve		1,529,549,692.19		1,529,549,692.19
Total		1,529,549,692.19		1,529,549,692.19

8.59 Retained earnings

Item	2024	2023
Balance at the end of last year	-80,361,106.42	-7,285,950,279.03
Adjustment at the beginning of the period	-2,103,787,616.73	-2,547,594,877.31
Beginning balance in the current period	-2,184,148,723.15	-9,833,545,156.34
Amount increased in the current period	15,295,496,921.93	11,460,824,709.13
Including: amount transferred-in from net profit in the current period	15,295,496,921.93	11,460,824,709.13
Other adjustments		
Decrease in 2024	7,034,392,300.47	3,811,428,275.94
Including: surplus reserve withdrawn in the current period	1,529,549,692.19	
General risk reserves withdrawn in the current period		
Cash dividends distributed in the current period	663,153,100.00	
Amount transferred to paid-in capital		
Other decreases	4,841,689,508.28	3,811,428,275.94
Ending balance in the current period	6,076,955,898.31	-2,184,148,723.15

Remark 1: The balance of retained earnings at the end of the previous year was RMB-80,361,106.42, and the balance at the beginning of the year decreased by RMB 2,103,787,616.73. The reason for the change was the correction of previous errors. For details of the changes, please refer to Note 5. "Changes in accounting policies and accounting estimates and correction of errors and other adjustments".

Remark 2: The net profit transfer-in in 2024 amounted to RMB 15,295,496,921.93;

Remark 3: The net amount decreased in 2024 was RMB7,034,392,300.47. The main changes are as follows:

(1) Withdrawal of statutory surplus reserves reduced the retained earnings by RMB1,529,549,692.19;

(2) Distribution of dividends to shareholders reduced retained earnings by RMB663,153,100.00. Including: ① dividends of RMB596,837,800.00 to the State-owned Assets Supervision and Administration Commission of the State Council; ② dividends of RMB66,315,300.00 to the National Council for Social Security Fund;

(3) Distribution of the interest on perpetual bonds reduced retained earnings by RMB5,031,035,000.00;

(4) Transfer from other comprehensive income to retained earnings reduced retained earnings by RMB472,811,637.28;

(5) The net increase in retained earnings caused by Three Supplies and Property Management, investment mergers and acquisitions, cross-shareholdings and other matters totaled RMB662,157,129.00.

8.60 Operating income and operating costs

Item	Amount in 2024		Amount in 2023	
	Revenue	Cost	Revenue	Cost
1. Sub-total of primary business	389,742,892,670.48	296,256,776,935.82	380,000,420,484.63	293,234,107,756.04
Electric power	261,258,988,348.39	195,120,963,404.16	261,331,230,251.16	196,801,109,367.87
Heating power	12,978,331,567.72	15,154,310,439.51	12,613,011,521.50	14,954,177,096.66
Coal	20,655,019,808.63	10,863,115,718.96	20,519,068,250.34	10,339,089,951.75
Aluminum	53,001,624,592.62	47,210,266,998.21	48,521,750,866.52	48,752,499,669.11
Others	41,848,928,353.12	27,908,120,374.98	37,015,359,595.11	22,387,231,670.65
2. Sub-total of other business	5,724,978,801.85	4,280,847,075.31	5,612,113,757.10	4,007,003,980.27
Commissioned operating by power generation	870,482,415.60	308,797,057.91	700,528,851.33	302,490,242.53
Sales of materials	799,445,850.08	673,480,762.68	937,596,541.16	826,370,194.69
Revenue from garbage removal subsidy	616,656,715.58	20,251,207.72	613,562,951.02	9,728,804.50
Revenue from lease of assets	482,554,993.76	145,599,953.73	628,536,757.53	155,111,677.98
Revenue from sales of flyash	146,711,564.71	209,404,271.79	828,515,073.17	597,452,907.21
Transfer of power	84,406,703.83	15,246,093.73	98,645,204.06	6,963,104.47
Processing and repair business	78,393,915.78	103,688,604.05	30,339,419.14	39,993,864.25
Staff training	38,475,655.39	76,040,918.81	31,867,605.82	39,995,393.56
Transport business	21,197,308.96	13,753,422.82	8,872,073.43	5,400,551.66
Others	2,586,653,678.16	2,714,584,782.07	1,733,649,280.44	2,023,497,239.42
Total	395,467,871,472.33	300,537,624,011.13	385,612,534,241.73	297,241,111,736.31

8.61 Selling and distribution expenses, general and administrative expenses, research and development expenses and financial expenses

8.61.1 Selling and distribution expenses

Item	Amount in 2024	Amount in 2023
Employee compensation	505,996,354.71	434,678,062.80
Sales and service fees	92,892,035.23	93,270,678.90
Others	54,531,778.93	212,812,559.06
Packing expenses	41,320,086.55	43,713,072.52
Travel expenses	38,749,122.64	43,205,872.88
Transportation costs	37,326,676.38	7,311,088.66
Depreciation expenses	34,399,283.52	43,847,346.87
Bid-inviting and tendering fees	28,841,614.25	17,656,604.27
Repair charges	25,651,688.36	20,412,771.68
Entertainment expenses	22,446,484.86	29,235,091.62
Expected loss of product quality assurance	18,582,086.35	16,603,875.56
Electric charge	13,633,466.65	3,504,360.92
Others	69,990,622.78	88,915,132.78
Total	984,361,301.21	1,055,166,518.52

8.61.2 Administrative expenses

Item	Amount in 2024	Amount in 2023
Employee compensation	8,160,952,953.27	7,962,277,182.34
Depreciation expenses	915,966,985.41	856,120,174.96
Amortization of intangible assets	734,224,960.51	589,834,261.80
Consulting fees	670,100,742.29	784,302,340.64
Others	485,299,124.60	1,132,871,862.87
Property management fees	400,680,164.60	397,096,590.72
Informatization costs	388,614,111.19	402,671,882.85
Rental expenses	367,563,212.43	354,194,190.08
Travel expenses	321,786,240.37	348,257,842.82
Office costs	198,136,938.95	194,916,453.69
Loss on work stoppages	178,969,698.41	76,681,604.29
Intermediary service charges	161,814,604.08	168,343,273.01
Insurance premiums	153,239,351.33	166,223,728.92
Electric charge	93,037,882.75	104,696,689.58
Repair charges	89,749,840.50	83,808,019.08
Entertainment expenses	87,104,616.71	121,516,867.33
Lawyer fees	85,956,663.83	76,456,697.19
Advertising and promotion expenses	78,985,430.10	98,988,808.82
Charges for use of vehicles	74,936,942.35	91,522,552.15
Amortization of long-term deferred expenses	62,063,797.93	49,196,392.75
Employment security fund for the disabled	61,705,402.66	59,584,312.96
Expenses in Party construction	59,374,506.70	47,980,547.03
Guard and fire-fighting fees	43,975,205.16	47,654,005.54
Amortization of low-cost consumables	40,849,086.23	38,061,032.28
Others	250,057,847.69	242,198,997.64
Total	14,165,146,310.05	14,495,456,311.34

8.61.3 Research and development expenditures

Item	Amount in 2024	Amount in 2023
Employee compensation	2,409,276,823.54	2,479,303,760.80
Depreciation expenses	413,806,574.76	420,699,943.65
Development fee for entrustment	297,799,114.41	660,201,222.93
Travel expenses	55,214,587.15	42,843,648.97
Utilities	24,397,752.81	22,850,898.87
Rental expenses	22,578,927.05	19,849,327.01
Consulting fees	16,432,655.42	17,256,854.23
Amortization of intangible assets	10,470,189.32	8,690,653.52
Repair charges	4,848,484.77	9,535,019.37
Office costs	363,025.24	838,672.29
Others	1,391,630,202.07	1,169,362,048.04
Total	4,646,818,336.54	4,851,432,049.68

8.61.4 Financial expenses

Type	Amount in 2024	Amount in 2023
Interest expenses	26,380,624,999.45	27,917,348,960.78
Including: interest expenses on lease liabilities	266,039,313.47	556,076,696.94
Less: interest income	1,114,476,723.17	975,651,264.57
Net loss from foreign exchange ("-" for	416,708,067.61	635,934,189.18

Type	Amount in 2024	Amount in 2023
net gain)		
Including: foreign exchange gains	664,814,511.53	1,746,147,209.39
Foreign exchange losses	1,081,522,579.14	2,382,081,398.57
Others	977,039,315.14	666,728,404.95
Total	26,659,895,659.03	28,244,360,290.34

8.62 Other income

Item	Amount in 2024	Amount in 2023	Whether it is a government grant
VAT refund	1,359,438,330.09	1,184,582,405.21	Yes
Refund of handling charges related to individual income tax	23,905,950.41	19,611,986.58	No
Deducted input tax based on the input tax deductible in the current period	128,989,360.53	100,865,470.79	No
Government subsidies - relevant to the routine operating activities	1,301,984,347.50	1,389,801,615.52	Yes
Others	301,116,909.50	562,367,221.47	No
Total	3,115,434,898.03	3,257,228,699.57	
Including: government subsidies	2,661,422,677.59	2,574,384,020.73	

8.63 Investment income

Item	Amount in 2024	Amount in 2023
Long-term equity investment income calculated under the equity method	6,626,693,976.31	6,700,924,225.13
Long-term equity investment income calculated under the cost method		
Investment income from disposal of long-term equity investments	7,298,230,090.70	893,362,459.68
Investment income from financial assets held for trading during the holding period	263,848,158.42	436,852,577.11
Investment income from disposal of financial assets held for trading	240,435,448.08	131,817,149.12
Investment income from other equity instrument investments during the holding period	519,829,600.74	516,764,292.34
Investment income from creditor's right investments during the holding period	20,134,306.05	106,445,096.63
Investment income from the disposal of creditor's right investment	-47,743,814.42	50,309,503.37
Gains from the remeasurement of the remaining equity at fair value after the loss of control	2,691,218,746.76	64,741,324.49
Income from entrusted loans	390,541,897.53	841,746,469.22
Others	-5,862,074.59	-189,584,737.95
Total	17,997,326,335.58	9,553,378,359.14

8.64 Gains from changes in fair value

Sources of gains from changes in fair value	Amount in 2024	Amount in 2023
Financial assets held for trading	-292,448,280.49	110,758,605.02
Derivative financial assets	57,591,565.75	
Other non-current financial assets	-35,566,808.43	
Investment properties measured at fair value	-115,933,816.75	46,612,798.29
Others		2,288,841.22
Total	-386,357,339.92	159,660,244.53

8.65 Losses from credit impairment

Item	Amount in 2024	Amount in 2023
Losses on bad debts	4,524,695,553.89	2,020,134,499.21
Losses from creditor's right investment and credit impairment	45,880,625.19	28,113,937.41
Others	73,967,713.59	-1,853,393,694.14
Total	4,644,543,892.67	194,854,742.48

8.66 Losses from asset impairment

Item	Amount in 2024	Amount in 2023
Losses from impairment of fixed assets	6,101,849,843.68	2,273,793,272.85
Losses from impairment of goodwill	580,551,256.71	3,501,241,469.15
Losses from impairment of construction in progress	430,405,959.34	12,714,001.29
Losses from impairment of contract assets	365,819,504.86	77,791,280.98
Losses from inventory depreciation	312,353,250.15	428,827,273.38
Losses from impairment of intangible assets	103,118,999.70	1,842,027.23
Loss from impairment of long-term equity investments	30,205,182.42	
Others	263,747,497.61	127,632,714.57
Total	8,188,051,494.47	6,423,842,039.45

8.67 Gains from disposal of assets

Item	Amount in 2024	Amount in 2023
Disposal gains or losses recognized at selling the non-current assets (except for financial instruments, long-term equity investments and investment properties) classified as held for sale or disposal group (except for subsidiaries and business)	-206,167.54	219,136.27
Gains or losses from disposal of non-current assets not classified as held for sale	116,521,870.62	335,992,929.52
Total	116,315,703.08	336,212,065.79

8.68 Non-operating income

Item	Amount in 2024	Amount in 2023	Amount included in non-recurring profit or loss in 2024
Income from the damage and scrapping of non-current assets	216,995,848.12	485,006,895.54	216,995,848.12
Government subsidies	196,331,928.91	153,642,451.58	196,331,928.91

Item	Amount in 2024	Amount in 2023	Amount included in non-recurring profit or loss in 2024
irrelevant to these routine activities of the Company			
Net amercement income	65,002,793.34	41,646,728.85	65,002,793.34
Income from liquidated damages	60,655,348.20	63,822,500.10	60,655,348.20
Income from inventory profit	6,344,877.51	3,128,005.57	6,344,877.51
Donations received	3,367,699.29	185,018.17	3,367,699.29
Others	1,389,886,285.74	1,049,628,059.86	1,389,886,285.74
Total	1,938,584,781.11	1,797,059,659.67	1,938,584,781.11

8.69 Non-operating expenses

Item	Amount in 2024	Amount in 2023	Amount included in non-recurring profit or loss in 2024
Losses from the damage and scrapping of non-current assets	707,477,133.04	542,649,881.79	707,477,133.04
Donation outlay	221,876,983.63	128,678,267.67	221,876,983.63
Expected guarantee loss	184,284,358.34		184,284,358.34
Overdue fines and liquidated damages	79,731,856.01	79,292,765.52	79,731,856.01
Penalty expenses	25,630,829.85	51,620,605.67	25,630,829.85
Inventory losses	12,476,202.67	722,244.24	12,476,202.67
Expected losses on pending action	8,319,174.55	49,519,868.28	8,319,174.55
Government subsidies returned	1,978,700.00		1,978,700.00
Abnormal losses	382,996.46	348,699.56	382,996.46
Others	586,034,569.67	480,642,530.48	586,034,569.67
Total	1,828,192,804.22	1,333,474,863.21	1,828,192,804.22

8.70 Income tax expenses

Item	Amount in 2024	Amount in 2023
Current income tax expenses	12,208,352,892.48	7,908,393,459.25
Adjustment to deferred income tax	-282,226,744.81	-329,215,168.42
Others		
Total	11,926,126,147.67	7,579,178,290.83

8.71 Other comprehensive income attributable to owners of the company

Item	Amount in 2024			Amount in 2023		
	Amount before tax	Income tax	Net amount after-tax	Amount before tax	Income tax	Net amount after-tax
I. Other comprehensive income that cannot be reclassified into profit or loss	994,038,168.13	75,825,435.53	918,212,732.60	-96,325,217.02	-9,573,515.70	-86,751,701.32
1. Changes in re-measurement of the defined benefit plan						
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method	31,080,668.39		31,080,668.39	-35,925,259.91		-35,925,259.91
3. Changes in fair value of other equity instrument investments	962,957,499.74	75,825,435.53	887,132,064.21	-60,399,957.11	-9,573,515.70	-50,826,441.41
4. Changes in the fair value of the enterprise's own credit risk						
5. Financial changes in insurance contracts that cannot be transferred to profit or loss (applicable to financial enterprises)						
6. Others						
II. Other comprehensive income that will be reclassified into profit or loss	-3,054,476,639.29	43,318,640.28	-3,097,795,279.57	563,106,948.20	13,997,448.91	549,109,499.29
1. Other comprehensive income that can be transferred to profit or loss under the equity method	-64,830,120.23		-64,830,120.23	379,665,045.50		379,665,045.50
Less: amount previously included in other comprehensive income and currently transferred to the						

Item	Amount in 2024			Amount in 2023		
	Amount before tax	Income tax	Net amount after-tax	Amount before tax	Income tax	Net amount after-tax
profit or loss						
Sub-total	-64,830,120.23		-64,830,120.23	379,665,045.50		379,665,045.50
2. Changes in fair value of other creditor's right investments						
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total						
3. Amount of financial assets reclassified into other comprehensive income						
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total						
4. Provision for credit impairment of other debt investments						
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total						
5. Reserves of cash flow hedges (effective portion of cash flow	-510,009,955.51		-510,009,955.51	-80,040,509.95		-80,040,509.95

Item	Amount in 2024			Amount in 2023		
	Amount before tax	Income tax	Net amount after-tax	Amount before tax	Income tax	Net amount after-tax
hedging profit or loss)						
Less: adjustment amount converted to the initially recognized amount of the hedged item						
Amount included in other comprehensive income in prior period and transferred to current profit and loss						
Sub-total	-510,009,955.51		-510,009,955.51	-80,040,509.95		-80,040,509.95
6. Differences arising from translation of foreign-currency financial statements	-2,537,827,578.22		-2,537,827,578.22	194,074,946.14		194,074,946.14
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total	-2,537,827,578.22		-2,537,827,578.22	194,074,946.14		194,074,946.14
7. Financial changes in insurance contracts that can be transferred to profit or loss (applicable to financial enterprises)						
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total						
8. Financial changes in outward						

Item	Amount in 2024			Amount in 2023		
	Amount before tax	Income tax	Net amount after-tax	Amount before tax	Income tax	Net amount after-tax
reinsurance contracts that can be transferred to profit or loss (applicable to financial enterprises)						
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total						
9. Others	58,191,014.67	43,318,640.28	14,872,374.39	69,407,466.51	13,997,448.91	55,410,017.60
Less: amount previously included in other comprehensive income and currently transferred to the profit or loss						
Sub-total	58,191,014.67	43,318,640.28	14,872,374.39	69,407,466.51	13,997,448.91	55,410,017.60
III. Total other comprehensive income	-2,060,438,471.16	119,144,075.81	-2,179,582,546.97	466,781,731.18	4,423,933.21	462,357,797.97

8.72 Borrowing costs

Item	Capitalization rate in 2024 (%)	Capitalized amount of borrowings in 2024
PWR Demonstration Project	2.74%	1,142,860,449.88
Haiyang Nuclear Power Phase II Project	2.40%	614,560,650.88
Lianjiang Nuclear Power Project Phase I	2.41%	266,257,259.80
Pengze Nuclear Power Project	3.69%	116,266,069.59
Sichuan Company: Jianke Hydropower Station Engineering Construction Project	3.38%	109,991,008.14
Guangxi Bailong Nuclear Power Project	2.41%	91,208,085.23
Haiyang Nuclear Power Phase III Project	2.44%	53,030,650.92
Jieyang Port Qianzhan Operation Area General Wharf Phase I Project	3.39%	37,949,278.03
Offshore Wind Power 300MW Capacity Expansion Project	3.30%	37,791,176.21
Bangladesh Cox's Bazar 66.25 MW Wind Power Project	6.04%	36,977,640.26
Stage I of Pingshun Phase II 90MW Wind Power Project	4.00%	27,045,180.99
Supporting 400,000 kW PV power generation project of SPIC Luopu 100,000 kW/400,000 kWh energy storage project	2.33%	22,536,870.82
Wuqiangxi Hydropower Station Expansion Project	3.00%	21,882,146.75
(Dalian Jufeng) Xianyuwan Onshore Wind Power Project	2.54%	18,336,121.18
SPIC Altay Burqin 600,000 KW Wind Power Supporting Energy Storage Project	2.15%	17,958,690.80
No.2, No.5 and No.6 Energy Stations and Heating Network Projects of Zhuhai Hengqin Energy Development Co., Ltd.	2.90%	17,714,677.10
SPIC Bole 150,000 kW energy storage + 600,000 KW PV demonstration project	2.00%	16,596,351.65
Yabei project	4.60%	16,398,177.10
Kunsong 50MW Wind Power Project	4.60%	13,655,469.38
Xili Hydropower Station Construction Project	3.38%	12,911,433.96
Jinghai 150MW Offshore Wind Power Plant Project	2.93%	12,385,505.15
Zhangye Minle Phase I 200MW Clean Energy Smart Agriculture Project	2.21%	12,143,924.65
Large and Medium-sized	3.95%	11,834,208.53

Item	Capitalization rate in 2024 (%)	Capitalized amount of borrowings in 2024
Infrastructure Construction Projects of Bingpo PV power station in 2022		
SPIC Shache 100 MW PV Grid-connected Power Generation and Energy Storage Facilities Project	2.80%	11,146,419.90
Liping infrastructure construction project	2.90%	10,746,102.21
Shandong Laiyang Nuclear Energy Phase I Project	2.38%	10,596,797.77
Yingyuan PV project	3.90%	10,234,566.05
Others	1.40% and 4.6%	256,583,600.40

8.73 Leases

Disclosure of the information on the lessee

Item	Amount
Interest expenses on lease liabilities	555,670,410.28
Short-term lease expenses included in the cost of the related assets or in the current profit and loss for simplified treatment	126,787,652.51
Lease expenses for low-value assets included in the cost of the related assets or in the current profit and loss for simplified treatment (except short-term lease expenses for low-value assets)	29,609,165.24
Variable lease payments not included in the measurement of lease liabilities that are included in the cost of the related assets or in current profit and loss	26,544,109.33
Including: leaseback part	
Revenue from the sublease of right-of-use assets	89,088,815.11
Total cash outflows relevant to lease	2,165,570,988.89
Leaseback-related profit or loss	60,531,820.06
Cash inflows of leaseback	328,720,420.00
Cash outflows of leaseback	307,028,162.93
Others	2,331,597.17

8.74 Segment information

(Monetary unit in this section is RMB'0,000)

Item	Electric power		Heating power		Coal		Aluminum		Others		Consolidation offset		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
I. Operating income	26,839,254.69	26,141,771.11	1,319,368.07	1,261,301.15	2,119,186.49	2,051,906.83	5,422,035.22	10,292,478.50	13,707,323.72	8,720,192.93	-9,860,381.06	-9,906,397.10	39,546,787.15	38,561,253.42
Including: income from external transactions	26,793,367.36	23,914,202.40	1,318,293.17	868,249.08	1,553,830.85	1,187,499.77	3,990,138.12	9,565,592.38	11,476,101.79	8,210,850.58	-5,584,944.15	-5,185,140.78	39,546,787.15	38,561,253.42
Revenue from inter-segment transactions	45,887.34	2,227,568.71	1,074.90	393,052.08	565,355.64	864,407.06	1,431,897.10	726,886.12	2,231,221.94	509,342.35	-4,275,436.91	-4,721,256.32		
II. Income from investments in associates and joint ventures	489,736.41	475,986.24	55.10	211.58	7,868.05	12,185.04	-	-1,294.85	170,473.47	139,647.71	-5,463.64	43,356.70	662,669.40	670,092.42
III. Losses from asset impairment	-577,179.60	-270,878.68	-1,970.17	22.61	-53,587.24	-850.29	-31,877.49	3,432.32	-153,990.61	-395,291.43	-200.03	21,181.27	-818,805.15	-642,384.20
IV. Losses from credit impairment	-312,809.90	-242,676.63	-5,963.51	-2,289.39	-2,097.00	3,982.11	-3,063.97	-6,514.55	-140,720.04	219,011.12	200.03	9,001.86	-464,454.39	-19,485.47
V. Depreciation and amortization expenses	4,591,077.00	4,515,582.53	115,262.29	109,248.69	98,423.18	131,628.74	169,011.29	309,552.74	1,787,522.95	2,553,360.10	-90,201.97	-1,789,795.19	6,671,094.74	5,829,577.61
VI. Total profits	3,198,583.43	3,018,820.52	-237,695.54	-273,785.09	704,169.17	601,598.75	360,185.47	31,909.88	974,628.28	532,971.03	-25,850.61	154,864.98	4,974,020.19	4,066,380.06
VII. Income tax expenses	647,377.02	455,345.82	10,619.66	8,379.76	146,339.22	102,119.46	74,092.58	183,946.93	314,778.23	-6,193.38	-594.10	14,319.24	1,192,612.61	757,917.83
VIII. Net profit	2,551,206.41	2,563,474.69	-248,315.21	-282,164.85	557,829.95	499,479.28	286,092.88	183,942.16	659,850.05	203,185.20	-25,256.51	140,545.74	3,781,407.58	3,308,462.23
IX. Total assets	205,261,165.44	183,176,584.15	1,856,794.30	1,440,992.40	7,506,516.62	4,414,052.24	5,126,079.05	6,057,702.55	101,069,727.56	50,781,962.26	-133,115,382.09	-70,770,833.80	187,704,900.88	175,100,459.80
X. Total liabilities	128,058,182.88	119,172,385.72	1,522,957.73	1,289,491.25	2,288,626.24	1,252,596.00	2,950,598.53	4,003,333.47	44,023,524.59	25,715,839.24	-50,078,525.15	-31,043,802.63	128,765,364.82	120,389,843.05
XI. Other significant non-cash items	4,657,637.16	6,878,947.71	116,858.32	123,687.88	68,975.05	202,731.94	260,405.63	309,552.74	461,606.19	503,029.59	-58,341.63	395,360.98	5,507,140.72	8,413,310.83
Including: other non-cash expenses other than the depreciation and amortization expenses	4,038.50	10,283.79	1,523.65	2,709.17	1,603.19	-	-	-	550.03	502.10	-1,603.19	-26.16	6,112.18	13,468.90
Amount increased via the accounting by the equity method of long-term equity investments of the Company in associates and joint ventures	62,521.67	275,336.08	72.38	13.60	-31,051.32	55.82	-	-	159,136.52	37,622.29	33,463.53	235,501.89	224,142.78	548,529.68

8.74.1 Income of the segment from external transactions divided by product or business

Item	Amount in 2024	Amount in 2023
Electric power	26,793,367.36	23,914,202.40
Heating power	1,318,293.17	868,249.08
Coal	1,553,830.85	1,187,499.77
Aluminum	3,990,138.12	9,565,592.38
Others	11,476,101.79	8,220,549.48
Sub-total	45,131,731.29	43,756,093.11

8.75 Consolidated statement of cash flows

8.75.1 Information on adjusting net profit to cash flows from operating activities

Supplementary information	Amount in 2024	Amount in 2023
1. Net profits adjusted to cash flows from operating activities:		
Net profit	37,814,075,784.07	33,084,622,270.81
Plus: losses from asset impairment	8,188,051,494.47	6,423,842,039.45
Losses from credit impairment	4,644,543,892.67	194,854,742.48
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	59,896,618,927.62	58,671,152,055.19
Depreciation of right-of-use assets	1,867,637,135.75	1,587,282,248.39
Amortization of intangible assets	3,092,939,110.81	2,528,502,126.96
Amortization of long-term deferred expenses	1,584,406,073.12	622,604,121.14
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-116,315,703.08	-336,212,065.79
Losses from scrapping of fixed assets ("-" for gains)	490,481,284.92	57,642,986.25
Losses from changes in fair value ("-" for income)	386,357,339.92	-159,660,244.53
Financial expenses ("-" for income)	26,771,565,008.81	27,907,611,276.67
Investment losses ("-" for gains)	-17,988,186,892.19	-9,413,779,466.69
Decreases in deferred income tax assets ("-" for increases)	-370,101,823.99	-497,407,715.22
Increases in deferred income tax liabilities ("-" for decreases)	87,875,079.18	179,043,741.13
Decreases in inventories ("-" for increases)	-914,434,198.40	-3,251,692,784.37
Decreases in operating receivables ("-" for increases)	-34,995,856,553.11	-33,192,633,621.01
Increases in operating payables ("-" for decreases)	-11,595,645,890.93	-13,302,715,092.00
Others	482,194,797.62	925,697,081.90
Net cash flows from operating activities	79,326,204,867.26	72,028,753,700.76
2. Significant investing and financing activities not involving cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under finance lease		
3. Net changes in cash and cash		

Supplementary information	Amount in 2024	Amount in 2023
equivalents:		
Ending balance of cash	42,202,867,753.77	29,154,982,362.26
Less: balance of cash as at the beginning of the period	29,154,982,362.26	30,003,870,709.92
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	13,047,885,391.51	-848,888,347.66

8.75.2 Net cash from acquisition and disposal of subsidiaries in 2024

Item	Amount
I. Cash or cash equivalents incurred and paid for business combination in 2024	4,033,000,924.83
Less: cash and cash equivalents held by subsidiaries on the acquisition date	893,181,142.27
Plus: Cash or cash equivalents incurred and paid for business combination in previous periods	222,816,898.10
Net cash paid to acquire subsidiaries	3,362,636,680.66
II. Cash or cash equivalents received in 2024 from disposal of subsidiaries in 2024	6,367,639,714.12
Less: cash and cash equivalents held by subsidiaries on date of losing control	325,214,618.29
Plus: cash or cash equivalents received in 2024 from disposal of subsidiaries in prior periods	51,050,957.93
Net cash from the disposal of the subsidiaries	6,093,476,053.76

8.75.3 Breakdown of cash and cash equivalents

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
I. Cash	42,202,867,753.77	29,154,982,362.26
Including: cash on hand	1,064,168.35	796,467.32
Unrestricted digital monetary funds		
Unrestricted bank deposit	42,089,209,381.36	28,956,262,377.49
Other unrestricted cash and cash equivalents	112,594,204.06	197,923,517.45
Deposits with central bank available for payments		
Deposits with banks and other financial institutions		
Loans to banks and other financial institutions		
II. Cash equivalents		
Including: bond investments maturing within three months		
III. Ending balance of cash and cash equivalents	42,202,867,753.77	29,154,982,362.26
Including: cash and cash equivalents restricted for use by the parent company or subsidiaries within the group		

8.76 Monetary items in foreign currency

Item	Balance in foreign currency as at December 31, 2024	Rate of translation	Converted RMB balance as at December 31, 2024
Monetary funds			10,120,681,206.63
Including: USD	697,293,277.78	7.19	5,012,614,200.88
EUR	89,169,347.39	7.53	671,092,118.48
HKD	196,994,257.30	0.93	182,424,460.01
JPY	2,576,020,690.06	0.05	119,095,336.61
GBP	0.94	9.08	8.50
SGD	600.00	5.32	3,192.84
AED	2,275.28	1.92	4,353.94
PKR	100,638,954,293.56	0.03	2,640,725,927.58
BRL	432,367,997.80	1.18	510,933,737.03
BDT	217,863,174.25	0.06	13,265,688.68
PHP	3,533,085.02	0.13	445,522.02
KZT	23,023,893,541.07	0.01	324,554,291.29
MYR	34,830,049.59	1.62	56,421,197.34
TRY	43,244,433.00	0.21	8,869,537.46
BGN	2,619.32	3.85	10,078.62
HUF	1,311,713,603.50	0.02	24,071,688.44
RSD	238,689,273.76	0.06	15,313,161.33
AUD	43,874,953.52	4.51	197,744,415.51
MXN	441,142,462.02	0.35	154,298,398.94
TZS	16,992.61		49.96
RON	10,000,688.13	1.51	15,131,041.12
IDR	5,245,612,048.37		2,392,398.36
VND	410,307,493,414.09		119,065,887.27
CLP	6,208,364,546.56	0.01	45,567,213.56
Others	7,820,181,538.00		6,637,300.86
Accounts receivable			1,438,310,595.29
Including: USD	82,068,565.40	7.19	589,941,675.50
EUR	10,071,046.39	7.53	75,791,673.82
JPY	1,107,445,757.00	0.05	51,200,539.69
PKR	416,465,536.18	0.03	10,911,397.05
BRL	2,641,238.40	1.18	3,122,207.92

8.77 Assets with restrictions on the ownership or use right

Item	Book value as at December 31, 2024	Reason for restriction
Monetary funds	6,286,116,400.43	Statutory reserves, bill deposits and L/C deposits in the central bank
Accounts receivable	61,094,392,213.26	Pledged loans
Fixed assets	33,467,621,962.96	Assets acquired under finance leases
Intangible assets	667,310,868.85	Assets used for guarantee
Construction in progress	307,214,432.04	Assets used for guarantee
Others	16,817,549,075.72	Assets acquired under finance leases and pledge
Total	118,640,204,953.26	

9. Contingencies

9.1 Contingent liabilities

9.1.1 Contingent liabilities from pending litigation or arbitration

(1) From November 2013 to December 2014, the Company's subsidiary SPIC Sichuan Electric Power Co., Ltd. (hereinafter referred to as the "Company"), and Litang County Energy Development Co., Ltd. (hereinafter referred to as "Litang Company") and its shareholders Sichuan Beineng Energy Investment Co., Ltd. (hereinafter referred to as "Beineng Company"), Ganzi Zangneng Energy Development Co., Ltd. (hereinafter referred to as "Zangneng Company"), and Chengdu Oumei Electrical Equipment Co., Ltd. (hereinafter referred to as "Oumei Company") jointly signed a series of agreements, including the Intention Agreement on Capital Increase, Share Enlargement and Equity Acquisition of Litang County Energy Development Co., Ltd., the Supplementary Agreement to the Intention Agreement, the Equity Pledge Contract, and the Guarantee Contract, at the office of Sichuan Company in Chengdu High-tech Zone (hereinafter referred to as the "series of agreements"). According to the series of agreements, the Company has prepaid additional capital contribution of RMB100 million to Litang Company, Beineng Company pledged 63% of its equity in Litang Company to the Company, and Oumei Company pledged 60% of its equity in Zangneng Company to the Company. Beineng Company, Zangneng Company and Oumei Company provided joint and several liability guarantee for the repayment of the principal of RMB100 million and the interest thereon.

With the stagnation of the development and construction of the Naqu River Basin Hydropower Project, the investment target could not be achieved, and the parties failed to reach a consensus in the negotiation about the implementation of the series of agreements for many times. On January 21, 2022, Litang Company sued the Company, Beineng Company and Zangneng Company to the People's Court of Litang County on the grounds of disputes over the subscription for newly increased capital. The case was then transferred to the People's Court of Sichuan Pilot Free Trade Zone.

Thereafter, such case was handed over to the People's Court in Sichuan Pilot Free Trade Zone. On July 14, 2023, the Sichuan Pilot Free Trade Zone gave the first instance judgement that from the effective date of the judgment, the payment of RMB 100 million prepaid for capital increase and the interest thereof shall be refunded to the Company, and rejected all requests other than the dissolution of contract made by Litang Company, Beineng Company, Zangneng Company and Oumei Company. The other party refused to accept the judgment and filed an appeal. On August 7, 2024, the Chengdu Intermediate People's Court of Sichuan Province made a civil ruling of (2023) Chuan 01 Min Zhong No.25751 in the second instance, upholding that the company in the first instance shall return the prepaid additional capital contribution of RMB100 million and the interest thereon, and that Beineng Company and Zangneng Company shall bear joint and several liability for return; and rejecting the claims of Beineng Company and Zangneng Company for compensation for losses. As of the date of the auditor's report, Sichuan Company has not received the returned capital increase monies and interest. Although the creditor's right is still under property preservation, there is still uncertainty about the recoverable amount and the date of recovery.

(2) The debt guarantee liability of SPIC Chongqing Electric Power Co., Ltd. for Chongqing Baihe Power Plant Co., Ltd. The associate Chongqing Baihe Electric Power Co., Ltd. (hereinafter referred to as "Baihe Electric Power") had guaranteed debts of RMB1,377.50 million, and the Company assumed the guarantee liability of RMB688,247,200 according to the equity ratio. According to the appraisal report (Zhong Lian Ping Zi [2025] No.0307) issued by China United Assets Appraisal Group Co., Ltd., the Company is expected to bear guarantee loss of about RMB684,528,000. The provision made for estimated liabilities was RMB500,243,700 in previous years, and supplementary provision of RMB184,284,400 was made in 2024.

(3) The dispute of the Company's subsidiary Xianrong Fengguan v. Beiguan Coal Industry Co., Ltd. in Chengguan Town of Baishui County over a purchase and sales contract involves an amount of RMB201,878,700. On May 24, 2024, Xianrong Fengguan filed a lawsuit. On July 29, the court issued a civil mediation letter, confirming Xianrong Fengguan's creditor's rights of RMB201,878,700 and the subsequent repayment arrangement of Beiguan Coal Industry. Beiguan Coal Industry breached the contract at the end of September, and Xianrong Fengguan applied for execution on October 21; and the debtor's main guaranteed assets, the mining rights and equity of Beiguan Coal Industry was sealed up. As of December 31, 2024, Beiguan Coal has voluntarily repaid the debt of RMB4 million in cash, and the subsequent creditor's rights are in the process of execution.

9.1.2 Guarantees provided for the units within and outside the Group (Monetary unit: RMB'0,000)

Item	Actual amount of guarantee		Amount of counter guarantee	Guarantee charge	Overdue amount	Amount sued	Amount of compensatory loss	Amount included in estimated liabilities	Including: amount included in estimated liabilities in 2024
	Amount as at December 31, 2024	Amount as at December 31, 2023							
I. Total of financing guarantee	5,345,950.60	6,026,441.44	323,014.71	186.69	57,838.87			74,368.70	18,428.44
(I) Financing guarantee for subsidiaries	4,599,140.80	5,345,536.49	205,264.02		8,370.88				
1. Guarantee at the shareholding ratio	4,199,292.03	4,107,500.32	37,833.03						
2. Guarantee exceeding the shareholding ratio	399,848.77	1,238,036.17	167,430.98		8,370.88				
Including: guarantee for listed companies controlled by the Company									
Guarantee for subsidiaries where the minority shareholders having the employee stock ownership plan									
Guarantee for subsidiaries where the minority shareholders having the equity fund									
(II) Financing	412,545.52	374,215.58		186.69				74,368.70	18,428.44

Item	Actual amount of guarantee		Amount of counter guarantee	Guarantee charge	Overdue amount	Amount sued	Amount of compensatory loss	Amount included in estimated liabilities	Including: amount included in estimated liabilities in 2024
	Amount as at December 31, 2024	Amount as at December 31, 2023							
guarantee for shareholding enterprises									
1. Guarantee at the shareholding ratio	290,453.26	236,514.97		186.69				68,452.80	18,428.44
Including: guarantee for shareholding enterprises that do not have the going-concern ability									
2. Guarantee exceeding the shareholding ratio	122,092.26	137,700.61						5,915.90	
Including: guarantee arising from the transfer-out from the group or the disposal of equity		35,161.01							
(III) Financing guarantee for enterprises without equity relationship outside the group	334,264.27	306,689.37	117,750.70		49,467.99				
Including: guarantee arising from the transfer-out from the	66,056.39	89,628.48	61,856.39						

Item	Actual amount of guarantee		Amount of counter guarantee	Guarantee charge	Overdue amount	Amount sued	Amount of compensatory loss	Amount included in estimated liabilities	Including: amount included in estimated liabilities in 2024
	Amount as at December 31, 2024	Amount as at December 31, 2023							
group or the disposal of equity									
II. Financing guarantee for special subsidiaries									
(I) Guarantee for financial subsidiaries									
(II) Mutual guarantee between subsidiaries without equity relationship within the group									
(III) Guarantee for subsidiaries that do not have the going-concern ability									
III. Implicit financing guarantees	405,668.14	487,434.81	8,900.00		28,991.42				
(I) Contracts on joint borrowings	140,968.15	162,530.00							
(II) Make-up commitment									
(III) Supporting letters	264,699.99	324,904.81	8,900.00		28,991.42				
1. Comfort letter									

Item	Actual amount of guarantee		Amount of counter guarantee	Guarantee charge	Overdue amount	Amount sued	Amount of compensatory loss	Amount included in estimated liabilities	Including: amount included in estimated liabilities in 2024
	Amount as at December 31, 2024	Amount as at December 31, 2023							
2. Commitment letter	144,699.99	212,904.81	8,900.00		28,991.42				
3. Letter of liquidity support		2,000.00							
4. Keepwell deed									
5. Others	120,000.00	110,000.00							

9.1.3. Rectification of existing illegal financing guarantee (Unit: RMB'0,000)

Item	Amount
(I) Balances of illegal financing guarantees in 2021	168,389.35
1. Balance of financing guarantee exceeding the shareholding ratio for shareholding enterprises	76,118.10
2. Balance of financing guarantee for enterprises without equity relationship outside the group	92,271.25
(II) Cumulative cleaning amount of illegal financing guarantees	144,699.49
1. Cumulative cleaning amount of financing guarantee exceeding the shareholding ratio for shareholding enterprises	70,202.20
2. Cumulative cleaning amount of financing guarantee for enterprises without equity relationship outside the group	74,497.29
(III) Balances of illegal financing guarantees as at December 31, 2024	23,689.86
1. Balance of financing guarantee exceeding the shareholding ratio for shareholding enterprises	5,915.90
2. Balance of financing guarantee for enterprises without equity relationship outside the group	17,773.96

10. Post balance sheet events

On December 31, 2024, Guizhou Suiyang People's Court issued the Decision of (2024) Qian 0323 Po Shen No.18, deciding to accept the application of the applicant Guizhou Jinyuan Smart Energy Co., Ltd. (hereinafter referred to as "Guizhou Jinyuan Smart Energy") for pre-reorganization of the respondent SPIC Guizhou Jinyuan Suiyang Industrial Co., Ltd. (hereinafter referred to as "Suiyang Company"). On the same day, the court designated Guizhou Hengyi Law Firm as the interim administrator of Suiyang Company during the pre-reorganization stage (hereinafter referred to as the "Interim Administrator") and served the above documents on the Interim Administrator. Suiyang Company entered the pre-reorganization procedure. Both Guizhou Jinyuan Smart Energy and Suiyang Company are wholly-owned subsidiaries of SPIC Guizhou Jinyuan Co., Ltd. (hereinafter referred to as "Guizhou Jinyuan").

On January 2, 2025, Suiyang Company pre-reorganization project team established by the Interim Administrator officially entered the site;

On February 19, 2025, the Interim Administrator announced that Chongqing Bosai Minerals Group Co., Ltd. (hereinafter referred to as "Bosai Group") was determined to be the selected investor in the reorganization of Suiyang Company;

On March 21, 2025, Suiyang Company held the first interim creditors' meeting;

On March 26, 2025, the ferroalloy plant of Suiyang Company resumed production of one furnace under the business model taken over in advance by Bosai Group;

On March 31, 2025, the voting deadline for the first temporary creditors' meeting of Suiyang Company was closed, and all creditor groups and employee groups voted to approve the Pre-reorganization Plan (Voting Version);

On April 2, 2025, Suiyang Company added 3 furnaces for production, and at the power plant started 1 unit to drive a total of 4 furnaces for ferroalloy production;

As of the approval date of the financial report, the Interim Administrator has submitted the pre-reorganization plan for the bankruptcy reorganization application and other relevant materials to the court. The court is still in the process of hearing the matter and has not yet made a final ruling.

11. Relationship and transactions with related parties

11.1 Parent company of the Company

The actual controller of the Company is the State-owned Assets Supervision and Administration Commission of the State Council.

11.2 Subsidiaries of the Company

See Note 7 Business combination and consolidated financial statements for details.

11.3 Joint ventures and associates of the Company

See Note 8.19 Long-term equity investments for details.

11.4 Other related parties of the Company

Other related party	Relationship with the Company
Huaihu Coal & Power Co., Ltd.	A joint venture of the Company's subsidiary
Jiangxi Guote Smart New Energy Co., Ltd.	An associate of the Company's subsidiary
Xinjiang Zhundong Wucai Bay North Second Power Plant Co., Ltd.	A joint venture of the Company's subsidiary
Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	An associate of the Company's subsidiary
China Power Changshu Electricity Distribution Co., Ltd.	A joint venture of the Company's subsidiary
China Nuclear Baotou Nuclear Fuel Components Co., Ltd.	An associate of the Company's subsidiary
East Energy (Shandong) Technology Development Co., Ltd.	An associate of the Company's subsidiary
Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.	An associate of the Company's subsidiary
Shanghai Nuclear Equipment Testing and Verification Center Limited	An associate of the Company's subsidiary
Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	A joint venture of the Company's subsidiary
Shanghai Waigaoqiao No.3 Power Generation Co., Ltd.	A joint venture of the Company's subsidiary
Shanghai Wujing Power Generation Co., Ltd.	A joint venture of the Company's subsidiary
Hidroeléctrica La Higuera SA ("HLT")	A joint venture of the Company's subsidiary
Enemalta PLC	An associate of the Company's subsidiary
Qinghai Huangdian Lvwei New Energy Management Co., Ltd.	An associate of the Company's subsidiary
Qinghai Huangdian Siwei New Energy Management Co., Ltd.	An associate of the Company's subsidiary
Shaanxi SPIC Rongqin New Energy Co., Ltd.	An associate of the Company's subsidiary
Shaanxi Ruihe Energy Co., Ltd.	An associate of the Company's subsidiary
Liaoning Zhonghao Energy Development Co., Ltd.	An associate of the Company's subsidiary
Guizhou Jinze New Energy Technology Co., Ltd.	An associate of the Company's subsidiary

Other related party	Relationship with the Company
SPIC Weirong New Energy Co., Ltd.	An associate of the Company's subsidiary
Hunan Luxin Smart Energy Co., Ltd.	A joint venture of the Company's subsidiary
Zhejiang Power Investment Ronghe New Energy Technology Co., Ltd.	An associate of the Company's subsidiary
Zhejiang Zheneng Guodian Investment Shengsi Offshore Wind Power Co., Ltd.	A joint venture of the Company's subsidiary
Jiangxi United Energy Co., Ltd.	An associate of the Company's subsidiary
Jiangxi Lvdong Smart Agricultural Science & Technology Co., Ltd.	An associate of the Company's subsidiary
Jiangxi Guoxing Smart Energy Co., Ltd.	An associate of the Company's subsidiary
Hangzhou Xingguang New Energy Co., Ltd.	An associate of the Company's subsidiary
Changshu Binjiang Heat Co., Ltd.	A joint venture of the Company's subsidiary
Shanxi Diantou Jinhe New Energy Co., Ltd.	An associate of the Company's subsidiary
Shanxi Power Investment Construction Energy Technology Co., Ltd.	An associate of the Company's subsidiary
Anhui Power Investment Xintuo Energy Development Co., Ltd.	An associate of the Company's subsidiary
Anhui Power Investment Xinneng Energy Development Co., Ltd.	An associate of the Company's subsidiary
SPIC Jiayang (Hangzhou) Energy Technology Co., Ltd.	An associate of the Company's subsidiary
Sichuan Power Investment Xingchuan Ronghe Power Co., Ltd.	An associate of the Company's subsidiary
Beijing Power Investment Lvtong Technology Co., Ltd.	An associate of the Company's subsidiary
Urumqi Gongtou Wind Power Technology Co., Ltd.	An associate of the Company's subsidiary
CLP Yuchuang (Suzhou) Intelligent Technology Co., Ltd.	An associate of the Company's subsidiary
Shangtao Xintou Power Generation Co., Ltd.	An associate of the Company's subsidiary
Shanghai Shenergy Lingang CCGT Power Generation Co., Ltd.	An associate of the Company's subsidiary
Shanghai Nuclear Power Technology Equipment Co., Ltd.	An associate of the Company's subsidiary
Shanghai Wujing No.2 Power Generation Co., Ltd.	An associate of the Company's subsidiary
Enemalta PLC	An associate of the Company's subsidiary
Fuxin Shengming Thermal Power Co., Ltd.	An associate of the Company's subsidiary
Chongqing Yuankang Environmental Protection Technology Co., Ltd.	An associate of the Company's subsidiary
Power Investment Liaorong (Liaoning) New Energy Co., Ltd.	An associate of the Company's subsidiary

Other related party	Relationship with the Company
SPIC Lvdong Ronghe New Energy Hubei Co., Ltd.	An associate of the Company's subsidiary
Gansu Longhe Environmental Protection Technology Co., Ltd.	An associate of the Company's subsidiary
Hunan Qingdiantou New Energy Co., Ltd.	An associate of the Company's subsidiary
Hunan Guohe New Energy Co., Ltd.	An associate of the Company's subsidiary
Jiangxi Gandian Rongtou New Energy Development Co., Ltd.	An associate of the Company's subsidiary
Xinjiang Xinhua Chemical Fertilizer Co., Ltd.	An associate of the Company's subsidiary
Shanxi Jingtai New Energy Co., Ltd.	An associate of the Company's subsidiary
Sinopharm (Pingdingshan) Medical & Health Industry Co., Ltd.	An associate of the Company's subsidiary
Herui Power Investment Energy Storage Technology Co., Ltd.	An associate of the Company's subsidiary
CLP Shentou Power Co., Ltd.	An associate of the Company's subsidiary
Zhongji Guoda Power Technology Jiangsu Co., Ltd.	A joint venture of the Company's subsidiary
Shanghai Chongming Beiyan Wind Power Co., Ltd.	An associate of the Company's subsidiary
Shanghai Donghai Wind Power Generation Co., Ltd.	An associate of the Company's subsidiary
SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd.	A joint venture of the Company's subsidiary
Hidroeléctrica La Higuera SA (HLH)	A joint venture of the Company's subsidiary
Hidroeléctrica La Confluencia SA (HLC)	A joint venture of the Company's subsidiary
Other related parties	A joint venture of the Company's subsidiary

11.5 Related transactions

11.5.1 The transactions between subsidiaries that have a controlling relationship and have been included in the scope of consolidated financial statements of the Company, and the transactions between the parent company and the subsidiary have been offset.

11.5.2 Purchase of goods/receipt of services

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Huaihu Coal & Power Co., Ltd.	Purchase of goods	Determined through negotiation based on market price	1,973,386,004.99		1,956,446,340.67	
Jiangxi Guote Smart New Energy Co., Ltd.	Receipt of services	Determined through negotiation based on market price	14,150.94			
Xinjiang Zhundong Wucai Bay North Second Power Plant Co., Ltd.	Receipt of services	Determined through negotiation based on market price	13,165,940.85		12,455,907.91	
Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	Purchase of goods	Determined through negotiation based on market price	372,618,754.84		216,431,811.83	
China Power Changshu Electricity Distribution Co., Ltd.	Receipt of services	Determined through negotiation based on market price	14,720,754.74		50,943,396.42	
China Nuclear Baotou Nuclear Fuel Components Co.,	Receipt of services	Determined through negotiation based on market price	530,879,591.35		1,234,413,629.28	

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Ltd.						
East Energy (Shandong) Technology Development Co., Ltd.	Purchase of goods	Determined through negotiation based on market price	224,910.00		249,900.00	
Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.	Receipt of services	Determined through negotiation based on market price	1,240,245.28		4,303,657.35	
Shanghai Nuclear Equipment Testing and Verification Center Limited	Receipt of services	Determined through negotiation based on market price	20,528,301.88		12,327,169.82	
Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	Receipt of services	Determined through negotiation based on market price	12,931,244.34		13,339,379.61	
Shanghai Waigaoqiao No.3 Power Generation Co., Ltd.	Receipt of services	Determined through negotiation based on market price	37,869,507.69		37,588,515.67	
Shanghai Wujing Power	Receipt of services	Determined through negotiation based on	36,943.94			

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Generation Co., Ltd.		market price				
Hidroeléctrica La Higuera SA ("HLT")	Receipt of services	Determined through negotiation based on market price			0.34	
Hidroeléctrica La Higuera SA (HLH)	Receipt of services	Determined through negotiation based on market price	42,371,178.25		-90,095,058.69	
Hidroeléctrica La Confluencia SA (HLC Tx)	Receipt of services	Determined through negotiation based on market price			0.68	
Hidroeléctrica La Confluencia SA (HLC)	Receipt of services	Determined through negotiation based on market price	1,887.30		-8,961.30	
Other related parties	Purchase of goods/receipt of services	Determined through negotiation based on market price	14,970,027.34			

11.5.3 Sales of goods/rendering of services

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Enemalta PLC	Sales of goods	Determined through negotiation based on market price	639,386,465.57		659,012,907.77	
Qinghai Huangdian Lvwei New Energy Management Co., Ltd.	Rendering of services	Determined through negotiation based on market price	4,698,113.21		3,962,264.15	
Qinghai Huangdian Siwei New Energy Management Co., Ltd.	Rendering of services	Determined through negotiation based on market price			1,811,320.75	
Shaanxi SPIC Rongqin New Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	6,865,841.52			
Shaanxi Ruihe Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	1,666,666.67		1,449,268.55	
Liaoning Zhonghao Energy Development Co., Ltd.	Rendering of services	Determined through negotiation based on market price	20,193,646.90			
Guizhou Jinze New Energy Technology Co., Ltd.	Sales of goods	Determined through negotiation based on market price	76,511,037.19		30,860.38	
SPIC Weirong	Rendering of	Determined through	3,410,000.01			

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
New Energy Co., Ltd.	services	negotiation based on market price				
Hunan Luxin Smart Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	204,607.77		6,752,923.57	
Huaihu Coal & Power Co., Ltd. Dingji Coal Mine	Rendering of services	Determined through negotiation based on market price			26,000.00	
Huaihu Coal & Power Co., Ltd.	Sales of goods/rendering of labor services	Determined through negotiation based on market price	480,928,924.24		38,809,466.76	
Zhejiang Power Investment Ronghe New Energy Technology Co., Ltd.	Rendering of services	Determined through negotiation based on market price			3,336,200.00	
Zhejiang Zheneng Guodian Investment Shengsi Offshore Wind Power Co., Ltd.	Rendering of services	Determined through negotiation based on market price	3,194,390.32			
Jiangxi United Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	140,942.27		337,169.81	
Jiangxi Lvdong Smart Agricultural Science &	Rendering of services	Determined through negotiation based on market price	598,305.32		-	

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Technology Co., Ltd.						
Jiangxi Guote Smart New Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	19,652.88		16,483.03	
Jiangxi Guoxing Smart Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	5,492,694.19		2,896,469.35	
Hangzhou Xingguang New Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	20,377,358.49			
Changshu Binjiang Heat Co., Ltd.	Sales of goods	Determined through negotiation based on market price	465,496,340.72		532,677,725.14	
Shanxi Diantou Jinhe New Energy Co., Ltd.	Rendering of services	Determined through negotiation based on market price	10,000,000.01			
Shanxi Power Investment Construction Energy Technology Co., Ltd.	Rendering of services	Determined through negotiation based on market price	10,868,985.85		10,296,934.00	
Anhui Power Investment Xintuo Energy Development Co., Ltd.	Rendering of services	Determined through negotiation based on market price	32,021,538.72		1,878,469.15	
Anhui Power	Rendering of	Determined through	2,174,073.90			

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Investment Xinneng Energy Development Co., Ltd.	services	negotiation based on market price				
SPIC Jiayang (Hangzhou) Energy Technology Co., Ltd.	Rendering of services	Determined through negotiation based on market price			6,604,000.00	
Sichuan Power Investment Xingchuan Ronghe Power Co., Ltd.	Rendering of services	Determined through negotiation based on market price			566,037.74	
Beijing Power Investment Lvtong Technology Co., Ltd.	Rendering of services	Determined through negotiation based on market price	12,907,684.07			
Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	Rendering of services	Determined through negotiation based on market price	1,399,600.95		16,981.13	
Urumqi Gongtou Wind Power Technology Co., Ltd.	Rendering of services	Determined through negotiation based on market price			432,843.75	
CLP Yuchuang (Suzhou) Intelligent	Rendering of services	Determined through negotiation based on market price	95,890.94		37,221.00	

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Technology Co., Ltd.						
China Nuclear Baotou Nuclear Fuel Components Co., Ltd.	Rendering of services	Determined through negotiation based on market price	294,745,925.77		191,277,752.86	
Shangtao Xintou Power Generation Co., Ltd.	Rendering of services	Determined through negotiation based on market price	44,731,046.70			
Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.	Rendering of services	Determined through negotiation based on market price	869,103.77		500,000.00	
Shanghai Shenergy Lingang CCGT Power Generation Co., Ltd.	Rendering of services	Determined through negotiation based on market price	2,220,754.71		1,561,261.32	
Shanghai Nuclear Power Technology Equipment Co., Ltd.		Determined through negotiation based on market price	1,010,420.14		70,502.61	
Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	Rendering of services	Determined through negotiation based on market price	1,374,150.95		1,188,490.57	
Shanghai Waigaoqiao No.3	Rendering of services	Determined through negotiation based on	292,452.83		14,972,058.38	

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
Power Generation Co., Ltd.		market price				
Shanghai Wujing No.2 Power Generation Co., Ltd.	Rendering of services	Determined through negotiation based on market price	283,443.39		1,386,415.11	
Shanghai Wujing Power Generation Co., Ltd.	Sales of goods/rendering of labor services	Determined through negotiation based on market price	2,580,252.22		6,507,007.46	
SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd.	Rendering of services	Determined through negotiation based on market price	1,451,655.58		1,237,522.41	
Hidroeléctrica La Higuera SA ("HLT")	Rendering of services	Determined through negotiation based on market price	10,311.60		81.74	
Hidroeléctrica La Higuera SA (HLH)	Rendering of services	Determined through negotiation based on market price	1,212,091.15		1,205,072.02	
Hidroeléctrica La Confluencia SA （HLC Tx）	Rendering of services	Determined through negotiation based on market price			3.68	
Hidroeléctrica La Confluencia SA (HLC)	Rendering of services	Determined through negotiation based on market price	1,194,263.05		1,839,223.65	
Other related	Sales of	Determined through	104,136,961.99		39,103,560.08	

Related parties	Content of related transaction	Pricing and decision-making process of related transactions	2024		2023	
			Amount	Proportion in similar transactions (%)	Amount	Proportion in similar transactions (%)
parties	goods/rendering of labor services	negotiation based on market price				

11.5.4 Related-party guarantees

Guarantor	The guaranteed	Guaranteed amount	Starting date of guarantee	Due date of guarantee	Performed or not
Liaoning Power Investment Smart Energy Co., Ltd.	Yuncheng Jinfeng New Energy Co., Ltd.	7,298,231.71	July 14, 2022	July 13, 2032	No
Guizhou Qiandong Electric Power Co., Ltd.	Huangtong-Zhijin Railway Co., Ltd.	67,271,000.00	July 31, 2008	July 30, 2026	No
Guizhou Yuanlong Comprehensive Energy Industry Service Co., Ltd.	Alxa Jinyuan New Energy Co., Ltd.	36,389,501.18	November 30, 2022	November 29, 2037	No
Guizhou Yuanlong Comprehensive Energy Industry Service Co., Ltd.	Alxa Jinyuan New Energy Co., Ltd.	12,610,498.82	November 30, 2022	November 29, 2025	No
SPIC Huanghe Hydropower Development Co., Ltd.	Layla and Ar Rass Holding Company LLC 834,912.36	318,786,410.37	December 14, 2022	December 14, 2027	No
SPIC Huanghe Hydropower Development Co., Ltd.	Layla Solar Energy Company	80,831,959.30	April 10, 2023	April 10, 2028	No
SPIC Huanghe Hydropower Development Co., Ltd.	MARAFIQ RED SEA FOR ENERGY COMPANY	898,550,000.00	August 16, 2023	February 16, 2028	No
SPIC Huanghe	Qinghai Jinchuan Mining	719,378,800.00	April 07, 2021	April 06, 2041	No

Guarantor	The guaranteed	Guaranteed amount	Starting date of guarantee	Due date of guarantee	Performed or not
Hydropower Development Co., Ltd.	Co., Ltd.				
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	117,000,000.00	As at October 30, 2020	December 13, 2025	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	80,747,200.00	November 27, 2020	December 14, 2026	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	45,000,000.00	As at October 30, 2020	March 14, 2025	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	87,750,000.00	August 27, 2020	August 30, 2026	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	58,500,000.00	As at October 30, 2020	June 04, 2025	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	30,600,000.00	January 19, 2021	April 24, 2025	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	45,900,000.00	January 19, 2021	January 24, 2025	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	90,000,000.00	September 27, 2021	May 20, 2027	No
SPIC Chongqing Electric Power Co., Ltd.	SPIC Chongqing Baihe Electric Power Co., Ltd.	132,750,000.00	July 23, 2020	July 31, 2026	No
SPIC Guizhou Jinyuan Co., Ltd.	Huangtong-Zhijin Railway Co., Ltd.	59,159,000.00	August 19, 2008	December 20, 2027	No
SPIC Hainan Electric Power Co., Ltd.	Hainan Tiantian Energy Development Co., Ltd.	20,000,000.00	September 30, 2021	September 29, 2025	No
SPIC Hainan Electric Power Co., Ltd.	Changyi Fuxiang Clean Energy Co., Ltd.	175,748,585.75	February 10, 2022	September 27, 2035	No
SPIC Zhejiang Electric Power Co., Ltd.	Zhoushan Yuguang Technology Co., Ltd.	83,281,014.70	August 13, 2021	August 12, 2029	No
SPIC Jilin Energy Investment Co., Ltd.	Hainan Zhoufeixiang New Energy Co., Ltd.	626,015,000.00	March 27, 2020	March 26, 2030	No
SPIC Jilin Energy Investment Co., Ltd.	Yucheng Huayuan Photovoltaic Power	340,000,000.00	January 26, 2022	January 25, 2027	No

Guarantor	The guaranteed	Guaranteed amount	Starting date of guarantee	Due date of guarantee	Performed or not
	Generation Co., Ltd.				

11.6 Receivables from and payables to related parties

11.6.1 Receivables from related parties

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
Accounts receivable							
	Hidroeléctrica La Confluencia SA (HLC)	1,014,813,019.00		1,027,020,030.01			
	Hidroeléctrica La Higuera SA (HLH)	346,077,988.00		338,672,322.16			
	Beijing Power Investment Lvtong Technology Co., Ltd.	9,583,425.43					
	Changshu Binjiang Heat Co., Ltd.	32,477,991.79		34,658,224.40			
	Guizhou Jinze New Energy Technology Co., Ltd.	98,502,461.03	394,491.05	34,541,031.68			
	Hunan Luxin Smart Energy Co., Ltd.	216,884.24		4,318,400.00			
	Huaihu Coal & Power Co., Ltd.	3,933,000.00		1,015,000.00			

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Huaihu Coal & Power Co., Ltd. Dingji Coal Mine			13,780.00			
	Jiangxi Guoxing Smart Energy Co., Ltd.	149,800.00		525,000.00			
	Enemalta PLC	43,970,845.39		35,813,095.94			
	Qinghai Huangdian Lvwei New Energy Management Co., Ltd.	4,980,000.00					
	Shanghai Shenergy Lingang CCGT Power Generation Co., Ltd.	51,491.28		51,491.28			
	Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.			115,000.00			
	Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	28,800.00					
	Shanghai	301,812.46	301,812.46	325,885.44	301,812.46		

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Waigaoqiao No.3 Power Generation Co., Ltd.						
	SCO Energy Investment Private Equity Fund Management (Qingdao) Co., Ltd.	2,850,528.66		2,110,835.59			
	Urumqi Gongtou Wind Power Technology Co., Ltd.			5,124,362.12			
	Zhongji Guoda Power Technology Jiangsu Co., Ltd.	2,753,350.53		2,753,350.53			
	Other related parties	25,042,445.33		350,000.00			
Advances to suppliers							
	Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	3,026,884.29		530,972.13			
	Shanghai Nuclear Equipment Testing and	5,048,311.56		21,760,000.00			

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Verification Center Limited						
	China Nuclear Baotou Nuclear Fuel Components Co., Ltd.	15,055,486.64					
Other receivables							
	Anhui Power Investment Xintuo Energy Development Co., Ltd.	21,452,563.87		1,991,177.30			
	Anhui Power Investment Xinneng Energy Development Co., Ltd.	2,332,332.32					
	Power Investment Liaorong (Liaoning) New Energy Co., Ltd.	48,311,333.05					
	SPIC Lvdong Ronghe New Energy Hubei Co., Ltd.	20,400,000.00		13,400,000.00			
	Gansu Longhe Environmental Protection	103,368.36					

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Technology Co., Ltd.						
	SPIC Jiayang (Hangzhou) Energy Technology Co., Ltd.			7,000,240.00			
	Hangzhou Xingguang New Energy Co., Ltd.	48,234,625.50					
	Hunan Guohe New Energy Co., Ltd.			30,302,549.06			
	Hunan Qingdiantou New Energy Co., Ltd.			25,075,471.70			
	Inner Mongolia Zhongyou Huo Coal Oil Co., Ltd.	15,966.00	15,966.00	15,966.00	1,277.28		
	Qinghai Huangdian Lvwei New Energy Management Co., Ltd.	16,870,308.22		16,870,308.22			
	Qinghai Huangdian Siwei New Energy Management	14,767,727.03		14,767,727.03			

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Co., Ltd.						
	Shanxi Power Investment Construction Energy Technology Co., Ltd.			3,957,596.14			
	Shanxi Jingtai New Energy Co., Ltd.	11,060,992.92		11,060,992.92			
	Shanghai Chongming Beiyan Wind Power Co., Ltd.	10,742,914.01		7,312,856.38			
	Shanghai Donghai Wind Power Generation Co., Ltd.	27,717,119.63		9,188,600.24			
	Urumqi Gongtou Wind Power Technology Co., Ltd.			16,407,946.33			
	Xinjiang Xinhua Chemical Fertilizer Co., Ltd.	459,902,660.70	385,722,660.04	430,291,160.66	385,722,660.04		
	Zhejiang Power Investment Ronghe New Energy	2,752,400.00		3,536,372.00			

Item	Related parties	Balance as at December 31, 2024		Balance as at January 1, 2024		Terms and conditions	Get a guarantee or not
		Book balance	Provision for bad debts	Book balance	Provision for bad debts		
	Technology Co., Ltd.						
	Zhejiang Zheneng Guodian Investment Shengsi Offshore Wind Power Co., Ltd.	2,000,000.00					
	CLP Shentou Power Co., Ltd.	1,208,657.99		912,323.99			
	Sinopharm (Pingdingshan) Medical & Health Industry Co., Ltd.	294,000.14		227,120.14			
	Other related parties	59,788,512.32		136,014,923.80			
Disbursement of loans and advances							
	Fuxin Shengming Thermal Power Co., Ltd.	47,000,000.00	47,000,000.00	47,000,000.00	47,000,000.00		

11.6.2 Payables to related parties

Item	Related parties	Balance as at December 31, 2024	Balance as at January 1, 2024	Terms and conditions	Provide a guarantee or not
Accounts payable					
	Chongqing Yuankang Environmental Protection Technology Co., Ltd.	635,800.00	635,800.00		
	Huaihu Coal & Power Co., Ltd.	284,560,137.12	155,986,988.52		
	Jiangxi United Energy Co., Ltd.		228,000.00		
	Hangzhou Xingguang New Energy Co., Ltd.	130,656,530.53			
	Herui Power Investment Energy Storage Technology Co., Ltd.	2,514,530.65	6,327,758.60		
	CLP Yuchuang (Suzhou) Intelligent Technology Co., Ltd.	28,800.00			
	China Power Changshu Electricity Distribution Co., Ltd.	2,597,900.00			
	East Energy (Shandong) Technology Development Co., Ltd.	24,990.00	249,900.00		
	Shanghai Petrochemical Equipment Inspection & Testing Co., Ltd.	106,669.81	280,963.20		
	Shanghai Nuclear Power Technology Equipment Co., Ltd.	984,876.51	2,086,346.96		
	Shanghai Waigaoqiao No.2 Power Generation Co. Ltd.	1,181,975.36	1,454,564.19		

Item	Related parties	Balance as at December 31, 2024	Balance as at January 1, 2024	Terms and conditions	Provide a guarantee or not
	Hidroeléctrica La Higuera SA (HLH)	11,115,470.00			
Other payables					
	SPIC Lvdong Ronghe New Energy Hubei Co., Ltd.	112,708,100.00			
	Jiangxi Gandian Rongtou New Energy Development Co., Ltd.	164,567,425.74			
	Jiangxi Guote Smart New Energy Co., Ltd.	569,689.14	407,689.14		
	Shanghai Nuclear Equipment Testing and Verification Center Limited	4,223,798.12	1,677,406.00		
	Shanghai Nuclear Power Technology Equipment Co., Ltd.	285,000.00	484,201.91		
	Other related parties	221,500.00	21,500.00		
Contract liabilities					
	Jiangxi United Energy Co., Ltd.	2,300.00			
	Jiangxi Guoxing Smart Energy Co., Ltd.	7,162,290.11	6,328,710.23		
	China Nuclear Baotou Nuclear Fuel Components Co., Ltd.	5,505,000.00	2,305,000.00		
Other non-current liabilities					
	Other related parties	95,787,794.19			

12. Notes to the main items of the financial statements of the company

12.1 Accounts receivable

12.1.1 Disclosure of accounts receivable by aging

Aging	Amount as at December 31, 2024		Amount as at January 1, 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Within 1 year (including 1 year)	2,325,382,265.07	13,450,513.14	2,705,874,664.09	
1 - 2 years	365,604,530.53	2,182,893.80	281,546,593.79	
2 - 3 years	82,082,199.35		94,449,872.62	
Over 3 years	162,513,418.56		291,734,349.97	
Total	2,935,582,413.51	15,633,406.94	3,373,605,480.47	

12.1.2 Disclosure of accounts receivable by category based on the method for provision for bad debts

Type	Amount as at December 31, 2024					Amount as at January 1, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss (%)		Amount	Proportion (%)	Amount	Expected credit loss (%)	
Provision for bad debts accrued on an individual basis										
Accounts receivable with provision for bad debts accrued by portfolio with credit risk features	2,935,582,413.51	100.00	15,633,406.94	0.53	2,919,949,006.57	3,373,605,480.47	100.00			3,373,605,480.47
Including: aging portfolio	2,645,504,969.67		15,633,406.94	0.59	2,629,871,562.73	425,909,042.89				425,909,042.89
Portfolio with low risk	290,077,443.84				290,077,443.84	2,947,696,437.58				2,947,696,437.58
	2,935,582,413.51	100.00	15,633,406.94		2,919,949,006.57					
Total	2,935,582,413.51	100.00	15,633,406.94	0.53	2,919,949,006.57	3,373,605,480.47	100.00			3,373,605,480.47

Accounts receivable with provision for bad debts accrued by portfolio with credit risk features

(1) Aging portfolio

Aging	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (including 1 year)	2,279,900,439.14	86.18	13,450,513.14	425,909,042.89	100.00	
1 - 2 years	365,604,530.53	13.82	2,182,893.80			
2 - 3 years						
Over 3 years						
Total	2,645,504,969.67	100.00	15,633,406.94	425,909,042.89	100.00	

(2) Accounts receivable with provision for bad debts made by the balance percentage or other method

Portfolio	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Proportion of provision(%)	Provision for bad debts	Book balance	Proportion of provision(%)	Provision for bad debts
Portfolio with low risk	290,077,443.84			2,947,696,437.58		
Total	290,077,443.84			2,947,696,437.58		

12.1.3 Top 5 accounts receivable in terms of ending balance collected by the debtor

Debtor	Book balance	Proportion in total accounts receivable (%)	Provision for bad debts
Shanghai Energy Technology Development Co., Ltd.	333,272,947.36	11.53	
China Power (Datong Lake) Energy Development Co., Ltd.	136,826,206.84	4.73	
Hainan Huanghe Guangchu Shizheng New Energy Co., Ltd.	103,279,577.01	3.57	
SPIC Zhongyu (Youyu) Clean Energy Co., Ltd.	85,161,605.20	2.95	
SPIC Xinjiang Energy Chemical Group Hami Co., Ltd.	73,359,163.72	2.54	
Total	731,899,500.13	25.32	

12.2 Other receivables

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
Interest receivable		
Dividends receivable	2,488,662,143.93	2,793,605,874.83
Other accounts receivable	2,851,557,909.64	8,497,599,863.29
Total	5,340,220,053.57	11,291,205,738.12

12.2.1 Dividends receivable

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
Dividends receivable with aging within one year	466,561,103.26	177,022,591.12		
Including: (1) SPIC Ronghe New Energy Development Co., Ltd.	302,927,881.12	124,331,991.12	Payment time-point not started	Good operation condition without impairment
(2) International Finance (Hong Kong) Company Limited	163,633,222.14	52,690,600.00	Payment time-point not started	A company within the group without impairment
Dividends receivable with the aging over one year	2,022,101,040.67	2,616,583,283.71		
Including: (1) SPIC Nuclear Energy Co., Ltd.	794,478,902.12	794,478,902.12	Payment time-point not started	A company within the group without impairment
(2) China Power International Development Limited	432,084,143.38	432,084,143.38	Payment time-point not started	A company within the group without impairment
(3) International Finance (Hong Kong) Company Limited	294,182,200.00	294,182,200.00	Payment time-point not started	A company within the group without impairment
(4) Shanghai Energy Technology Development Co., Ltd.	189,817,672.03		Payment time-point not started	A company within the group without impairment

Item	Balance as at December 31, 2024	Balance as at January 1, 2024	Reason for non-recovery	Whether the impairment exists or not and the judgment basis
(5) State Nuclear Power Technology Corporation	187,206,132.02	187,206,132.02	Payment time-point not started	A company within the group without impairment
(6) SPIC Ronghe New Energy Development Co., Ltd.	124,331,991.12	587,100,221.97	Payment time-point not started	Good operation condition without impairment
(7) SPIC Power Engineering Co., Ltd.		189,817,672.03	Payment time-point not started	A company within the group without impairment
(8) SPIC Capital Holding Co., Ltd.		131,714,012.19	Payment time-point not started	A company within the group without impairment
Total	2,488,662,143.93	2,793,605,874.83		

12.2.2 Other receivables

(1) Other receivables disclosed by aging

Aging	Amount as at December 31, 2024		Amount as at January 1, 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Within 1 year (including 1 year)	719,688,510.15	67,594,065.08	5,190,084,263.46	
1 - 2 years	162,007,361.39		1,198,799,695.97	
2 - 3 years	1,071,536,667.05		217,517,190.68	
Over 3 years	967,419,436.13	1,500,000.00	1,894,135,653.62	2,936,940.44
Total	2,920,651,974.72	69,094,065.08	8,500,536,803.73	2,936,940.44

(2) Other receivables disclosed by category based on the method for provision for bad debts

Type	Amount as at December 31, 2024					Amount as at January 1, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Expected credit loss (%)		Amount	Proportion (%)	Amount	Expected credit loss (%)	
Other receivables with individual provision for bad debts	1,500,000.00	0.05	1,500,000.00	100.00		2,936,940.44	0.03	2,936,940.44	100.00	
Other receivables with provision for bad debts accrued by credit risk features portfolio	2,919,151,974.72	99.95	67,594,065.08	2.32	2,851,557,909.64	8,497,599,863.29	99.97			8,497,599,863.29
Including: aging portfolio	493,625,393.40		67,594,065.08	13.69	426,031,328.32					
Portfolio with low risk	2,425,526,581.32				2,425,526,581.32	8,497,599,863.29				8,497,599,863.29
Total	2,920,651,974.72	100.00	69,094,065.08		2,851,557,909.64	8,500,536,803.73	100.00	2,936,940.44		8,497,599,863.29

(3) Other receivables with individual provision for bad debts

Debtor	Amount as at December 31, 2024			
	Book balance	Provision for bad debts	Expected credit loss (%)	Reason of provision
State Grid Anhui Electric Power Co., Ltd.	1,500,000.00	1,500,000.00	100.00	Expected to be irrecoverable
Total	1,500,000.00	1,500,000.00		

(4) Other receivables with provision for bad debts accrued by credit risk features portfolio

① Aging portfolio

Aging	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance		Provision for bad debts	Book balance		Provision for bad debts
	Amount	Proportion (%)		Amount	Proportion (%)	
Within 1 year (Including 1 years)	493,625,393.40	100.00	67,594,065.08			
1 - 2 years						
2 - 3 years						
Over 3 years						
Total	493,625,393.40	100.00	67,594,065.08			

② Other receivables with provision for bad debts made by the balance percentage or other portfolio method

Portfolio	Amount as at December 31, 2024			Amount as at January 1, 2024		
	Book balance	Proportion of provision(%)	Provision for bad debts	Book balance	Proportion of provision(%)	Provision for bad debts
Portfolio with low risk	2,425,526,581.32			8,497,599,863.29		
Total	2,425,526,581.32			8,497,599,863.29		

(5) Details of provision for bad debts of other receivables

Provision for bad debts	Stage I	Stage II	Stage III	Total
	Expected credit loss within the next 12 months	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2024			2,936,940.44	2,936,940.44
Balance as at December 31, 2023, in the current period				
- Transfer to Stage II				
- Transfer to Stage III				

Provision for bad debts	Stage I Expected credit loss within the next 12 months	Stage II Lifetime expected credit loss (without credit impairment)	Stage III Lifetime expected credit loss (with credit impairment)	Total
- Reversal from Stage II				
- Reversal from Stage I	1,436,940.44		-1,436,940.44	
Provision in 2024	66,157,124.64			66,157,124.64
Reversal in 2024				
Charge-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31, 2024	67,594,065.08		1,500,000.00	69,094,065.08

(6) Top 5 other receivables in term581,068.80**s of their ending balance collected by the debtors**

Debtor	Nature of payment	Book balance	Aging	Proportion in total other receivables (%)	Provision for bad debts
Shanghai SEP Xinyuan Enterprise Development Co., Ltd.	Current accounts	1,014,034,200.40	Over 5 years	34.72	
SPIC Huanghe Hydropower Development Co., Ltd.	Current accounts	308,951,506.50	Over 5 years	10.58	
International Finance (Hong Kong) Company Limited	Current accounts	293,482,552.34	1-2 years	10.05	
SPIC Research Institute of Science and Technology	Current accounts	144,359,500.00	3-5 years	4.94	
State Power Investment Corporation	Current accounts	82,552,711.56	1-2 years	2.83	

Debtor	Nature of payment	Book balance	Aging	Proportion in total other receivables (%)	Provision for bad debts
Tibet Branch					
Total		1,843,380,470.80		63.12	

12.3 Long-term equity investments

12.3.1 Classification of long-term equity investments

Item	Balance as at January 1, 2024	Increase in 2024	Decrease in 2024	Balance as at December 31, 2024
Investment to subsidiaries	197,292,484,878.41	6,880,264,268.72	957,145,019.45	203,215,604,127.68
Investments in joint ventures				
Investment in associates	5,770,094,129.44	661,951,288.34	311,739,950.36	6,120,305,467.42
Sub-total	203,062,579,007.85	7,542,215,557.06	1,268,884,969.81	209,335,909,595.10
Less: provision for impairment of long-term equity investments				
Total	203,062,579,007.85	7,542,215,557.06	1,268,884,969.81	209,335,909,595.10

12.3.2 Details of long-term equity investments

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Total	207,948,546,683.85	203,062,579,007.85	6,880,264,268.72	957,145,019.45	661,951,288.34			311,739,950.36			209,335,909,595.10	
1. Subsidiaries	203,215,604,127.68	197,292,484,878.41	6,880,264,268.72	957,145,019.45							203,215,604,127.68	
SPIC Hebei Electric Power Co., Ltd.	1,767,314,291.09	1,767,314,291.09									1,767,314,291.09	
SPIC Jilin Energy Investment Co., Ltd.	5,722,712,057.26	4,276,937,788.54	1,445,774,268.72								5,722,712,057.26	
China Power Investment Co., Ltd.	58,295,451.00	58,295,451.00									58,295,451.00	
SPIC Xiong'an Energy Co., Ltd. (Xiong'an Xingrong Nuclear Power Innovation Center)	20,000,000.00	20,000,000.00									20,000,000.00	
SPIC Asset Management Co., Ltd.	2,254,864,144.00	2,254,864,144.00									2,254,864,144.00	
International Finance (Hong Kong) Company Limited	814,464,700.00	814,464,700.00									814,464,700.00	
SPIC Aluminum & Power Investment Co., Ltd.	9,224,048,000.00	9,224,048,000.00									9,224,048,000.00	
SPIC Inner Mongolia Energy Co., Ltd.	12,104,264,119.64	12,034,264,119.64	70,000,000.00								12,104,264,119.64	
SPIC Integrated Intelligent Energy Technology Co., Ltd.	594,000,000.00	594,000,000.00									594,000,000.00	
SPIC Southwest Energy Research Institute Co., Ltd.	45,900,000.00	45,900,000.00									45,900,000.00	

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
SPIC Beijing Zhongran Energy Technology Development Co., Ltd.	60,000,000.00	60,000,000.00									60,000,000.00	
State Power Investment Overseas Co., Ltd.	337,500,000.00	337,500,000.00									337,500,000.00	
SPIC Yunnan International Power Investment Co., Ltd.	3,886,837,255.82	3,886,837,255.82									3,886,837,255.82	
SPIC Chongqing Electric Power Co., Ltd.	5,885,888,114.59	5,345,888,114.59	540,000,000.00								5,885,888,114.59	
SPIC Henan Electric Power Co., Ltd.	11,263,403,806.41	10,613,403,806.41	650,000,000.00								11,263,403,806.41	
SPIC Shared Services Co., Ltd.	254,300,000.00	204,300,000.00	50,000,000.00								254,300,000.00	
China Power Complete Equipment Co., Ltd	302,062,146.76	302,062,146.76									302,062,146.76	
Beijing Funeng New Energy Co., Ltd.	2,515,875,816.70	2,515,875,816.70									2,515,875,816.70	
SPIC Northeast Electric Power Co., Ltd.	14,005,591,395.97	13,525,591,395.97	480,000,000.00								14,005,591,395.97	
China Power International Development Limited	11,768,820,132.16	10,568,820,132.16	1,200,000,000.00								11,768,820,132.16	
SPIC Hunan Energy Development Co., Ltd.	2,738,852,275.12	2,328,852,275.12	410,000,000.00								2,738,852,275.12	
SPIC Shandong Electric Power	350,000,000.00	120,000,000.00	230,000,000.00								350,000,000.00	

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Co., Ltd.												
SPIC Hainan Electric Power Co., Ltd.	257,878,300.00	257,878,300.00									257,878,300.00	
SPIC Green Energy Technology Co., Ltd.	440,194,100.00	440,194,100.00									440,194,100.00	
SPIC Innovation Investment Co., Ltd.	2,000,000,000.00	1,650,000,000.00	350,000,000.00								2,000,000,000.00	
SPIC Heilongjiang Nuclear Energy Heating Co., Ltd.	43,000,000.00	43,000,000.00									43,000,000.00	
SPIC Research Institute of Science and Technology	1,659,917,272.60	1,259,917,272.60	400,000,000.00								1,659,917,272.60	
State Nuclear Power Technology Corporation	37,947,527,344.14	38,171,188,242.14		223,660,898.00							37,947,527,344.14	
Shanghai Electric Power Co., Ltd.	6,364,862,462.08	6,364,862,462.08									6,364,862,462.08	
SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	3,453,040,000.00	3,453,040,000.00									3,453,040,000.00	
SPIC Guizhou Jinyuan Co., Ltd.	4,393,120,000.00	4,393,120,000.00									4,393,120,000.00	
SPIC Mengdong Energy Co., Ltd.	2,295,126,330.76	2,295,126,330.76									2,295,126,330.76	
SPIC Finance Co., Ltd.	3,622,989,470.14	3,622,989,470.14									3,622,989,470.14	
China United Gas Turbine Technology Co., Ltd.	2,755,940,000.00	1,901,940,000.00	854,000,000.00								2,755,940,000.00	
Guizhou Xidian	2,127,970,125.97	2,127,970,125.97									2,127,970,125.97	

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Power Co., Ltd.												
SPIC Chongqing Yuanda Energy Saving Technology Service Co., Ltd. (parent company)	1,835,115,468.33	1,835,115,468.33									1,835,115,468.33	
SPIC Digital Technology Co., Ltd.	1,223,635,322.96	1,057,145,322.96	166,490,000.00								1,223,635,322.96	
Jiaxing Rongneng Energy New Technology Investment Partnership (Limited Partnership)	5,000,000.00	5,000,000.00									5,000,000.00	
Jilin Electric Power Co., Ltd.	455,999,935.65	455,999,935.65									455,999,935.65	
SPIC Carbon Asset Management Co., Ltd.	81,200,000.00	81,200,000.00									81,200,000.00	
SPIC Smart Energy Investment Co., Ltd.	760,000,000.00	760,000,000.00									760,000,000.00	
SPIC Baogong (Jiaxing) Investment Partnership (Limited Partnership)	5,999,000,000.00	5,999,000,000.00									5,999,000,000.00	
National Bio Energy Group Ltd.	4,140,177,103.12	4,140,177,103.12									4,140,177,103.12	
SPIC Technology Innovation Equity Investment Fund (Tianjin)	231,891,980.26	231,891,980.26									231,891,980.26	

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Partnership (Limited Partnership)												
SPIC Sanxin Phase II Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	3,652,458,805.70	3,652,458,805.70									3,652,458,805.70	
SPIC Huanghe Hydropower Development Co., Ltd.	12,516,899,846.19	12,516,899,846.19									12,516,899,846.19	
SPIC Sanxin Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	1,067,278,917.07	1,067,278,917.07									1,067,278,917.07	
SPIC Hydrogen Energy Technology Development Co., Ltd.	2,321,135,886.04	2,321,135,886.04									2,321,135,886.04	
SPIC Jiangxi Electric Power Co., Ltd.	6,527,820,687.12	6,527,820,687.12									6,527,820,687.12	
SPIC Industry-Finance Holdings Co., Ltd.	9,027,431,063.03	9,660,915,184.48		633,484,121.45							9,027,431,063.03	
Guoning Xinchu (Fujian) Technology Co., Ltd.	24,000,000.00		24,000,000.00								24,000,000.00	
SPIC Economic and Technical Research and Consulting Co., Ltd.	10,000,000.00		10,000,000.00								10,000,000.00	
SPIC (Shanghai)		100,000,000.00		100,000,000.00								

Investee	Investment cost	Balance as at January 1, 2024	Increase/decrease in 2024								Balance as at December 31, 2024	Balance of impairment provision as at December 31, 2024
			Additional investment	Reduced investment	Profit or loss on investments recognized under the equity method	Adjustments to other comprehensive income	Other changes in equity	Cash dividends or profits declared to be distributed	Provision for impairment accrued	Others		
Aluminum Co., Ltd.												
2. Joint venture												
3. Associates	4,732,942,556.17	5,770,094,129.44			661,951,288.34			311,739,950.36			6,120,305,467.42	
SPIC Ronghe New Energy Development Co., Ltd.	4,681,942,556.17	5,678,145,063.04			668,809,679.91			311,739,950.36			6,035,214,792.59	
Zhongneng Ronghe Intelligence Technology Co., Ltd.	51,000,000.00	91,949,066.40			-6,858,391.57						85,090,674.83	

12.3.3 Principle financial information of significant associates

Item	Amount in 2024		Amount in 2023	
	Zhongneng Ronghe Intelligence Technology Co., Ltd.	SPIC Ronghe New Energy Development Co., Ltd.	Zhongneng Ronghe Intelligence Technology Co., Ltd.	SPIC Ronghe New Energy Development Co., Ltd.
Current assets	295,561,712.04	47,215,308,807.46	295,561,712.04	51,253,192,387.93
Non-current assets	229,066,941.92	119,995,948,042.53	229,066,941.92	120,655,614,819.89
Total assets	524,628,653.96	167,211,256,849.99	524,628,653.96	171,908,807,207.82
Current liabilities	259,288,176.31	52,952,181,121.34	259,288,176.31	54,691,081,644.95
Non-current liabilities	33,553,400.42	84,392,018,559.95	33,553,400.42	88,971,565,385.87
Total liabilities	292,841,576.73	137,344,199,681.29	292,841,576.73	143,662,647,030.82
Net assets	231,787,077.23	29,867,057,168.70	231,787,077.23	28,246,160,177.00
Net asset share calculated by shareholding ratio	85,090,674.83	6,035,214,792.59	85,090,674.83	5,678,145,063.04
Adjustments				
Book value of the equity investment in associates	85,090,674.83	6,035,214,792.59	91,949,066.40	5,678,145,063.04
Fair value of the publicly quoted equity investments				
Operating income	201,396,882.56	11,038,410,573.05	64,421,645.09	7,678,457,764.45
Net profit	5,103,097.91	2,967,118,538.08	12,713,103.58	2,548,042,907.51
Other comprehensive income				890,424.31
Total comprehensive income	5,103,097.91	2,967,118,538.08	12,713,103.58	2,548,933,331.82
Dividends received from associates in 2024				

12.4 Operating income and operating costs

Item	Amount in 2024		Amount in 2023	
	Revenue	Cost	Revenue	Cost
1. Sub-total of primary business	493,524,076.79	279,962,391.14	484,545,582.14	334,042,076.42
Electric power and service industry	470,723,722.16	270,411,212.76	465,421,904.91	327,978,965.49
Financial business	22,800,354.63	9,551,178.38	19,123,677.23	6,063,110.93

Item	Amount in 2024		Amount in 2023	
	Revenue	Cost	Revenue	Cost
2. Sub-total of other business	661,592,551.62	58,899,096.59	688,742,194.87	149,405,782.77
Sales of electricity, and marketing service charge	459,318,592.60	37,889,573.22	454,788,285.57	128,396,259.40
Lease-out of investment properties	114,285,714.25		114,319,999.95	
Land lease	17,580,000.01	21,009,523.37	17,580,000.01	21,009,523.37
Credit enhancement service fee	70,408,244.76		102,053,909.34	
Total	1,155,116,628.41	338,861,487.73	1,173,287,777.01	483,447,859.19

12.5 Investment income

Item	Amount in 2024	Amount in 2023
Long-term equity investment income calculated under the equity method	661,951,288.34	561,715,191.93
Long-term equity investment income calculated under the cost method	5,712,940,781.66	3,492,200,172.18
Investment income from disposal of long-term equity investments	374,044,533.79	156,737,141.05
Investment income from other equity instrument investments during the holding period	1,492,210,800.95	653,711,855.67
Others	2,139,935,875.38	2,217,342,895.97
Total	10,381,083,280.12	7,081,707,256.80

12.6 Statement of cash flows

12.6.1 Information on adjusting net profit to cash flows from operating activities

Supplementary information	Amount in 2024	Amount in 2023
1. Net profits adjusted to cash flows from operating activities:		
Net profit	7,554,057,106.51	4,233,590,420.55
Plus: losses from asset impairment		
Losses from credit impairment	84,790,531.58	-14,856,608.41
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	31,919,312.32	17,953,172.42
Depreciation of right-of-use assets		
Amortization of intangible assets	69,567,236.84	37,734,578.58
Amortization of long-term deferred expenses	10,496,420.22	12,217,817.43
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)		
Losses from scrapping of fixed assets ("-" for gains)	-17,462.26	-249,960.17
Losses from changes in fair value ("-" for income)	97,848,400.00	147,871,800.00
Financial expenses ("-" for income)	2,452,447,485.92	2,674,613,141.58

Supplementary information	Amount in 2024	Amount in 2023
Investment losses ("-" for gains)	-10,381,083,280.12	-7,081,707,256.80
Decreases in deferred income tax assets ("-" for increases)	-22,598,131.06	-503,743.38
Increases in deferred income tax liabilities ("-" for decreases)	-24,462,100.00	-36,967,950.00
Decreases in inventories ("-" for increases)		
Decreases in operating receivables ("-" for increases)	3,333,223,892.27	-1,539,133,281.52
Increases in operating payables ("-" for decreases)	702,457,750.89	3,995,324,110.22
Others		
Net cash flows from operating activities	3,908,647,163.11	2,445,886,240.50
2. Significant investing and financing activities not involving cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under finance lease		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	4,730,326,229.35	3,646,612,948.27
Less: balance of cash as at the beginning of the period	3,646,612,948.27	1,006,400,919.49
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	1,083,713,281.08	2,640,212,028.78

12.6.2 Breakdown of cash and cash equivalents

Item	Balance as at December 31, 2024	Balance as at January 1, 2024
I. Cash	4,730,326,229.35	3,646,597,765.82
Including: cash on hand		
Unrestricted digital monetary funds		
Unrestricted bank deposit	4,730,242,364.42	3,646,514,051.55
Other unrestricted cash and cash equivalents	83,864.93	83,714.27
Deposits with central bank available for payments		
Deposits with banks and other financial institutions		
Loans to banks and other financial institutions		
II. Cash equivalents		
Including: bond investments maturing within three months		
III. Ending balance of cash and cash equivalents	4,730,326,229.35	3,646,597,765.82

13. Other contents to be disclosed as required by relevant financial and accounting systems

None.

14. Approval of the financial statements

The financial statements had been approved by the Board of Directors of the Company.

State Power Investment Corporation Limited

April 28, 2025

STATE POWER INVESTMENT CORPORATION LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Xin Kuai Shi Bao Zi [2024] No. ZG216404

ENGLISH TRANSLATION OF AUDITOR'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

IF THERE IS ANY CONFLICT BETWEEN THE CHINESE VERSION AND ITS ENGLISH TRANSLATION, THE CHINESE VERSION WILL PREVAIL

State Power Investment Corporation Limited

Auditor's Report and Financial Statements
(From January 1, 2023 to December 31, 2023)

	Table of Contents	Page
I.	Auditor's Report	1-4
II.	Financial Statements	
	Consolidated and Company's Balance Sheets	1-8
	Consolidated and Company's Income Statements	9-12
	Consolidated and Company's Statements of Cash Flows	13-16
	Consolidated and Company's Statements of Changes in Owners' Equity	17-24
	Notes to the Financial Statements	1-284

Auditor's Report

(English Translation for Reference Only)

Xin Kuai Shi Bao Zi [2024] No. ZG216404

To the Board of Directors of State Power Investment Corporation Limited:

Opinion

We have audited the accompanying financial statements of State Power Investment Corporation Limited ("SPIC"), which comprise the consolidated and company's balance sheets as at December 31, 2023, the consolidated and company's income statements, the consolidated and company's statements of cash flows, and the consolidated and company's statements of changes in owners' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at December 31, 2023 and the consolidated and company's financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of SPIC in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters in our audit:

Key Audit Matters	How these matters were addressed in the audit
(I) Impairment of goodwill	
As described in Note 8.28, the original carrying amount of SPIC's goodwill totaled RMB 16,793 million with an impairment of RMB 9,169 million as at December 31, 2023. According to the Accounting Standards for Business Enterprises, management performed goodwill impairment test by comparing the recoverable amount of the relevant asset group which goodwill is allocated to with the carrying amount of corresponding asset group and allocated goodwill. Estimate of the recoverable amount involves forecasting present value of the asset group's future cash flows, which requires significant management judgment and assumption. As the related impairment assessment and test require significant management judgment, goodwill impairment test is determined as a key audit matter.	Our audit procedures consisted primarily of: 1. evaluating and testing the design and operational effectiveness of internal controls related to goodwill impairment test; 2. evaluating appropriateness of methodology applied to the impairment test, verifying the underlying data on which management's impairment test was based, and using valuation experts to assess reasonableness of key assumptions and judgments used in management's impairment test; 3. evaluating the independence, competence, professional quality and objectivity of the valuer; and 4. verifying the mathematical accuracy of goodwill impairment test model.
(II) Recognition of accounts receivable and operating income	
As mentioned in Note 8.5 and Note 8.60, SPIC's accounts receivable was RMB 133,288 million as at December 31, 2023, including RMB 114,934 million of electricity receivable, accounting for 86.23% of total balance. Operating income for current period was RMB 380,078 million, including RMB 239,142 million of revenue for electricity and heat, accounting for 62.92% of revenue for current period. Both accounts receivable and operating income are significant to the financial statements, and it takes a relatively long time to receive renewable energy subsidies of the electricity receivables. As such, recognition of accounts receivable and operating income is determined as a key audit matter.	Our audit procedures consisted primarily of: 1. evaluating and testing the design and operational effectiveness of key internal controls related to the recognition of accounts receivable and operating income; 2. performing analytical procedures on revenue and cost, including comparative analysis of revenue, cost and gross profit margin between current period and prior period, and analysis of fluctuations by each month of current period; 3. inspecting relevant documents such as project permits, tariff approvals and notification of grid connection to determine on-grid electricity price, and recalculating revenue from the benchmark tariff and subsidized tariff based on the settlement power reflected in the monthly statements issued by local state grid offices in accordance with the Administrative Measures for the Additional Subsidy Fund for Renewable Electricity Price; 4. performing external confirmation procedure for transaction and period-end balance of accounts receivable, to confirm existence of revenue in conjunction with examining subsequent receipt post balance sheet date; 5. performing cut-off tests on power generation revenue to verify whether the revenue is recognized in correct accounting period.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management of SPIC ("management") is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing SPIC's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate SPIC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing SPIC's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understand of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SPIC's internal control.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SPIC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause SPIC to cease to continue as a going concern.

(5) Evaluate the overall presentation (including the disclosures), structure and contents of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within SPIC to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO CHINA Shu Lun Pan Certified Public Accountants LLP

Certified Public Accountant of China:

中国注册会计师 张帆 420003204521

Certified Public Accountant of China:

中国注册会计师 郭敬 310000061469

Shanghai, China

April 19, 2024

State Power Investment Corporation Limited
Consolidated Balance Sheet
As at December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Current assets:			
Monetary funds	8.1	34,391,949,324.45	35,747,901,311.98
△Balances with clearing companies			
△Loans to banks and other financial institutions			
Financial assets held for trading	8.2	27,969,633,441.99	30,300,790,919.12
☆Financial assets measured at fair value through the current profit or loss			
Derivative financial assets	8.3	355,997,232.72	1,584,703,115.66
Notes receivable	8.4	2,844,714,411.02	3,790,631,453.49
Accounts receivable	8.5	133,287,851,171.70	102,308,575,893.99
Receivables financing	8.6	3,415,354,694.70	7,853,904,008.38
Advances to suppliers	8.7	16,531,673,690.69	23,952,939,673.68
▲Premiums receivable			
▲Reinsurance accounts receivable			
▲Reinsurance contract reserves receivable			
Receivables from the collective funds management			
Other receivables	8.8	42,868,903,798.12	35,873,329,757.77
Including: Dividends receivable		1,994,318,334.07	1,187,806,943.73
△Financial assets purchased under resale agreements	8..9		3,710,627.60
Inventories	8.10	25,157,355,618.54	22,273,769,999.29
Including: raw materials		15,151,605,255.24	14,264,479,597.91
Stock commodities (finished goods)		4,629,958,739.77	3,138,724,076.81
Contract assets	8.11	20,349,875,855.55	14,025,909,605.97
△Insurance contract assets			
△Outward reinsurance contract assets			
Assets held for sale	8.12	1,284,250,904.78	2,506,896,774.96
Non-current assets maturing within one year	8.13	1,132,588,179.06	1,314,288,587.16
Other current assets	8.14	32,458,555,110.72	30,489,589,674.04
Total current assets		342,048,703,434.04	312,026,941,403.09
Non-current assets:			
△Loans and advances to customers	8.15	1,451,319,786.51	767,191,493.15
Creditor's right investments	8.16	1,250,314,201.34	1,819,274,262.54
☆ Available-for-sale financial assets			
Other creditor’s right investments	8.17	3,128,137,600.84	668,893,091.59
☆ Held-to-maturity investments			
Long-term receivables	8.18	11,809,581,718.25	10,874,141,762.94
Long-term equity investments	8.19	78,151,878,322.50	70,853,406,904.81
Other equity instrument investments	8.20	15,323,419,420.77	14,296,538,007.08
Other non-current financial assets	8.21	1,605,885,446.50	2,152,082,870.15
Investment properties	8.22	3,404,230,324.12	3,254,834,088.67
Fixed assets	8.23	900,218,846,400.35	841,395,433,620.71

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Including: original cost of fixed assets		1,394,317,844,835.16	1,275,759,254,029.30
Accumulated depreciation		470,085,612,262.14	413,961,598,770.69
Provision for impairment of fixed assets		24,109,544,479.17	20,589,070,838.57
Construction in progress	8.24	234,005,132,186.14	184,168,700,419.20
Productive biological assets			
Oil and gas assets			
Right-of-use assets	8.25	17,857,126,295.08	18,848,915,750.32
Intangible assets	8.26	65,636,103,429.17	55,266,579,884.99
Development expenses	8.27	11,263,094,048.68	9,303,176,727.24
Goodwill	8.28	7,624,228,878.09	7,609,823,545.12
Long-term deferred expenses	8.29	5,993,365,417.98	4,504,528,883.88
Deferred income tax assets	8.30	5,033,816,313.86	4,272,349,329.71
Other non-current assets	8.31	47,671,768,593.10	41,882,628,572.60
Including: special reserve materials			
Total non-current assets		1,411,428,248,383.28	1,271,938,499,214.70
Total assets		1,753,476,951,817.32	1,583,965,440,617.79

Remark: Items marked with △ are for financial enterprises only; items marked with ▲ are for enterprises not implementing the new insurance contract standards only; items marked with # are for foreign-invested enterprises only; items marked with ☆ are for enterprises not implementing the new standards for financial instruments only.

The accompanying notes to the financial statements form an integral part of the financial statements. The same below

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Consolidated Balance Sheet (Continued)
As at December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Current liabilities:			
Short-term borrowings	8.32	193,090,966,909.03	167,496,675,446.13
△Borrowings from central bank			
△Loans from banks and other financial institutions	8.33	4,999,967,034.34	
Financial liabilities held for trading			
☆ Financial liabilities measured at fair value through the current profit or loss			
Derivative financial liabilities	8.34	34,131,415.03	14,951,578.60
Notes payable	8.35	8,273,987,050.05	10,141,342,974.06
Accounts payable	8.36	102,424,161,882.02	89,151,528,267.59
Advances from customers	8.37	825,575,927.79	865,510,102.01
Contract liabilities	8.38	14,618,351,637.15	12,954,932,750.47
△Funds from sales of financial assets under repurchase agreement			
△Absorption of deposits and interbank deposit	8.39	6,492,940,734.36	4,571,734,534.60
△Receivings from vicariously traded securities			
△Receivings from vicariously sold securities			
△Advance premiums			
Employee compensation payable	8.40	4,669,328,528.30	3,385,171,918.01
Including: accrued payroll		2,631,273,865.75	1,749,080,010.87
Welfare payable		552,977.02	1,739,994.23
#Including: employee bonus and welfare fund			
Taxes and surcharges payable	8.41	7,183,304,976.00	7,679,575,182.99
Including: taxes payable		6,403,754,069.44	6,880,463,089.03
Other payables	8.42	43,097,303,435.61	32,742,740,469.31
Including: dividends payable		1,654,821,830.05	791,251,205.94
▲Handling charges and commissions payable			
▲Reinsurance accounts payable			
Liabilities held for sale	8.43	83,789,875.67	12,592,751.19
Non-current liabilities maturing within one year	8.44	113,282,848,611.44	100,665,353,016.78
Other current liabilities	8.45	22,071,391,738.58	37,044,686,588.29
Total current liabilities		521,148,049,755.37	466,726,795,580.03
Non-current liabilities:			
▲Reserves for insurance contracts			
Long-term borrowings	8.46	523,185,661,604.10	454,852,874,301.52
Bonds payable	8.47	88,839,804,184.31	111,843,607,982.64
Including: preferred stock			
Perpetual bonds			
△Insurance contract liabilities			

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
△Outward reinsurance contract liabilities			
Lease liabilities	8.49	13,701,210,599.80	16,221,353,773.02
Long-term payables	8.50	39,268,164,173.69	43,405,839,938.13
Long-term employee compensation payable	8.51	346,199,261.78	149,257,904.10
Estimated liabilities	8.52	1,729,228,372.48	1,598,820,056.42
Deferred income	8.53	7,162,501,142.71	7,487,266,118.94
Deferred income tax liabilities	8.30	3,992,103,316.79	3,781,465,400.54
Other non-current liabilities	8.54	3,684,572,910.81	2,542,076,357.12
Including: special reserve funds			
Total non-current liabilities		681,909,445,566.47	641,882,561,832.43
Total liabilities		1,203,057,495,321.84	1,108,609,357,412.46
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	8.55	35,000,000,000.00	35,000,000,000.00
State-owned capital		35,000,000,000.00	35,000,000,000.00
State-owned legal person's capital			
Collective capital			
Private capital			
Foreign capital			
#Less: investment returned			
Net paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
Other equity instruments	8.56	150,500,000,000.00	127,700,000,000.00
Including: preferred stock			
Perpetual bonds		150,500,000,000.00	127,700,000,000.00
Capital reserves	8.57	34,316,264,682.30	30,595,710,770.05
Less: treasury stock			
Other comprehensive income		845,154,418.70	173,769,360.14
Including: foreign currency translation differences		-873,130,191.26	-1,067,205,137.40
Special reserves	8.58	770,916,653.54	385,894,693.08
Surplus reserves			
Including: statutory reserve funds			
Discretionary reserve funds			
#Reserve funds			
#Enterprise expansion funds			
#Profit capitalized on return of investments			
△General risk reserves			
Retained earnings	8.59	-80,361,106.42	-7,707,895,064.91
Total equity attributable to owners (or shareholders) of the company		221,351,974,648.12	186,147,479,758.36
Minority equity		329,067,481,847.36	289,208,603,446.97
Total owners' equity (or shareholders' equity)		550,419,456,495.48	475,356,083,205.33
Total liabilities and owners' equity (or shareholders' equity)		1,753,476,951,817.32	1,583,965,440,617.79

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Balance Sheet
As at December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Current assets:			
Monetary funds		3,646,612,948.27	1,006,400,919.49
△Balances with clearing companies			
△Loans to banks and other financial institutions			
Financial assets held for trading			
☆Financial assets measured at fair value through the current profit or loss			
Derivative financial assets			
Notes receivable		559,018,326.28	103,823,430.71
Accounts receivable	12.1	3,373,605,480.47	2,209,753,445.99
Receivables financing			
Advances to suppliers		421,732,062.98	363,899,105.54
▲Premiums receivable			
▲Reinsurance accounts receivable			
▲Reinsurance contract reserves receivable			
Receivables from the collective funds management			
Other receivables	12.2	11,291,205,738.12	6,297,101,305.59
Including: Dividends receivable		2,740,915,274.83	2,616,583,283.71
△Financial assets purchased under resale agreements			
Inventories			249,477,711.68
Including: raw materials			
Stock commodities (finished goods)			249,477,711.68
Contract assets			
△Insurance contract assets			
△Outward reinsurance contract assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets		14,003,026,173.04	5,171,644,386.39
Total current assets		33,295,200,729.16	15,402,100,305.39
Non-current assets:			
△Loans and advances to customers			
Creditor's right investments			
☆ Available-for-sale financial assets			
Other creditor's right investments			
☆ Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	12.3	203,062,579,007.85	203,929,889,934.62
Other equity instrument investments		41,652,478,853.20	18,539,801,157.26
Other non-current financial assets			
Investment properties		2,250,958,600.00	2,398,830,400.00
Fixed assets		47,006,976.48	51,595,931.22
Including: original cost of fixed assets		205,598,057.99	224,088,717.15

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Accumulated depreciation		158,591,081.51	172,509,767.06
Provision for impairment of fixed assets			
Construction in progress		66,115,334.17	77,527,984.18
Productive biological assets			
Oil and gas assets			
Right-of-use assets		195,724,931.84	
Intangible assets		711,453,310.82	740,174,834.45
Development expenses		47,895,094.35	26,440,849.05
Goodwill			
Long-term deferred expenses		68,150,677.64	26,137,486.32
Deferred income tax assets		503,743.38	
Other non-current assets		43,769,560,000.00	49,384,300,000.00
Including: special reserve materials			
Total non-current assets		291,872,426,529.73	275,174,698,577.10
Total assets		325,167,627,258.89	290,576,798,882.49

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Balance Sheet (Continued)
As at December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Current liabilities:			
Short-term borrowings		50,900,000,000.00	41,270,000,000.00
△Borrowings from central bank			
△Loans from banks and other financial institutions		999,967,034.34	
Financial liabilities held for trading			
☆ Financial liabilities measured at fair value through the current profit or loss			
Derivative financial liabilities			
Notes payable			8,577,076.21
Accounts payable		1,636,490,893.82	1,351,762,990.97
Advances from customers		99,825.20	117,665.20
Contract liabilities		2,533,887,369.85	244,613,496.96
△Funds from sales of financial assets under repurchase agreement			
△Absorption of deposits and interbank deposit			
△Receivings from vicariously traded securities			
△Receivings from vicariously sold securities			
△Advance premiums			
Employee compensation payable		693,758,340.49	689,530,947.24
Including: accrued payroll		660,302,277.54	660,302,277.54
Welfare payable			
#Including: employee bonus and welfare fund			
Taxes and surcharges payable		104,695,103.95	63,142,406.87
Including: taxes payable		102,221,402.01	62,544,641.11
Other payables		1,226,549,663.38	1,323,845,386.38
Including: dividends payable			
▲Handling charges and commissions payable			
▲Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year		18,674,584,696.87	20,340,221,751.06
Other current liabilities		1,287,585,566.72	1,989,223,129.38
Total current liabilities		78,057,618,494.62	67,281,034,850.27
Non-current liabilities:			
▲Reserves for insurance contracts			
Long-term borrowings		200,000,000.00	1,900,000,000.00
Bonds payable		23,913,144,257.41	24,518,171,586.42
Including: preferred stock			
Perpetual bonds			
△Insurance contract liabilities			
△Outward reinsurance contract liabilities			
Lease liabilities		167,004,031.90	
Long-term payables		45,124,000.00	36,115,700.00
Long-term employee compensation payable			
Estimated liabilities			
Deferred income		568,125.00	681,750.00

Item	Note	Balance as at December 31, 2023	Balance as at January 1, 2023
Deferred income tax liabilities		666,870,478.19	533,419,004.20
Other non-current liabilities			
Including: special reserve funds			
Total non-current liabilities		24,992,710,892.50	26,988,388,040.62
Total liabilities		103,050,329,387.12	94,269,422,890.89
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
State-owned capital		35,000,000,000.00	35,000,000,000.00
State-owned legal person's capital			
Collective capital			
Private capital			
Foreign capital			
#Less: investment returned			
Net paid-in capital (or share capital)		35,000,000,000.00	35,000,000,000.00
Other equity instruments		150,500,000,000.00	127,700,000,000.00
Including: preferred stock			
Perpetual bonds		150,500,000,000.00	127,700,000,000.00
Capital reserves		14,816,622,284.13	11,862,126,596.45
Less: treasury stock			
Other comprehensive income		2,111,662,867.32	1,600,404,595.37
Including: foreign currency translation differences			
Special reserves			
Surplus reserves			
Including: statutory reserve funds			
Discretionary reserve funds			
#Reserve funds			
#Enterprise expansion funds			
#Profit capitalized on return of investments			
△General risk reserves			
Retained earnings		19,689,012,720.32	20,144,844,799.78
Total owner's equity (or shareholders' equity)		222,117,297,871.77	196,307,375,991.60
Total liabilities and owners' equity (or shareholders' equity)		325,167,627,258.89	290,576,798,882.49

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Consolidated Income Statement
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Year 2023	Year 2022
I. Total operating income		385,709,523,266.87	360,592,067,697.95
Including: operating income	8.60	385,709,523,266.87	360,592,067,697.95
△Interest income			
△Insurance service revenue			
▲Premiums earned			
△Revenue from handling charges and commissions			
II. Total operating costs		352,092,038,271.04	341,618,306,501.48
Including: operating costs	8.60	297,174,747,087.92	286,640,135,774.01
△Interest expenses			
△Handling charges and commission expenses			
△Insurance service expenses			
△Amortization of reinsurance premiums			
△Less: Amortized insurance service expenses			
△Insured financial loss			
△Less: Financial income from outward reinsurance			
▲Surrender value			
▲Net amount of compensation payout			
▲Net provisions for policy reserves			
▲Policy dividend payment			
▲Reinsurance costs			
Taxes and surcharges		6,219,251,937.04	5,765,235,386.88
Selling and distribution expenses	8.61	1,111,498,478.55	943,938,508.99
General and administrative expenses	8.61	14,494,554,356.69	11,147,182,484.87
Research and development expenses	8.61	4,851,432,049.68	4,267,913,615.57
Financial expenses	8.61	28,240,554,361.16	32,853,900,731.16
Including: interest expenses		27,907,611,276.67	31,728,926,834.69
Interest income		962,151,264.57	686,901,951.76
Net loss from foreign exchange ("-" for net gain)		635,934,189.18	1,230,696,695.23
Others			
Plus: other income	8.62	3,276,635,000.36	2,307,872,491.21
Investment income ("-" for losses)	8.63	9,413,779,466.69	11,325,442,287.22
Including: income from investment in associates and joint ventures		6,565,805,976.77	5,278,764,916.21
Gains from derecognition of financial assets measured at amortized cost		-122,481,739.07	-117,708,287.59
△Gains from foreign exchange ("-" for losses)		6,965,309.62	-9,448,382.08
Gains from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)	8.64	159,660,244.53	1,324,126,489.73
Losses from credit impairment ("-" for losses)	8.65	-194,812,340.30	-2,201,440,828.49
Losses from asset impairment ("-" for losses)	8.66	-6,423,842,039.45	-5,735,407,522.45
Gains from disposal of assets ("-" for losses)	8.67	336,212,065.79	343,930,839.97
III. Operating profits ("-" for losses)		40,192,082,703.07	26,328,836,571.58
Plus: non-operating income	8.68	1,797,059,659.67	1,829,678,772.69
Including: government grants		153,642,451.58	217,776,550.28
Less: non-operating expenses	8.69	1,333,474,863.21	956,753,135.15
IV. Total profits ("-" for total losses)		40,655,667,499.53	27,201,762,209.12
Less: income tax expenses	8.70	7,590,029,485.16	8,075,131,727.69
V. Net profit ("-" for net loss)		33,065,638,014.37	19,126,630,481.43
(I) Classified by ownership:			

Item	Note	Year 2023	Year 2022
Net profit attributable to owners of the company		11,438,962,234.43	4,857,794,379.50
Minority interest income		21,626,675,779.94	14,268,836,101.93
(II) Classified by operating sustainability:			
Net profit from continued operation		33,065,638,014.37	19,126,630,481.43
Net profit of discontinued operation			
VI. Other comprehensive income, net of tax		560,122,364.56	1,269,029,299.89
Other comprehensive income, net of tax, attributable to owners of the company	8.71	459,154,317.32	1,137,358,396.97
(I) Other comprehensive income that cannot be reclassified into profit or loss		-86,698,946.77	-574,832,855.50
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		-35,872,505.36	-23,848,023.97
3. Changes in fair value of other equity instrument investment		-50,826,441.41	-550,984,831.53
4. Changes in the fair value of the enterprise's own credit risk			
△5. Changes in the insurance contract finance that cannot be transferred to profit or loss			
6. Others			
(II) Other comprehensive income that will be reclassified into profit or loss		545,853,264.09	1,712,191,252.47
1. Other comprehensive income that can be transferred to profit or loss under the equity method		376,132,516.19	-52,212,410.64
2. Changes in fair value of other creditor’s right investments			
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Amount of financial assets reclassified into other comprehensive income			
☆5. Profit or loss from reclassification of held-to-maturity investments as available-for-sale financial assets			
6. Provision for credit impairment of other creditor's right investments			
7. Reserves of cash flow hedging (effective portion of cash flow hedging profit or loss)		-80,040,509.95	550,792,194.97
8. Differences arising from translation of foreign-currency financial statements		194,074,946.14	1,249,809,962.66
△9. Changes in the insurance contract finance that can be transferred to profit or loss			
△10. Changes in the outward reinsurance contract finance that can be transferred to profit or loss			
11. Others		55,686,311.71	-36,198,494.52
Other comprehensive income, net of tax attributable to minority shareholders		100,968,047.24	131,670,902.92
VII. Total comprehensive income		33,625,760,378.93	20,395,659,781.32
Total comprehensive income attributable to owners of the company		11,898,116,551.75	5,995,152,776.47
Total comprehensive income attributable to minority shareholders		21,727,643,827.18	14,400,507,004.85
VIII. Earnings per share:			
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Income Statement
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Year 2023	Year 2022
I. Total operating income		1,173,287,777.01	952,306,642.71
Including: operating income	12.4	1,173,287,777.01	952,306,642.71
△Interest income			
△Insurance service revenue			
▲Premiums earned			
△Revenue from handling charges and commissions			
II. Total operating costs		3,891,523,790.16	3,891,476,337.78
Including: operating costs	12.4	483,447,859.19	255,350,678.90
△Interest expenses			
△Handling charges and commission expenses			
△Insurance service expenses			
△Amortization of reinsurance premiums			
△Less: Amortized insurance service expenses			
△Insured financial loss			
△Less: Financial income from outward reinsurance			
▲Surrender value			
▲Net amount of compensation payout			
▲Net provisions for policy reserves			
▲Policy dividend payment			
▲Reinsurance costs			
Taxes and surcharges		49,365,185.11	41,434,401.03
Selling and distribution expenses			
General and administrative expenses		699,306,739.73	639,895,289.89
Research and development expenses			
Financial expenses		2,659,404,006.13	2,954,795,967.96
Including: interest expenses		2,674,964,747.18	3,186,365,047.72
Interest income		21,343,087.87	27,860,544.43
Net loss from foreign exchange ("-" for net gain)		-5,808,720.49	-26,584,931.13
Others			
Plus: other income		552,397.99	696,693.03
Investment income ("-" for losses)	12.5	7,081,707,256.80	9,508,594,489.51
Including: income from investment in associates and joint ventures		561,715,191.93	67,722,920.11
Gains from derecognition of financial assets measured at amortized cost			
△Gains from foreign exchange ("-" for losses)			
Gains from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)		-147,871,800.00	
Losses from credit impairment ("-" for losses)		14,856,608.41	-7,062,009.87
Losses from assets impairment ("-" for losses)			
Gains from disposal of assets ("-" for losses)			
III. Operating profits ("-" for losses)		4,231,008,450.05	6,563,059,477.60
Plus: non-operating income		535,397.87	423,493.97
Including: government grants		113,625.00	113,625.00
Less: non-operating expenses		621,613.81	6,413.56

Item	Note	Year 2023	Year 2022
IV. Total profits ("-" for total losses)		4,230,922,234.11	6,563,476,558.01
Less: income tax expenses		-2,668,186.44	-2,687,476.44
V. Net profit ("-" for net loss)		4,233,590,420.55	6,566,164,034.45
(I) Net profit from continued operation		4,233,590,420.55	6,566,164,034.45
(II) Net profit from discontinued operation			
VI. Other comprehensive income, net of tax		511,258,271.95	-31,375,398.34
(I) Other comprehensive income that cannot be reclassified into profit or loss		511,258,271.95	-31,375,398.34
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investment		511,258,271.95	-31,375,398.34
4. Changes in the fair value of the enterprise's own credit risk			
△5. Changes in the insurance contract finance that cannot be transferred to profit or loss			
6. Others			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that can be transferred to profit or loss under the equity method			
2. Changes in fair value of other creditor’s right investments			
☆3. Profit or loss from changes in fair value of available-for-sale financial assets			
4. Amount of financial assets reclassified into other comprehensive income			
☆5. Profit or loss from reclassification of held-to-maturity investments as available-for-sale financial assets			
6. Provision for credit impairment of other creditor's right investments			
7. Reserves of cash flow hedging (effective portion of cash flow hedging profit or loss)			
8. Differences arising from translation of foreign-currency financial statements			
△9. Changes in the insurance contract finance that can be transferred to profit or loss			
△10. Changes in the outward reinsurance contract finance that can be transferred to profit or loss			
11. Others			
VII. Total comprehensive income		4,744,848,692.50	6,534,788,636.11
VIII. Earnings per share:			
Basic earnings per share			
Diluted earnings per share			

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Year 2023	Year 2022
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering of services		399,338,917,586.06	361,880,393,723.10
△Net increase in deposits from customers and due from banks and other financial institutions		2,893,440,409.18	4,974,166,410.79
△Net increase in borrowings from central bank			
△Net increase in loans from other financial institutions			
△Cash received from receiving insurance premium of original insurance contract			
△Net cash received from outward reinsurance contracts			
▲Cash received from receiving insurance premiums of original insurance contracts			
▲Net cash received from reinsurance business			
▲Net increase in deposits and investments from policyholders			
△Net increase received from disposal of financial assets measured at fair value through current profit or loss		-2,571,308,402.05	-5,898,282,478.70
△Cash received from interest, handling charges and commissions		1,424,526,439.41	1,548,888,053.26
△Net increase in loans from banks and other financial institutions		4,999,967,034.34	
△Net capital increase in repurchase business			
△Net cash from receivings from vicariously traded securities			
Refund of taxes and surcharges		4,646,170,196.64	15,539,470,997.50
Cash received from other operating activities		28,748,839,093.25	27,235,150,080.85
Sub-total of cash inflows from operating activities		439,480,552,356.83	405,279,786,786.80
Cash paid for purchase of goods and receipt of services		253,497,881,530.67	238,661,657,615.99
△Net increase in loans and advances to customers		-2,179,695,188.45	-1,458,516,128.24
△Net increase in deposits in central bank, other banks and financial institutions		-130,799,546.64	739,675,426.44
△Cash paid for original insurance contract claims			
△Net cash paid for outward reinsurance contracts			
△Net increase in the loan on policy			
▲Cash paid for original insurance contract claims			
△Net increase in loans to banks and other financial institutions			
△Cash paid for interest, handling charges and commissions		830,528,653.73	688,055,839.97

Item	Note	Year 2023	Year 2022
▲Cash paid for policy dividends			
Cash paid to and on behalf of employees		41,939,142,213.57	38,001,209,237.74
Cash paid for taxes and surcharges		34,176,646,210.47	31,303,228,726.60
Cash paid for other operating activities		39,318,094,782.72	28,320,604,265.50
Sub-total of cash outflows from operating activities		367,451,798,656.07	336,255,914,984.00
Net cash flows from operating activities	8.75	72,028,753,700.76	69,023,871,802.80
II. Cash flows from investing activities:			
Cash received from disinvestment		42,175,739,646.52	50,947,353,513.26
Cash received from investment income		3,936,582,515.09	7,204,376,361.65
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		847,422,597.17	654,829,867.40
Net cash received from disposal of subsidiaries and other business units		1,621,953,244.51	2,136,479,730.79
Cash received from other investing activities		8,503,929,267.61	6,250,269,295.49
Sub-total of cash inflows from investing activities		57,085,627,270.90	67,193,308,768.59
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		150,174,688,459.86	118,218,467,935.07
Cash paid for investments		37,682,679,481.30	60,455,191,309.71
▲Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units		5,963,617,603.90	3,201,578,561.69
Cash paid for other investing activities		6,992,954,362.76	27,146,056,342.18
Sub-total of cash outflows from investing activities		200,813,939,907.82	209,021,294,148.65
Net cash flows from investing activities		-143,728,312,636.92	-141,827,985,380.06
III. Cash flows from financing activities:			
Cash received from investors		44,392,216,738.83	139,985,416,967.54
Including: cash received by subsidiaries from investments of minority shareholders		40,536,263,182.63	73,542,390,898.95
Cash received from borrowings		593,693,118,080.58	655,284,766,410.63
Cash received from other financing activities		17,815,610,248.93	19,282,567,198.81
Sub-total of cash inflows from financing activities		655,900,945,068.34	814,552,750,576.98
Cash paid for debt repayment		503,211,736,910.09	601,138,315,862.99
Cash paid for distribution of dividends and profits or payment of interest		41,643,761,280.20	46,340,782,021.29
Including: dividends and profits paid to minority shareholders by subsidiaries		12,698,274,457.10	6,855,771,978.20
Cash paid for other financing activities		40,397,315,576.47	83,923,414,511.74
Sub-total of cash outflows from financing activities		585,252,813,766.76	731,402,512,396.02
Net cash flows from financing activities		70,648,131,301.58	83,150,238,180.96
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		202,539,286.92	280,173,770.33
V. Net increase in cash and cash equivalents		-848,888,347.66	10,626,298,374.03
Plus: beginning balance of cash and cash equivalents		30,003,870,709.92	19,377,572,335.89
VI. Ending balance of cash and cash equivalents		29,154,982,362.26	30,003,870,709.92

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Statement of Cash Flows
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Note	Year 2023	Year 2022
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering of services		942,122,682.25	687,413,137.05
△Net increase in deposits from customers and due from banks and other financial institutions			
△Net increase in borrowings from central bank			
△Net increase in loans from other financial institutions			
△Cash received from receiving insurance premium of original insurance contract			
△Net cash received from outward reinsurance contracts			
▲Cash received from receiving insurance premiums of original insurance contracts			
▲Net cash received from reinsurance business			
▲Net increase in deposits and investments from policyholders			
△Net increase received from disposal of financial assets measured at fair value through current profit or loss			
△Cash received from interest, handling charges and commissions			
△Net increase in loans from banks and other financial institutions		999,967,034.34	
△Net capital increase in repurchase business			
△Net cash from receivings from vicariously traded securities			
Refund of taxes and surcharges			45,084,411.82
Cash received from other operating activities		6,344,885,810.78	4,731,030,959.42
Sub-total of cash inflows from operating activities		8,286,975,527.37	5,463,528,508.29
Cash paid for purchase of goods and receipt of services		217,352,665.97	86,387,027.34
△Net increase in loans and advances to customers			
△Net increase in deposits in central bank, other banks and financial institutions			
△Cash paid for original insurance contract claims			
△Net cash paid for outward reinsurance contracts			
△Net increase in the loan on policy			
▲Cash paid for original insurance contract claims			
△Net increase in loans to banks and other financial institutions			

Item	Note	Year 2023	Year 2022
△Cash paid for interest, handling charges and commissions			
▲Cash paid for policy dividends			
Cash paid to and on behalf of employees		329,543,546.76	308,965,169.12
Cash paid for taxes and surcharges		226,881,743.69	185,020,278.59
Cash paid for other operating activities		5,067,311,330.45	4,752,146,624.74
Sub-total of cash outflows from operating activities		5,841,089,286.87	5,332,519,099.79
Net cash flows from operating activities	12.6	2,445,886,240.50	131,009,408.50
II. Cash flows from investing activities:			
Cash received from disinvestment		37,926,239,870.84	23,771,540,000.00
Cash received from investment income		7,122,791,368.96	7,232,786,529.32
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		258,925.68	276,948.00
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities			
Sub-total of cash inflows from investing activities		45,049,290,165.48	31,004,603,477.32
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		65,644,131.38	20,610,634.70
Cash paid for investments		67,758,752,509.35	46,906,418,258.69
▲Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		20,000,000.00	
Sub-total of cash outflows from investing activities		67,844,396,640.73	46,927,028,893.39
Net cash flows from investing activities		-22,795,106,475.25	-15,922,425,416.07
III. Cash flows from financing activities:			
Cash received from investors		3,000,000,000.00	61,900,000,000.00
Cash received from borrowings		94,130,000,000.00	98,890,000,000.00
Cash received from other financing activities		78,964,458,006.43	17,678,218,316.13
Sub-total of cash inflows from financing activities		176,094,458,006.43	178,468,218,316.13
Cash paid for debt repayment		101,900,000,000.00	109,926,023,000.00
Cash paid for distribution of dividends and profits or payment of interest		7,555,938,398.20	7,897,329,884.43
Cash paid for other financing activities		43,649,087,344.70	45,100,000,000.00
Sub-total of cash outflows from financing activities		153,105,025,742.90	162,923,352,884.43
Net cash flows from financing activities		22,989,432,263.53	15,544,865,431.70
IV. Effect of fluctuation in exchange rate on cash and cash equivalents			
V. Net increase in cash and cash equivalents		2,640,212,028.78	-246,550,575.87
Plus: beginning balance of cash and cash equivalents		1,006,400,919.49	1,252,951,495.36
VI. Ending balance of cash and cash equivalents		3,646,612,948.27	1,006,400,919.49

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Consolidated Statements of Changes in Owners' Equity
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Year 2023												
	Equity attributable to owners of the company											Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△ General risk reserves	Retained earnings	Sub-total	
		Preferred stock	Perpetual bonds	Others									
I. Balance at the end of the last year	35,000,000,000.00		127,700,000,000.00		30,579,328,456.25		174,905,489.39	387,174,799.33			-7,285,950,279.03	186,555,458,465.94	289,458,865,514.72	476,014,323,980.66
Plus: changes in accounting policies											-6,583,405.02	-6,583,405.02	25,800,464.97	19,217,059.95
Correction of accounting errors in prior periods					16,382,313.80		-1,136,129.25	-1,280,106.25			-415,361,380.86	-401,395,302.56	-276,062,532.72	-677,457,835.28
Others														
II. Balance at the beginning of the current year	35,000,000,000.00		127,700,000,000.00		30,595,710,770.05		173,769,360.14	385,894,693.08			-7,707,895,064.91	186,147,479,758.36	289,208,603,446.97	475,356,083,205.33
III. Increases/decreases in the current year ("-" for decreases)			22,800,000,000.00		3,720,553,912.25		671,385,058.56	385,021,960.46			7,627,533,958.49	35,204,494,889.76	39,858,878,400.39	75,063,373,290.15
(I) Total comprehensive income							459,154,317.32				11,438,962,234.43	11,898,116,551.75	21,727,643,827.18	33,625,760,378.93
(II) Capital contributed or reduced by owners			22,800,000,000.00		3,720,553,912.25		-3,325,716.20				1,093,550,681.51	27,610,778,877.56	31,331,345,932.91	58,942,124,810.47
1. Common stock contributed by owners					3,384,879,551.93							3,384,879,551.93	36,917,010,741.24	40,301,890,293.17
2. Capital invested by the holders of other equity instruments			22,800,000,000.00		-48,845,448.32							22,751,154,551.68	-1,571,954,422.20	21,179,200,129.48
3. Amounts of share-based payments recognized in owners' equity					5,658,571.59							5,658,571.59	5,557,823.84	11,216,395.43
4. Others					378,861,237.05		-3,325,716.20				1,093,550,681.51	1,469,086,202.36	-4,019,268,209.97	-2,550,182,007.61
(III) Withdrawal and use of special reserves								385,021,960.46				385,021,960.46	371,717,329.07	756,739,289.53
1. Withdrawal of special reserves								2,888,424,447.28				2,888,424,447.28	1,906,684,458.33	4,795,108,905.61
2. Use of special reserves								-2,503,402,486.82				-2,503,402,486.82	-1,534,967,129.26	-4,038,369,616.08

Item	Year 2023													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△ General risk reserves	Retained earnings	Sub-total		
		Preferred stock	Perpetual bonds	Others										
(IV) Profit distribution											-4,689,422,500.01	-4,689,422,500.01	-13,571,828,688.77	-18,261,251,188.78
1. Withdrawal of surplus reserves														
Including: statutory reserve funds														
Discretionary reserve funds														
#Reserve funds														
#Enterprise expansion funds														
#Profit capitalized on return of investments														
△2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)													-11,660,043,714.78	-11,660,043,714.78
4. Others											-4,689,422,500.01	-4,689,422,500.01	-1,911,784,973.99	-6,601,207,474.00
(V) Internal carry-forward of owners' equity							215,556,457.44				-215,556,457.44			
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings							215,556,457.44				-215,556,457.44			
6. Others														
IV. Balance at the end of the current period	35,000,000,000.00		150,500,000,000.00		34,316,264,682.30		845,154,418.70	770,916,653.54			-80,361,106.42	221,351,974,648.12	329,067,481,847.36	550,419,456,495.48

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Consolidated Statement of Changes in Owners' Equity (Continued)
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Year 2022													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Sub-total		
		Preferred stock	Perpetual bonds	Others										
I. Balance at the end of the last year	35,000,000,000.00		115,094,716,943.81		23,777,014,813.51		-246,420,978.20	176,146,140.18			-11,231,559,663.55	162,569,897,255.75	227,567,586,270.02	390,137,483,525.77
Plus: changes in accounting policies					792,705.53						1,595,280,741.63	1,596,073,447.16	1,366,105,546.84	2,962,178,994.00
Correction of accounting errors in prior periods					16,382,313.80		46,546,055.15	924,087.95			-962,711,125.56	-898,858,668.66	-280,713,947.14	-1,179,572,615.80
Others														
II. Balance at the beginning of the current year	35,000,000,000.00		115,094,716,943.81		23,794,189,832.84		-199,874,923.05	177,070,228.13			-10,598,990,047.48	163,267,112,034.25	228,652,977,869.72	391,920,089,903.97
III. Increases/decreases in the current year ("-" for decreases)			12,605,283,056.19		6,801,520,937.21		373,644,283.19	208,824,464.95			2,891,094,982.57	22,880,367,724.11	60,555,625,577.25	83,435,993,301.36
(I) Total comprehensive income							1,137,358,396.97				4,857,794,379.50	5,995,152,776.47	14,400,507,004.85	20,395,659,781.32
(II) Capital contributed or reduced by owners			12,605,283,056.19		7,712,769,741.54		-491,519,623.10	-30,602.13			1,635,234,808.07	21,461,737,380.57	54,561,747,111.69	76,023,484,492.26
1. Common stock contributed by owners					9,336,050,183.61							9,336,050,183.61	62,324,252,640.09	71,660,302,823.70
2. Capital invested by the holders of other equity instruments			12,605,283,056.19		-308,442,415.17							12,296,840,641.02	47,556,700.00	12,344,397,341.02
3. Amounts of share-based payments recognized in owners' equity					4,798,072.59							4,798,072.59	4,469,983.41	9,268,056.00
4. Others					-1,319,636,099.49		-491,519,623.10	-30,602.13			1,635,234,808.07	-175,951,516.65	-7,814,532,211.81	-7,990,483,728.46
(III) Withdrawal and use of special reserves								208,855,067.08				208,855,067.08	123,570,778.83	332,425,845.91
1. Withdrawal of special reserves								1,031,489,055.47				1,031,489,055.47	623,111,217.28	1,654,600,272.75
2. Use of special reserves								-822,633,988.39				-822,633,988.39	-499,540,438.45	-1,322,174,426.84
(IV) Profit distribution											-4,785,377,500.01	-4,785,377,500.01	-8,530,199,318.12	-13,315,576,818.13

Item	Year 2022													
	Equity attributable to owners of the company												Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Sub-total		
		Preferred stock	Perpetual bonds	Others										
1. Withdrawal of surplus reserves														
Including: statutory reserve funds														
Discretionary reserve funds														
#Reserve funds														
#Enterprise expansion funds														
#Profit capitalized on return of investments														
△2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)													-7,013,184,595.68	-7,013,184,595.68
4. Others											-4,785,377,500.01	-4,785,377,500.01	-1,517,014,722.44	-6,302,392,222.45
(V) Internal carry-forward of owners' equity					-911,248,804.33		-272,194,490.68				1,183,443,295.01			
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings							-272,194,490.68				272,194,490.68			
6. Others					-911,248,804.33						911,248,804.33			
IV. Balance at the end of the current period	35,000,000,000.00		127,700,000,000.00		30,595,710,770.05		173,769,360.14	385,894,693.08			-7,707,895,064.91	186,147,479,758.36	289,208,603,446.97	475,356,083,205.33

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Statement of Changes in Owners' Equity
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Year 2023											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bonds	Others								
I. Balance at the end of the last year	35,000,000,000.00		127,700,000,000.00		11,862,126,596.45		1,600,404,595.37				20,136,576,726.39	196,299,107,918.21
Plus: changes in accounting policies												
Correction of accounting errors in prior periods											8,268,073.39	8,268,073.39
Others												
II. Balance at the beginning of the current year	35,000,000,000.00		127,700,000,000.00		11,862,126,596.45		1,600,404,595.37				20,144,844,799.78	196,307,375,991.60
III. Increases/decreases in the current year ("-" for decreases)			22,800,000,000.00		2,954,495,687.68		511,258,271.95				-455,832,079.46	25,809,921,880.17
(I) Total comprehensive income							511,258,271.95				4,233,590,420.55	4,744,848,692.50
(II) Capital contributed or reduced by owners			22,800,000,000.00		2,954,495,687.68							25,754,495,687.68
1. Common stock contributed by owners					3,000,000,000.00							3,000,000,000.00
2. Capital invested by the holders of other equity instruments			22,800,000,000.00		-45,504,312.32							22,754,495,687.68
3. Amounts of share-based payments recognized in owners' equity												
4. Others												
(III) Withdrawal and use of special reserves												
1. Withdrawal of special reserves												
2. Use of special reserves												
(IV) Profit distribution											-4,689,422,500.01	-4,689,422,500.01
1. Withdrawal of surplus reserves												

Item	Year 2023											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bonds	Others								
Including: statutory reserve funds												
Discretionary reserve funds												
#Reserve funds												
#Enterprise expansion funds												
#Profit capitalized on return of investments												
△2. Withdrawal of general risk reserves												
3. Profit distributed to owners (or shareholders)												
4. Others											-4,689,422,500.01	-4,689,422,500.01
(V) Internal carry-forward of owners' equity												
1. Conversion of capital reserves into paid-in capital (or share capital)												
2. Conversion of surplus reserves into paid-in capital (or share capital)												
3. Surplus reserves offsetting losses												
4. Carry-forward of changes in the defined benefit plan for retained earnings												
5. Carry-forward of other comprehensive income for retained earnings												
6. Others												
IV. Balance at the end of the current period	35,000,000,000.00		150,500,000,000.00		14,816,622,284.13		2,111,662,867.32				19,689,012,720.32	222,117,297,871.77

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Company's Statement of Changes in Owners' Equity (Continued)
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

Item	Year 2022											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bonds	Others								
I. Balance at the end of the last year	35,000,000,000.00		115,094,716,943.81		4,142,528,908.24		1,631,632,411.01				17,991,032,700.71	173,859,910,963.77
Plus: changes in accounting policies												
Correction of accounting errors in prior periods											8,268,073.39	8,268,073.39
Others					72,863,000.26		147,582.70				364,757,491.24	437,768,074.20
II. Balance at the beginning of the current year	35,000,000,000.00		115,094,716,943.81		4,215,391,908.50		1,631,779,993.71				18,364,058,265.34	174,305,947,111.36
III. Increases/decreases in the current year ("-" for decreases)			12,605,283,056.19		7,646,734,687.95		-31,375,398.34				1,780,786,534.44	22,001,428,880.24
(I) Total comprehensive income							-31,375,398.34				6,566,164,034.45	6,534,788,636.11
(II) Capital contributed or reduced by owners			12,605,283,056.19		7,646,734,687.95							20,252,017,744.14
1. Common stock contributed by owners					7,955,177,103.12							7,955,177,103.12
2. Capital invested by the holders of other equity instruments			12,605,283,056.19		-308,442,415.17							12,296,840,641.02
3. Amounts of share-based payments recognized in owners' equity												
4. Others												
(III) Withdrawal and use of special reserves												
1. Withdrawal of special reserves												
2. Use of special reserves												
(IV) Profit distribution											-4,785,377,500.01	-4,785,377,500.01
1. Withdrawal of surplus reserves												

Item	Year 2022											
	Paid-in capital (or share capital)	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	△General risk reserves	Retained earnings	Total owners' equity
		Preferred stock	Perpetual bonds	Others								
Including: statutory reserve funds												
Discretionary reserve funds												
#Reserve funds												
#Enterprise expansion funds												
#Profit capitalized on return of investments												
△2. Withdrawal of general risk reserves												
3. Profit distributed to owners (or shareholders)												
4. Others											-4,785,377,500.01	-4,785,377,500.01
(V) Internal carry-forward of owners' equity												
1. Conversion of capital reserves into paid-in capital (or share capital)												
2. Conversion of surplus reserves into paid-in capital (or share capital)												
3. Surplus reserves offsetting losses												
4. Carry-forward of changes in the defined benefit plan for retained earnings												
5. Carry-forward of other comprehensive income for retained earnings												
6. Others												
IV. Balance at the end of the current period	35,000,000,000.00		127,700,000,000.00		11,862,126,596.45		1,600,404,595.37				20,144,844,799.78	196,307,375,991.60

Legal Representative: Accounting Principal: Head of the Accounting Department:

State Power Investment Corporation Limited
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Amounts are expressed in RMB unless otherwise stated)
(English Translation for Reference Only)

1 Company profile

State Power Investment Corporation Limited (hereinafter referred to as the "Group Company", "the Company" or the "Company") was established in June 2015 through the reorganization of China Power Investment Corporation and State Nuclear Power Technology Corporation.

China Power Investment Corporation is a state-owned enterprise established based on partial enterprises and public institutions of the former State Power Corporation in accordance with the Official Reply of the State Council to Issues concerning the Establishment of China Power Investment Corporation (GH [2003] No. 17) in the process of national electricity system reform, a pilot institution and national holding company in which the State Council agrees to authorize the investment and one of the five largest state-owned power generation enterprise groups. It was formally established on December 29, 2002 pursuant to the spirit of the Circular of the State Council on Issuing the Plan for the Power System Reform (GF [2002] No.5). In December 2017, the Group Company was transform from an enterprise owned by the whole people to a wholly state-owned company. According to the Official Reply of the State-owned Assets Supervision and Administration Commission of the State Council (GZGG [2017] No. 1090), the registered capital was adjusted from RMB 45 billion to RMB 35 billion.

Approved by the State Council, State Nuclear Power Technology Corporation is a limited liability company jointly invested and established by the State-owned Assets Supervision and Administration Commission of the State Council, China National Nuclear Corporation, China Power Investment Corporation (now renamed as "State Power Investment Corporation Limited"), China Guangdong Nuclear Power Group Co., Ltd. (now renamed as "China General Nuclear Power Corporation") and China National Technical Imp. & Exp. Corp. in May 2007 in Beijing.

The Group Company is an integrated energy group with power as its core. By the end of 2023, SPIC has a total installed capacity of 238 million KW, including 167 million KW of the installed capacity of clean energy, accounting for 69.98% of the total; has 5 A-share listed companies, 1 red chip and 2 companies listed on the NEEQ, and has listed the first new energy REITs for public trading of central enterprises, and established two unicorn companies of SPIC Hydrogen Energy Tech and Qiyuan Core Power; conducts business in 47 countries and regions, including Kazakhstan, Pakistan, Saudi Arabia, Turkey, Brazil and Australia, as well as 38 countries of the Belt and Road Initiative, realizing an overseas installed capacity of 10.35 million KW.

The Group Company has 5 A-share listed companies: Shanghai Electric Power Co., Ltd. (Shanghai Power 600021), SPIC Yuanda Environmental Protection Co., Ltd. (Yuanda Environmental Protection 600292), Jilin Electric Power Co., Ltd. (Jilin Electric 000875), Inner Mongolia Dian Tou Energy Corporation Limited (Power Investment Energy 002128) and SPIC Industry-Finance Holdings Co., Ltd. (SPIC Industry-Finance 000958); 1 red chip of China Power International Development Limited (China Power HK2380); and 2 new companies listed on the NEEQ: SPIC Xianrong Futures Co., Ltd. (Xianrong Futures 870115) and SPIC Guizhou Jinyuan Weining Energy Co., Ltd. (Weining Energy 873359).

2 Basis of preparation for the financial statements

The Company prepares the financial statements in accordance with the *Accounting Standards for Business Enterprises - Basic Standards* issued by the Ministry of Finance and various specific accounting standards issued successively, Application Guidance to the Accounting Standards for Business Enterprises, the interpretation of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises").

The financial statements are prepared based on going concern.

3 Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements meet the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truly and completely reflect the consolidated and company's financial position of the Company as at December 31, 2023, and the consolidated and company's financial performance and cash flows for the year then ended.

4 Significant accounting policies and accounting estimates

Reminder of specific accounting policies and accounting estimates:

The following disclosures have covered the specific accounting policies and accounting estimates formulated by the Company according to the characteristics of its actual production and operation.

4.1 Accounting period

The accounting year is from January 1 to December 31 in calendar year.

4.2 Functional currency

The Company adopts RMB as its functional currency.

The Company's subsidiaries, joint ventures and associates determine their functional currencies by themselves in accordance with the main economic environment in which they operates and convert the accounts into the amount in RMB upon preparation of financial statements.

4.3 Accounting basis and valuation principle

The accounting is on the accrual basis, and made at the historical cost unless the accounting basis is otherwise stated.

4.4 Business combination

The business combination is divided into business combination under common control and business combination not under common control.

4.4.1 Business combination under common control

Assets and liabilities obtained through business combination by the combining party (including the goodwill arising from the acquisition of the combinee by the ultimate controller) are measured at the book values of the combinee's assets and liabilities in the consolidated financial statements of the ultimate controller on the combination date. If the accounting policies adopted by all combinees are different, the combining party will make relevant adjustment thereto on the combination date in accordance with the Company's accounting policies, and recognize these assets and liabilities at the adjusted book values on this basis.

The stock premium in the capital reserve is adjusted according to the difference between the book value of net assets acquired through combination and the book value of consideration paid for the combination (or total par value of shares issued). If the stock premium in the capital reserves is insufficient to cover the differences, the remaining amount shall be charged against retained earnings.

Various expenses occurred directly related to the business combination are included into the current profit or loss when they occurs.

Handling fees and commissions, etc. paid for bonds issued for business combinations or undertaken for other debts are included in the initial measurement amount of the bonds issued and other debts. The handling charges, commissions and other expenses for the issuance of equity securities for the business combination are deducted from premium income of the equity securities; if the premium income is insufficient to cover, the retained earnings shall be deducted.

4.4.2 Business combination not under common control

The acquirer, on the acquisition date, measures the assets surrendered and liabilities incurred or assumed for a business combination at their fair values. The differences between the fair values and their book values are included in the current profit or loss. The Company shall recognize the difference of the combination costs in excess of the fair value of the identifiable net assets acquired from the acquiree as goodwill. The Company shall recognize the difference of the combination costs in short of the fair value of the identifiable net assets acquired from the acquiree in the current profit or loss. Various identifiable assets, identifiable liabilities and contingent liabilities which are obtained from the combinee in the course of business combination and eligible for recognition are measured at fair value on the acquisition date. For the measurement of fair value, see “Note 4.36 Measurement of fair value” for details.

For business combination not under common control, the acquirer's expenses incurred directly relating to the business combination are included in the current profit or loss when they occur; transaction expenses incurred in issuing equity or debt securities for business combination are included in the initial recognition amounts of those equity or debt securities.

The acquisition date refers to the date when the acquirer actually gets the control over the acquiree.

The control is deemed to have been transferred when the following conditions are met simultaneously:

1) The contract or agreement on business combination has been approved by such internal authorities as the general meeting;

2) The business combination has been approved by relevant competent authority of the state as required;

3) Parties participating the business combination have gone through the procedures for property handover which is necessary;

4) The acquirer has paid the majority of the combination payment (generally exceeding 50% thereof), and has the ability and plan to pay the remaining payment;

5) The acquirer has actually controlled the acquiree’s financial and operating policies, and enjoys and assumes the corresponding income and risks.

The date of sales is determined at the time-point when the control is lost after the completion of transaction.

4.5 Preparation method of consolidated financial statements

4.5.1 Scope of consolidation

The scope of consolidation for the consolidated financial statements is determined based on control, including the Company and all of its subsidiaries.

Control means the Company has the power over the investee and enjoys the variable return through participating in activities related to the investee, and has the ability to affect the Company's return by using the power over the investee.

4.5.2 Procedures for consolidation

The Company prepares the consolidated financial statements according to the uniform accounting policies by taking the enterprise group as a whole accounting entity, to reflect the overall financial position, operating results and cash flows of the enterprise group. Impacts of the internal transaction between the Company and its subsidiary or among subsidiaries of the Company should be offset. If any internal transaction indicates that relevant assets have been impaired, the impairment loss should be recognized in full.

If the accounting policy or accounting period of any subsidiary is different from that of the Company, the consolidated financial statements of the subsidiary, upon preparation, will be adjusted according to the accounting policy and accounting period of the Company.

The share of owners' equity, current net profit or loss and current comprehensive income of subsidiaries attributable to minority owners are respectively and separately presented under the owner's equity in the consolidated balance sheet, the net profit in the consolidated income statement, and the total comprehensive income in the consolidated income statement. If the current loss shared by a minority shareholder of a subsidiary exceeds the balances arising from the shares enjoyed by the minority shareholder in the owners' equity of the subsidiary at the beginning of the period, minority equity will be written down accordingly.

(1) Increase of subsidiaries or business

During the reporting period, if the Company acquired subsidiaries or business from the business combination under common control, the operating results and cash flows for the period from the beginning of the period for such business combination to the end of the reporting period will be included in the consolidated financial statements. Meanwhile, the beginning amounts in the consolidated financial statements and relevant items in the comparative financial statements will be adjusted accordingly, as if the reporting entity after the business combination has been existing since the time-point when the ultimate controller has the control.

If the control can be exercised over the investee under the common control as a result of additional investment and other reasons, equity investments held before obtaining the control over the combinee, relevant gains or losses and other comprehensive income recognized from the later of the date when the original equity is obtained or the date when the combining party and the combinee are under the same control to the combination date and other changes in net assets will respectively be used to offset the retained earnings at the beginning of period for the comprehensive financial statements or the current profit or loss.

During the reporting period, subsidiaries or business acquired from the business combination not under common control are included in the consolidated financial statements from the acquisition date based on the fair value of various identifiable assets, identifiable liabilities or contingent liabilities determined on the acquisition date.

If the control can be exercised over the investee not under common control as a result of additional investments and other reasons, the equity of the acquiree held before the acquisition date will be remeasured at the fair value of such equity on the acquisition date, and the difference between the fair value and book value of such equity will be included in the current investment income. Other comprehensive income that will be reclassified into profit or loss and other changes in owners' equity calculated by the equity method where the equity of the acquiree held before the acquisition date involves with are transferred into the investment income for the period where the acquisition date belongs.

(2) Disposal of subsidiaries

① General treatment methods

When the Company losses the control over the investee due to disposal of partial equity investment or other reasons, the remaining equity investment after the disposal should be remeasured by the Company at the fair value thereof on the date of losing the control. The difference between the sum of the equity disposal consideration and the fair value of the remaining equity and the sum of the share calculated at the original shareholding ratio in net assets enjoyed in the original subsidiary and continuously calculated from the acquisition date or combination date and the goodwill will be included in the investment income for the period where the control is lost. Other comprehensive income that will be reclassified into profit or loss and other change in owners' equity calculated by the equity method, associated with the equity investments of original subsidiaries should be transferred into the investment income for the period where the control is lost.

② Disposal of subsidiaries by stages

If the control is lost due to disposal of the equities in subsidiaries through multiple transactions by stages, and the terms, conditions and economic impact of the transactions of disposing equity investment in the subsidiaries meet one or more of the following circumstances, it usually indicates that multiple transactions belong to a package deal:

i. The transactions are concluded at the same time or under the consideration of mutual effect;

ii. These transactions as a whole can reach a complete business result;

iii. The occurrence of a transaction depends on that of other transaction or more; and/or

iv. A single transaction is uneconomical but it is economical when considered together with other transactions.

Where the multiple transactions belong to a package deal, the accounting treatment should be made by taking them as the transaction where any subsidiary has been disposed and the corresponding control has been lost; before the loss of control, the difference between each disposal price and the share in net assets which should be enjoyed in such subsidiary on account of such investment disposal should be recognized as other comprehensive income in the consolidated financial statements, and at the loss of control, transferred into the profit or loss for the period where the control is lost.

Where multiple transactions do not belong to a package deal, before the loss of control, accounting treatment should be made via the partial disposal of equity investments in the subsidiary without losing control; at the loss of control, accounting treatment will be made by the general treatment method for the disposal of subsidiaries.

(3) Purchase of minority interest of subsidiaries
The share premium in the capital reserves under the consolidated balance sheet will be adjusted at the difference between the long-term equity investment acquired by the Company for the purchase of minority interest and the share calculated at the newly increased shareholding ratio in the net assets the subsidiary continuously calculates from the acquisition date or combination date. If the share premium is insufficient to offset, retained earnings will be adjusted.

(4) Partial disposal of equity investments in subsidiaries without losing control
The share premium of capital reserves in the consolidated balance sheet will be adjusted based on difference between the disposal price and the share which should be enjoyed for the disposal of long-term equity investments in the net assets the subsidiary continuously calculates from the acquisition date or the combination date; if the share premium is insufficient to offset, retained earnings will be adjusted.

4.6 Classification of joint venture arrangements and accounting treatment methods of joint operation

Joint venture arrangements are classified into joint operation and joint venture.

Joint operation refers to the joint venture arrangement under which the joint venturer enjoys the assets relevant to such arrangement and assumes the liabilities relevant to the same.

The Company recognizes the following items related to its share of benefits in the joint operation:

(1) Assets it solely holds and its share of jointly-held assets based on its percentage;

(2) Liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage;

(3) Revenues from sale of output enjoyed by it from the joint operation;

(4) Revenues from sale of output from the joint operation based on its percentage; and

(5) Separate costs and costs for the joint operation based on its percentage.

The Company accounts for investments in joint ventures by the equity method, see "Note 4.15 Long-term equity investments" for details.

4.7 Recognition criteria of cash and cash equivalents

The term "cash" refers to the cash on hand and the unrestricted deposit of the Company. Cash equivalents refer to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.8 Foreign currency transactions and translation of foreign currency statements

4.8.1 Foreign currency transactions

Foreign currency transactions are translated into RMB for recording purpose at the spot exchange rate prevailing on the transaction date.

The balance of foreign currency items on the balance sheet date are measured at the spot exchange rate on the balance sheet date. The exchange difference arising therefrom is included in the current profit or loss, while other exchange difference arising from the special borrowings of foreign currency related to the acquired and constructed assets qualified to capitalization is dealt with according to the principle of borrowing capitalization. On the balance sheet date, foreign currency non-monetary items measured at historical cost are translated at the spot exchange rate prevailing on the transaction date; foreign currency non-monetary items measured at fair value are translated at the spot exchange rate prevailing on the date when the fair value is determined, and the currency translation difference is included in other comprehensive income if it belongs to the difference in the equity instrument investments measured at fair value through other comprehensive income, or included in the current profit or loss if it belongs to other difference.

4.8.2 Translation of foreign currency statements

Assets and liabilities in the balance sheet are translated at the spot exchange rates on the balance sheet date; owners' equity items, except for the item of "retained earnings", are translated at the spot exchange rates on the dates when the transactions occur.

Revenue and expenses presented in the income statement are translated at the spot exchange rate on the date when relevant transactions occur.

All items in the statement of cash flows are translated at the spot exchange rates prevailing on the dates when cash flows occur. Cash affected by the fluctuation in exchange rate, as an adjusting item, is separately presented as the item of "Effect of fluctuation in exchange rate on cash and cash equivalents" in the statement of cash flows.

Differences arising from the translation of financial statements are presented as "other comprehensive income" items under the owners' equity in the balance sheet.

When the Company disposes of an overseas business, the translation differences in foreign currency statements related to such overseas business should be transferred to the current profit or loss from the owners' equity.

4.9 Financial instruments

When the Company becomes a party to a contract for financial instrument, a financial asset, financial liability or equity instrument should be recognized.

4.9.1 Classification of financial instruments

According to the business model of financial assets and contractual cash flow characteristics of the same, which are subject to the management of the Company, financial assets are classified at the initial recognition as: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through the current profit or loss.

The Company classifies the financial assets that meet the following conditions at the same time but have not been designated to be measured at fair value through profit or loss as the financial assets measured at amortized cost:

- The business model is adopted for the purpose of obtaining the contractual cash flow;

- The contractual cash flow is only used for interest payment based on the principal or unpaid principal.

The Company classifies the financial assets that meet the following conditions at the same time and have not been designated to be measured at fair value through the current profit or loss as the financial assets (debt instruments) measured at fair value through other comprehensive income:

- The business model is adopted for the purpose of obtaining the contractual cash flow and selling such financial assets;

- The contractual cash flow is only used for interest payment based on the principal or unpaid principal.

At the initial recognition, the Company irrevocably designates the non-trading equity instrument investments as financial assets (equity instruments) measured at fair value through other comprehensive income. The designation is made based on a single investment and the relevant investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income, the Company classifies other financial assets as financial assets measured at fair value through the current profit or loss.

At the initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company may irrevocably designate the financial assets that should have been classified as the financial assets measured at amortized cost or those measured at fair value through other comprehensive income as the financial assets measured at fair value through the current profit or loss.

At the initial recognition, financial liabilities are classified as: financial liabilities measured at fair value through the current profit or loss and financial liabilities measured at the amortized cost.

At the initial recognition, financial liabilities meeting one of the following conditions may be designated as the financial liabilities measured at fair value through the current profit or loss:

1) This designation can eliminate or significantly reduce the accounting mismatch.

2) According to the enterprise risk management or investment strategies specified in formal written documents, the management and performance evaluation of financial liability portfolios or portfolios of financial assets and financial liabilities is carried out based on fair value, and the report to key officer in the enterprise has been made based on such management and performance evaluation.

3) The financial liabilities contain the embedded derivative which needs to be separated.

4.9.2 Recognition basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, and creditor's right investment, and they are initially measured at fair value, while relevant transaction costs are included in the initially recognized amount; accounts receivable without significant financing component and accounts receivable with the financing component not exceeding one year and not considered by the Company are initially measured at the contract transaction price.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At recovery or disposal, the difference between the purchase price obtained and the book value of such financial assets is included in the current profit or loss.

(2) Financial assets (debt instruments) measured at fair value through other comprehensive income

Financial assets (debt instruments) measured at fair value through other comprehensive income include receivables financing and other creditor's right investment, of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount. The interest, impairment losses or gains and exchange gains or losses calculated by the effective interest method will be included in the current profit or loss, and other gains or losses will be included in other comprehensive income.

At derecognition, the accumulated gains or losses previously included in other comprehensive income will be transferred from other comprehensive income to the current profit or loss.

(3) Financial assets (equity instruments) measured at fair value through other comprehensive income

Financial assets (equity instruments) measured at fair value through other comprehensive income, including the investment in other equity instruments, are initially measured at fair value, and relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value, and the changes in fair value are included in other comprehensive income. Dividends obtained are included in the current profit or loss.

At derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to the retained earnings.

(4) Financial assets measured at fair value through the current profit or loss

Financial assets measured at fair value through the current profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial assets is made at fair value, and changes in fair value are included in the current profit or loss.

(5) Financial liabilities measured at fair value through the current profit or loss

Financial liabilities measured at fair value through the current profit or loss include the financial liabilities held for trading and derivative financial liabilities, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial liabilities is made at fair value, and changes in fair value are included in the current profit or loss.

At derecognition, the difference between the book value and the consideration paid of such financial liabilities is included in the current profit or loss.

(6) Financial liabilities measured at amortized cost

Financial liabilities measured at the amortized cost include short-term borrowings, notes payable and accounts payable, other payables, long-term borrowings, bonds payable and long-term payables, of which initial measurement is made at fair value, and related transaction costs are included in the initially recognized amount.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At derecognition, the difference between the consideration paid and the book value of such financial liabilities is included in the current profit or loss.

4.9.3 Derecognition and transfer of financial assets

Where one of the following conditions is met, the Company should derecognize financial assets:

- The contractual right of collecting cash flows of financial assets is terminated;

- The financial assets have been transferred, and nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee;

- The financial assets have been transferred, and the Company does not retain the control over the financial assets, though it has neither transferred nor retained nearly all risks and rewards related to the ownership of the financial assets.

At the transfer of financial assets, where nearly all of the risks and rewards related to the ownership of the financial assets have been retained, such financial assets should not be derecognized.

In determining whether the transfer of a financial asset meets the above derecognition conditions of financial assets, the principle of substance over form will be adopted. The Company divides the transfer of financial assets into overall transfer and partial transfer. Where the entire transfer of financial assets meets the derecognition conditions, the difference of the following two amounts should be included in the current profit or loss:

(1) Book value of the transferred financial asset;

(2) The sum of consideration received from the transfer and the accumulated change amount of the fair value originally and directly included in owners' equity (the financial assets involved in the transfer are financial assets (debt instruments) measured at fair value through other comprehensive income).

Where the partial transfer of a financial asset meets the derecognition criteria, the entire book value of the financial asset transferred should be allocated between the derecognized part and the recognized part based on the relative fair value, and the difference between the following two amounts should be included in the current profit or loss:

(1) Book value of the derecognized part;

(2) The sum of the consideration for the derecognized part and the amount corresponding to the derecognition part in the accumulated change amount of fair value originally and directly included in owners' equity (where the financial assets transferred are the financial assets (debt instruments) measured at fair value through other comprehensive income).

Where the transfer of financial assets does not meet the derecognition criteria, the financial assets should continue to be recognized, and the consideration received should be recognized as a financial liability.

4.9.4 Derecognition of financial liabilities

Where the present obligations of financial liabilities have been discharged in whole or in part, the financial liabilities or any part thereof should be derecognized; if the Company signs an agreement with creditors to replace the existing financial liabilities by undertaking new financial liabilities, and the new financial liabilities are substantially different from the existing ones in terms of contract terms, the existing financial liabilities should be derecognized, and at the same time, the new financial liabilities should be recognized.

Where substantive changes are made to the contract terms of existing financial liabilities in whole or in part, the existing financial liabilities should be derecognized in whole or in part, and the financial liabilities of which terms have been modified should be recognized as the new financial liabilities.

Where financial liabilities are derecognized in whole or in part, the difference between the book value of the financial liabilities derecognized and the consideration paid (including non-cash assets surrendered and the new financial liabilities assumed) should be included in current profit or loss.

Where the Company repurchases part of its financial liabilities, it should, on the repurchase date, allocate the entire book value of whole financial liabilities based on the comparative fair value of the part that continues to be recognized and the derecognized part. The difference between the book value allocated to the derecognized part and the considerations paid (including non-cash assets surrendered and the new financial liabilities assumed) should be included in the current profit or loss.

4.9.5 Method of determining the fair value of financial assets and financial liabilities

Where there is an active market for any financial instrument, the fair value of such financial instrument should be determined at the price quoted in the active market. The fair value of a financial instrument, for which there is no active market, is determined by using valuation techniques. At the time of valuation, the Company adopts the valuation techniques that are applicable in the current situation and supported by enough available data and other information, selects the input values that are consistent with the asset or liability characteristics considered by market participants in relevant asset or liability transactions, and gives priority to use relevant observable inputs. And the unobservable input values can be used only when the observable input values are unable or unpractical to be obtained.

4.9.6 Test method and accounting treatment for the impairment of financial assets

The Company estimates the expected credit loss of financial assets measured at the amortized cost, financial assets (debt instruments) measured at fair value through other comprehensive income and financial guarantee contract individually or in portfolio.

By considering such reasonable and well-founded information as relevant matters in the past, current conditions and prediction of future economic conditions, the Company calculates the probability weighted amount, weighted by default risk, of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, to determine the expected credit loss. If there is obvious increase in credit risk following the initial recognition of such financial instrument, the Company will measure the loss provision at the amount which is

equivalent to the amount of the lifetime expected credit loss of such financial instrument; if there is no obvious increase in credit risk following the initial recognition of such financial instrument, the Company will measure the loss provision at the amount which is equivalent to the amount of the future 12-month expected credit loss of such financial instrument. Amount increased or reversed of loss provision arising therefrom will be included in the current profit or loss as impairment loss or gain.

By comparing the default risk in financial instruments on the balance sheet date with the default risk in financial instruments on the initial recognition date, the Company determines the relative change in default risk in financial instruments during the estimated duration to assess whether the credit risk of financial instruments has greatly increased following the initial recognition of such financial instruments. Generally, once the period is overdue for over 30 days, the Company may consider that there is obvious increase in credit risk of such financial instrument, unless there is unambiguous evidence that there is no obvious increase in credit risk of such financial instrument following the initial recognition.

If the credit risk of the financial instrument is low on the balance sheet date, the Company will immediately consider that there is no obvious increase in credit risk of such financial instrument following the initial recognition.

If there is objective evidence that any financial asset has had credit impairment, the Company will make the provision for impairment for such financial asset individually.

For receivables and contract assets arising from the transactions specified in the *Accounting Standards for Business Enterprises No. 14 - Revenue* (2017), whether or not they contain significant financing components, the Company always makes the provision for credit loss at the amount equivalent to the lifetime expected credit loss.

For lease receivables, the Company always makes the provision for credit loss at the amount equivalent to the lifetime expected credit loss.

If the Company no longer reasonably expects that the contractual cash flow of the financial asset can be fully or partially recovered, the book balance of the financial asset will be directly written down.

4.9.7 Offset of financial assets and financial liabilities

When the Company has the right to offset credit and debt according to law and such legal right is currently executable, and both parties of the corresponding transaction intend to make settlement by net amount or settle assets and liabilities at the same time, the net amounts of financial assets and financial liabilities after offset should be presented in the balance sheet.

4.9.8 Separation and relevant treatment of financial liabilities and equity instruments

Equity instruments refer to the contracts proving the possession of the remaining equity in the assets of any enterprise after the deduction all liabilities. If the Company fails to unconditionally avoid to fulfill a contractual obligation via the payment with cash or other financial assets, such contractual obligation will be a financial liability.

Where a financial instrument is a financial liability, relevant interest, dividends, gains and losses as well as the gains or losses arising from redemption or refinancing, should be included in the current profit or loss.

Where a financial instrument belongs to an equity instrument, at the issue, repurchase, sale or cancellation of such financial instrument, the issuer should treat it as a change in equity and should not recognize the change in fair value of the equity instrument. The distribution of equity instrument to holders thereof by the issuer should be taken as the profit distribution.

4.10 Hedging instruments

4.10.1 Classification

(1) The term "fair value hedging" refers to a hedging of the risk to changes in the fair value of a recognized asset or liability or a previously unrecognized firm commitment (excluding foreign exchange risks).

(2) The term "cash flow hedging" refers to a hedging of the risk to changes in cash flow. Such changes in cash flow are attributable to a particular risk associated with a recognized asset or liability and a highly probable forecast transaction, or a foreign exchange risk contained in an unrecognized firm commitment.

(3) A "hedging of net investment in an overseas operation" refers to a hedging of the foreign exchange risk arising from net investment in an overseas operation. The term "net investment in overseas business" refers to the Company's equity share in the net assets of its overseas business.

4.10.2 Designation of hedging relationship and identification of hedging effectiveness

At the commencement of the hedging relationship, the Company formally designates the hedging relationship and prepares a formal written document about the hedging relationship, risk management objectives and the strategies of hedging. Such document specifies the nature and quantity of hedging instruments and hedged items, the nature of hedged risks, hedging types and effective evaluation made by the Company on hedging instruments. The term "hedging effectiveness" refers to the extent that the changes in the fair value or cash flow of a hedging instrument offsets the changes resulting from the hedging risks in the fair value or cash flow of a hedged item.

The Company continues to evaluate the effectiveness of hedges, and ensures that whether the hedge meets the requirement for effectiveness by use of the hedge accounting during the accounting period designated as to the hedging relationship. If it fails to do so, the application of hedging relationship will be terminated.

The application of hedging accounting should meet the following requirements of hedging effectiveness:

(1) There is the economic relationship between the hedged item and the hedging instrument.

(2) In the value change arising from the economic relationship between the hedged item and the hedging instrument, the impact of credit risk is not dominant.

(3) The appropriate hedging ratio is adopted, and it will not cause the unbalance of the relative weight of the hedged item and the hedging instrument, so as not to produce any accounting result that is inconsistent with the hedging accounting objective. If the hedging ratio is no longer appropriate, but the hedging risk management objective does not change, the quantity of hedged items or hedging instruments will be adjusted to make the hedging ratio meet the effectiveness requirements again.

4.10.3 Accounting method of hedging

(1) Fair value hedging

Changes in the fair value of derivative instruments are recognized in the current profit or loss. The change in fair value of hedged item incurred by the hedged risk are included in the current profit or loss, and the book value of the hedged item is adjusted at the same time.

As to the hedging of fair value related to financial instrument measured at amortized cost, the adjustment made to the book value of the hedged item should, during the period from the adjustment date to the maturity date, be amortized and included in the current profit or loss. Amortization with the effective interest method may begin immediately after the adjustment of the book value and shall not be later than the date when the hedged item terminates the adjustment to changes in fair value from hedging risks.

If the hedged item is derecognized, the unamortized fair value will be recognized as the current profit or loss.

If a hedged item is an unrecognized firm commitment, the accumulative amount of the changes in the fair value of the firm commitment incurred by the hedged risk should be recognized as an asset or liability and the relevant profit or loss should be included in the current profit or loss. Changes in the fair value of hedging instruments are recognized in the current profit or loss.

(2) Cash flow hedging

The portion of profit or loss on the hedging instrument that is attributable to the effective hedging is directly recognized as other comprehensive income; while the portion that is attributable to the ineffective hedging is included in the current profit or loss.

Where the hedged transaction affects the current profit or loss, amount recognized in other comprehensive income should be transferred into the current profit or loss when the hedged financial revenues or financial expenses are recognized, or when anticipated sales occur. If the hedged item is the cost of a non-financial asset or non-financial liability, then the amount previously recognized in other comprehensive income should be transferred into the initially recognized amount of the non-financial asset or the non-financial liability (or then the amount previously recognized in other comprehensive income should be transferred in the same period when the non-financial asset or the non-financial liability affects profit or loss and should be included in the current profit or loss).

If the forecast transaction or the firm commitment is not expected to occur, the accumulated gains or losses of the hedging instrument originally included in other comprehensive income will be transferred out and included in the current profit or loss. If the hedging instrument has matured or been sold, or the contract is terminated or has been exercised (without replacement or extension), or the designation of the hedging relationship is revoked, the amount previously recognized in other comprehensive income are not transferred until the expected transaction or firm commitment affects the current profit or loss.

(3) Hedging of net investment in an overseas operation

A hedging of net investment in an overseas operation includes the hedging of a monetary item as a part of net investment and should be subject to the treatment for the cash flow hedging. The portion of profit or loss from the hedging instrument attributable to the effective hedging should be included in other comprehensive income, and that attributable to the ineffective hedging should be included in the current profit or loss. At the disposal of overseas operation, any accumulated gain or loss included in other comprehensive income should be transferred out and included in the current profit or loss.

4.11 Notes receivable

If the default risk of a financial instrument is low, the borrower's ability to pay contractual cash flows in a short term will be strong, and even if the economic situation and operating environment are adversely changed over a long period, the borrower's ability to pay contractual cash flows will not be reduced, and such financial instrument may be considered to have a lower credit risk.

For details in accounting treatment, see Note "4.9 Financial instruments - Test method and accounting treatment method for the impairment of financial assets".

4.12 Receivables

Receivables include accounts receivable and other receivables. Accounts receivable from the Company's external sales of goods or rendering of services are initially recognized at fair values of the contract or agreement prices receivable from the buyer. Receivables are presented at net amount of at amortized cost less the provision for bad debts by the effective interest method.

For details in accounting treatment, see Note "4.9 Financial instruments - Test method and accounting treatment method for the impairment of financial assets".

4.13 Inventories

4.13.1 Classification of inventories

Inventories of the Company mainly include fuels, raw materials, low-cost consumables, stock commodities and goods in process.

4.13.2 Measurement method for acquisition and dispatch of inventories, and inventory system and amortization

Inventories are initially measured at cost, and the inventory cost includes the purchase cost, processing cost and other expenses arising from making the inventory at their present location and condition.

Raw materials, goods in process, stock commodities and goods dispatched are measured by the first-in first-out method; low-cost consumables are amortized by the one-off amortization method when they are fetched for use; packaging materials for revolving purpose are included in costs based on expected use frequency.

The perpetual inventory system is adopted for inventory system.

4.13.3 Recognition criteria for and method for provision for inventory depreciation

On the balance sheet date, inventories should be measured at the cost or the net realizable value, whichever is lower. Where the inventory cost is higher than its realizable value, the provision for inventory depreciation should be made.

The provision for inventory depreciation is made on an individual basis at the end of the period, for inventories with large quantities and relatively low unit prices, the provision for inventory depreciation is made on a category basis. For inventories related to the product portfolios manufactured and sold in the same area, of which the final usage or purpose is identical or similar thereto, and which is difficult to separate from other items for measurement purposes, the provision for inventory depreciation is made on a portfolio basis.

When the provision for inventory depreciation is made, where the previous factor rendering the write-down of the inventory value has been eliminated, for which the net realizable value of the inventory is higher than the book value of the same, the provision for inventory depreciation should be reversed from the amount of provision for inventory depreciation originally made, and the reversed amount should be included in the current profit or loss.

4.13.4 Recognition method of net realizable values of inventories

During routine activities, net realizable values of inventories refer to the amounts of the estimated selling prices of inventories minus the estimated costs to completion, estimated selling expenses and relevant taxes and surcharges.

In the normal production and operation process, for merchandise inventories for direct sale, including finished goods, stock commodities and materials for sale, their net realizable values are recognized at the estimated selling prices minus the estimated selling expenses and the relevant taxes and surcharges; for material inventories required to be processed, their net realizable values are recognized at the estimated selling prices of finished goods minus estimated costs until completion, estimated selling expenses and relevant taxes and surcharges. For inventories held to under any sales contract or service contract, their net realizable values are calculated based on the contract price. If the quantity of inventories held by the Company is more than that ordered in sales contract, the net realizable value of the excess inventories will be calculated based on general selling price.

4.14 Contract assets

4.14.1 Recognition method and criteria for contract assets

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The right of the Company to the charge of consideration via goods transfer or service rendering to the customer (and the right depends on other factors except for the time lapses) is presented as contract asset. Contract assets and contract liabilities under the same contract should be presented at net amount. The unconditional (only depending on the time lapses) right to the charge of consideration from the customer, possessed by the Company, is presented as receivables.

4.14.2 Determination method and accounting treatment for the expected credit loss of contract assets

See "Note 4.9 Financial instrument - Test method and accounting treatment for the impairment of financial assets" for the determination method and accounting treatment for the expected credit loss of contract assets.

4.15 Long-term equity investments

4.15.1 Judgment criteria for common control and significant influence

Common control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control right agrees the same. Where the Company exercises common control over the investee together with other parties to the joint venture, and enjoys the right on the investee's net assets, the investee should be a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control or jointly control the formulation of such policies with other parties. Where the Company is able to exert significant influence on an investee, the investee should be the Company's associate.

4.15.2 Determination of initial investment cost

(1) Long-term equity investments acquired through business combination

The initial investment cost of the long-term equity investments in subsidiaries generating from the business combination under common control is determined at the share of book value of the combinee's owners' equity on the consolidated financial statements of the ultimate controller. The difference between the initial investment cost of long-term equity investments and the book value of consideration paid is used to adjust the share premium in capital reserves; and if the share premium in capital reserve is insufficient to be offset, retained earnings will be adjusted. If the Control can be exercised over the investee under common control as a result of additional investment and other reasons, the difference between the initial investment cost of long-term equity investments and the sum of the book value of long-term equity investments before the combination and the book value of consideration paid for further obtaining shares on the combination date, recognized in the above-mentioned principle, will be used to adjust the share premium. If the share premium is insufficient to be offset, retained earnings will be offset accordingly.

The initial investment cost of long-term equity investments in subsidiaries generating from the business combination not under common control is recognized at the combination cost determined on the acquisition date. If the control can be exercised over the investee not under the common control as a result of additional investment and other reasons, the sum of the book value of the equity investment previously held and the newly increased investment costs will be recognized as the initial investment cost.

(2) Long-term equity investments acquired by means other than business combination

For the long-term equity investment acquired from cash payment, the initial investment cost is the actually paid purchasing cost.

For the long-term equity investment acquired from issuing equity securities, the initial investment cost is the fair value of the issued equity securities.

4.15.3 Subsequent measurement and recognition of profits or losses

(1) Long-term equity investment accounted for under the cost method

Long-term equity investments of the Company in its subsidiaries are accounted for by the cost method, unless these investments conform to the conditions for assets held for sale. Under the cost method, except for the actual price paid for

acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognizes the proportion it shall enjoy in the cash dividends or profits declared by the investee as its investment income.

(2) Long-term equity investment accounted for under the equity method

Long-term equity investments of the Company in associates and joint ventures are accounted for by the equity method. If the initial investment cost is in excess of the share of fair value of the net identifiable assets in the investee when the investment is made, the difference will not be adjusted to the initial cost of long-term equity investment; if the initial investment cost is in short of the share of the fair value of the net identifiable assets in the investee when the investment is made, the difference will be included in the current profit or loss, and will be adjusted to the initial cost of long-term equity investment.

The Company should, based on its attributable share of the net profit or loss and other comprehensive income realized by the investee, respectively recognize the investment income and other comprehensive income, and simultaneously adjust the book value of the long-term equity investment. The Company should, in the light of the profits or cash dividends that the investee declares to distribute, reduce the book value of the long-term equity investment correspondingly. As to other changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution (hereinafter referred to as “Other Changes in Owners' Equity”), the Company should adjust the book value of the long-term equity investment and include such change in the owners' equity.

The Company should, based on the fair value of net identifiable assets of the investee when the investment is made, recognize its attributable share of the net profits or losses, other comprehensive income and other changes in owners' equity of the investee after the adjustment made to the net profit and other comprehensive income of the investee according to the accounting policies and accounting period adopted by the Company.

The Company calculates its attributable but not realized profit or loss from internal transactions between the Company and its associates or joint ventures based on its attributable percentage and offset such profit or loss, and recognizes the investment income on that basis; however, businesses formed by assets invested or sold are excluded. Unrealized losses from internal transactions between the Company and any investee should be recognized in full if they belong to the losses from asset impairment.

For net losses on joint ventures or associates, apart from the obligation of assuming the extra loss, the Company should write down such losses with the book value of long-term equity investments and the long-term equity where net investments in joint ventures or associates have been formed substantially; and the maximum of such losses should be the sum of the book value and long-term equity mentioned above. Where any joint venture or associate realize net profit in the future, the Company should recognize the income sharing amount when the unrecognized loss sharing amount is offset with the income sharing amount.

(3) Disposal of long-term equity investments

For the disposal of long-term equity investments, the difference between the book value and the actual price thereof are included in the current profit or loss.

For long-term equity investments with partial disposal accounting by the equity method, where the remaining equity is still accounted for by the equity method, other comprehensive income recognized originally upon the accounting by the equity method should be carried forward at the corresponding proportion on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in owners' equity should be carried forward to the current profit or loss in proportion.

Where the Company loses the common control over or significant influence on the investee on account of the disposal of equity investment and any other reason, when the accounting by the equity method is terminated, other comprehensive income recognized upon the accounting by the equity method from the original equity investment should be subject to the accounting treatment which is made on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in owners' equity should be transferred to the current profit or loss in full.

Where the Company loses the control over the investee on account of the disposal of partial equity and any other reason, at the preparation of any single financial statements, if the remaining equity has the common control over or significant influence on the investee, the accounting should be made by the equity method, and an adjustment should be made as if the remaining equity was accounted for by the equity method at acquisition; other comprehensive income recognized before the control over the investee is obtained should be carried forward on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in owners' equity recognized on account of the accounting by the equity method should be carried forward to the current profit or loss in proportion; if the remaining equity has no common control over or significant influence on the investee, relevant financial assets should be recognized, the difference between the fair value on the day of losing control of such remaining equity and the book value of the same should be included in the current profit or loss, and other comprehensive income and other changes in owners' equity which have been recognized before the control over the investee is obtained should be carried forward in full.

Where the disposal of subsidiaries' equity investments till the loss of control by stages through multiple transactions belongs to a package deal, the accounting treatment should be made by taking each transaction as the transaction where the subsidiaries' equity investments are disposed and the corresponding control is lost; before the loss of control, the difference between the disposal price and the book value of the long-term equity investment corresponding to the equity disposed should be firstly recognized as other comprehensive income in the individual financial statements, and at the loss of control, all transferred to the profit or loss for the period when the control is lost. Where the aforesaid disposal does not belong to a package deal, the accounting treatment should be made respectively for each transaction.

4.15.4 Recognition criteria and method for making provision for impairment of long-term equity investments

On the balance sheet date, the Company makes a judgment on whether there is any indication that the impairment of long-term equity investments may exist.

If the long-term equity investment has any impairment indication, and the book value of the long-term equity investment is larger than the share in the book value of the investee's owners' equity, the Company will make the impairment test for the long-term equity investment.

If the result of impairment test shows that the recoverable amount of the long-term equity investment is less than book value of the same, the provision for impairment will be made at the difference between the recoverable amount and the book value and included in impairment loss. The above losses from impairment cannot be reversed in subsequent accounting periods, once recognized.

4.16 Investment properties

Investment properties refer to the properties held for earning rent or for capital appreciation, or for both, including rented land use right, land use right held for transfer after the capital appreciation, rented buildings (including self-built or developed buildings for renting, and building in the process of construction or development for renting in the future).

Subsequent expenditures related to investment properties are included in the costs of investment properties when relevant economic benefits are likely to flow in the Company and their costs can be measured reliably; otherwise, such subsequent expenditures shall be included in the current profit or loss when occur.

The Company's investment properties are initially measured at the cost at the time of their acquisition, and is subsequently measured under the fair value mode on the balance sheet date. No depreciation or amortization is made by the Company for the investment properties, whose book value is adjusted based on the fair value of the investment properties on the balance sheet date, and the difference between the fair value and the original book value thereof is included in the current profit or loss.

4.17 Fixed assets

4.17.1 Recognition criteria of fixed assets

Fixed assets refer to tangible assets held for commodity production, rendering of services, renting or business management, with the useful lives over one year.

Fixed assets are recognized when they simultaneously meet the following conditions:

(1) It is probable that the economic benefits relating to the fixed assets will flow into the Company; and

(2) The costs of the fixed assets can be measured reliably.

The initial measurement of fixed assets is made at cost (and by taking the impact of expected disposal costs).

4.17.2 Classification and depreciation policy of fixed assets

Depreciation of fixed assets is made on a category basis using the straight-line method. The depreciation rate is determined based on the category, estimated useful life and estimated net residual value rate of fixed assets. For fixed assets where the provision for impairment has been made, the depreciation amount in the future will be determined at the book value of the fixed assets where the provision for impairment has been deducted, based on the remaining useful life. Where the fixed assets have the components with different useful lives or bring economic benefits for the enterprise in different ways, then the Company should choose different depreciation rates or methods to separately make the provision for depreciation.

The provision for depreciation of fixed assets should start when the fixed assets reach the working condition for intended use, and end when the fixed assets are derecognized or classified as non-current assets held for sale.

The depreciation methods, depreciation life, residual value rates and annual depreciation rates of fixed assets are presented by category as follows:

Category	Depreciation method	Depreciation life (Year)	Residual value rate (%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line method	8 - 55 years	0-10	1.64-12.50
Machinery equipment	Straight-line method	6 - 30 years	0-10	3.00-16.67
Transportation facilities	Straight-line method	6 - 10 years	3-10	9.00-16.17
Electronic equipment	Straight-line method	5 years	0-10	18.00-20.00

4.17.3 Accounting treatment for the subsequent expenses on fixed assets

The subsequent expenses on fixed assets refer to expenses on renewal, reconstruction and repair incurring in the course of using the fixed assets.

The subsequent expense relating to fixed assets are included in the costs of fixed assets when relevant economic benefits are likely to flow in the Company and their costs can be measured reliably; as for the party replaced, the book value thereof is derecognized; all other subsequent expenses are included in the current profit or loss when they occur.

4.17.4 Recognition criteria and method of provision for impairment of fixed assets

The Company makes a judgment on whether there is any indication that the impairment of fixed assets may exist at the end of each period.

If there is any indication that the fixed assets may be impaired, the Company will estimate the recoverable amount thereof. The recoverable amount of the fixed assets is the higher of the net amount of the fair value of the fixed assets less disposal expenses or the present value of the estimated future cash flows of such fixed assets.

If the recoverable amount of any fixed asset is lower than its book value, the book value will be written down to the recoverable amount. The amount written down should be recognized as impairment loss of the fixed asset and included in the current profit or loss; meanwhile, the corresponding provision for impairment of the fixed asset will be made.

When the impairment loss of the fixed asset is determined, the depreciation for impaired fixed asset will be adjusted accordingly in the future for amortizing the book value (deducting the estimated net residual value) of adjusted fixed assets over the remaining useful life on a systematic basis.

Losses from the impairment of fixed assets should not be reversed in subsequent accounting periods, once recognized.

If any evidence suggests that an individual fixed asset may be impaired, the Company will estimate the recoverable amount of such fixed asset on an individual basis. If it is difficult to estimate the recoverable amount of such individual fixed asset, the Company will determine the recoverable amount of the asset group where the fixed asset belongs.

4.17.5 Disposal of fixed assets

When the fixed assets are disposed, or they are expected not to bring any economic interest via use or disposal, such fixed assets will be derecognized. The difference between the revenue from the sales, transfer, scrapping or damage of fixed assets and the sum of the book value of the fixed assets and relevant taxes and surcharges should be included in the current profit or loss.

4.18 Construction in progress

4.18.1 Initial measurement of construction in progress and standard for carrying forward the construction in progress to fixed assets

The cost of construction in progress is measured at the actually incurred cost. The actual cost includes the construction cost, installation cost, borrowing cost eligible for capitalization and other necessary expenditure incurred before making the construction in progress reach the working condition for intended use. When the construction in progress reaches the working condition for intended use, it will be transferred to fixed assets, and the provision for depreciation of the construction in progress will be made in the next month.

4.18.2 Recognition criteria and method of provision for impairment of construction in progress

The Company makes a judgment on whether there is any indication that the impairment of construction in progress may exist at the end of each period.

If there is any indication that the construction in progress may be impaired, the Company will estimate the recoverable amount thereof. If any evidence suggests that an individual construction in progress may be impaired, the Company will estimate the recoverable amount thereof on an individual basis. When it is difficult to estimate the recoverable amount of an individual construction in progress, the Company will determine the recoverable amount of the asset group where the construction in progress belongs.

The recoverable amount of the construction in progress is the higher of the net amount of the fair value of the construction in progress less disposal expenses or the present value of the estimated future cash flows of such construction in progress.

If the recoverable amount of any construction in progress is lower than its book value, the book value will be written down to the recoverable amount. The amount written down should be recognized as impairment loss of the construction in progress and included in the current profit or loss; meanwhile, the corresponding provision for impairment of the construction in progress will be made.

Losses from the impairment of construction in progress should not be reversed in subsequent accounting periods, once recognized.

4.19 Borrowing costs

4.19.1 Recognition criteria of capitalization of borrowing costs

The borrowing costs incurred in the Company and directly attributable to the acquisition and construction or production of assets eligible for capitalization should be capitalized and included in relevant asset costs; other borrowing costs should be recognized as cost based on the amount incurred and be included in the current profit or loss.

Assets eligible for capitalization refer to fixed assets, investment properties, inventories and other assets which may reach the working condition for their intended use or sale only after long-time acquisition and construction or production activities.

4.19.2 Capitalization period for borrowing costs

The capitalization period refers to the period from the time-point when borrowing costs are capitalized to the time-point when the capitalization is ceased, except the period when the capitalization of borrowing costs is suspended.

Borrowing costs are capitalized when they simultaneously meet the following conditions:

(1) Asset disbursements, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization, have already been incurred;

(2) Borrowing costs have already been incurred; and

(3) The acquisition and construction or production activities which are necessary for the assets to reach the working condition for their intended use or sale have been in progress.

Capitalization of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached the working condition for their intended use or sale.

4.19.3 Period of capitalization suspension

If the acquisition, construction or production activities of assets eligible for capitalization are abnormally interrupted and such interruption lasts for more than three months, the capitalization of borrowing costs should be suspended; if the interruption is necessary for the acquired, constructed or produced assets eligible for capitalization to reach the working condition for their intended use or sale, the borrowing costs will continue to be capitalized. Borrowing costs incurred during the interruption are recognized as the current profit or loss until the acquisition, construction or production of the assets restarts; thereafter, the capitalization of borrowing costs should go on.

4.19.4 Calculation method of capitalized amounts of borrowing costs

As for special borrowings for acquiring, constructing or producing assets eligible for capitalization, borrowing costs actually incurred during the period for special borrowings less the interest income from the unused borrowings deposited in the bank or investment income from temporary investment with the unused borrowings should be recognized as the capitalization amount of borrowing costs.

As for general borrowings used for acquiring and constructing or producing assets eligible for capitalization, the amount of general borrowings to be capitalized should be calculated by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the capitalization rate for the used general borrowings. The capitalization rate is determined based on the weighted and average effective interest rate for general borrowings.

During the period for capitalization, the balance of exchange from the principal and interest of the special borrowings in foreign currency should be capitalized, and included in the cost of assets eligible for capitalization. The balance of exchange from the principal and interest of other borrowings in foreign currency than the special borrowings in foreign currency should be included in the current profit or loss.

4.20 Intangible assets

4.20.1 Recognition of intangible assets

Intangible assets refer to the identifiable non-monetary assets without physical substance and possessed or controlled by the Company. Intangible assets are recognized when they simultaneously meet the following conditions:

(1) The economic benefits relating to the intangible assets are likely to flow into the Company; and

(2) Costs of the intangible assets can be measured reliably.

4.20.2 Measurement of intangible assets

(1) The Company initially measures intangible assets at cost on acquisition.
The costs of externally purchased intangible assets include purchase prices, relevant taxes and surcharges and other expenditures incurred to make the assets reach the working condition for their intended use.

(2) Subsequent measurement
The useful lives of the intangible assets are analyzed and determined on acquisition.

For intangible assets with definite useful lives, the Company makes the amortization thereof within the period during which they can bring economic benefits to the Company; if such period cannot be forecast, those intangible assets will be taken as intangible assets with indefinite useful lives and not be amortized.

4.20.3 Provision for impairment of intangible assets

For the intangible assets with definite useful lives, in case of any obvious indication of impairment, the impairment test will be conducted at the end of the period.

For the intangible assets with indefinite useful lives, the impairment test will be conducted at the end of the period.

Impairment test will be conducted for intangible assets, and the recoverable amount thereof will be estimated. If evidence suggests that an intangible asset is impaired, the Company will estimate its recoverable amount on an individual basis. If it is difficult for the Company to estimate the recoverable amount of the individual asset, the recoverable amount of an asset group to which the said intangible asset belongs will be determined.

The recoverable amount of the asset is the higher of the net amount of the fair value of intangible assets less disposal expenses or the present value of the estimated future cash flows of the intangible assets.

If the recoverable amount of an intangible asset is lower than its book value, the book value will be written down to the recoverable amount. The amount written down should be recognized as impairment loss of the intangible asset and included in the current profit or loss; meanwhile, corresponding provision for impairment of the intangible asset will be made.

After the confirmation of impairment loss of intangible assets, the depreciation or amortization cost of the impaired intangible assets will be adjusted accordingly in the future for amortizing the book values (with the estimated net residual value deducted) of adjusted intangible assets over their remaining useful lives on a systematic basis.

The impairment loss of intangible assets should not be reversed in subsequent accounting periods, once recognized.

4.20.4 Specific criteria for classification of research phase and development phase of the Company's internal research and development projects

The Company's internal research and development expenses include those incurred in the research phase and those in the development phase.

Research phase: Research phase is the stage when creative and planned investigation and research activities are conducted to acquire and understand new scientific or technological knowledge.

Development phase: Development phase is the stage when the research achievements and other knowledge are applied to a plan or design, prior to the commercial production or use, so as to produce any new or substantially improved material, device or product.

4.20.5 Criteria for qualifying the development expenditure for capitalization

The research expense is included in the current profit or loss when it occurs. The development expense is recognized as intangible assets when it meets the following conditions at the same time, and is included in the current profit or loss when it fails to meet the following conditions:

(1) It is technically feasible to finish intangible assets for use or sale;

(2) It is intended to finish and use or sell the intangible assets;

(3) The ways how the intangible assets generate economic benefits include the way where it is able to prove that the products made by using the intangible assets exist a market or that the intangible assets themselves have the market, and the way where the serviceability of the intangible assets can be proved in case they are used internally;

(4) It is able to finish the development of the intangible assets and to use or sell the same with the support of sufficient technologies, financial resources and other resources; and

(5) The expenditure attributable to the intangible assets during its development phase can be measured reliably.

If the above conditions are not satisfied, the development expenditure will be included in the current profit or loss when it occurs. Research expenditures are included in the current profit or loss when such expenditures occur.

4.21 Goodwill

For goodwill arising from business combination under common control, its initial cost is the difference of the acquisition cost in excess of the share of fair value of the acquiree's net identifiable assets acquired in the combination.

Goodwill will be transferred out upon the disposal of the related asset group or portfolio of asset groups, and included in the current profit or loss.

The Company does not amortize the goodwill, but conducts the impairment test for goodwill at least once at the end of each year, no matter whether the impairment indication exists.

The Company has conducted an impairment test of goodwill. The book value of goodwill arising from business combination is amortized to related asset groups by the reasonable method as of the purchase date; if it is difficult do so, such value will be amortized to the relevant portfolio of asset groups. Relevant asset group or portfolio of asset groups refers to the asset group or portfolio of asset groups which is able to benefit from the synergistic effect of business combination.

At the time of making an impairment test on the relevant asset groups or portfolios of asset groups containing goodwill, if any indication shows that the goodwill-related asset group or portfolio of asset groups may have been impaired, the Company will firstly conduct an impairment test on the asset groups or portfolios of asset groups not containing goodwill, calculate the recoverable amount and compare it with the relevant book value, to recognize the corresponding impairment loss. Thereafter, the Company pay make the impairment test on the asset group or portfolio of asset groups where the goodwill is included, and compare the book value of such group or portfolio with the recoverable amount of the same. If the recoverable amount is less than the book value, the amount of impairment loss should firstly be used to reduce the book value of the goodwill allotted to such group or portfolio, and then reduce book values of other assets than the goodwill in such group or portfolio based on proportions of these book values. The above losses from impairment of goodwill cannot be reversed in subsequent accounting periods, once recognized.

4.22 Long-term deferred expenses

The long-term deferred expenses of the Company include the improvement expenditure of fixed assets leased in.

Long-term deferred expenses incurred in the Company are measured by the actual cost and evenly amortized over the estimated period of benefit. For items of long-term deferred expenses that fails to benefit the Company during the subsequent accounting period, their amortized values are fully included in the current profit or loss when such failure is confirmed.

4.23 Contract liabilities

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The Company's obligations in transferring goods or rendering services to customers on the ground that it has received or will receive relevant considerations from these customers are presented as contract liabilities. Contract assets and contract liabilities under the same contract should be presented at net amount.

4.24 Employee compensation

4.24.1 Short-term compensation

During the accounting period where employees serve the Company, the short-term compensation actually incurred is recognized as a liability and included in the current profit or loss or the assets-related cost.

During the accounting period when employees serve the Company, the social insurance premiums such as the medical insurance premium, work-related injury insurance premium and maternity insurance premium and housing fund, as well as labor union funds and employee education funds paid for employees by the Company are calculated and withdrawn at the withdrawing basis and proportion provided to determine the amount of employee compensation.

The employee welfare expenses incurred in the Company are included in the current profit or loss or assets-related cost based on the actually incurred amount, in which the non-monetary benefits are measured at fair value.

4.24.2 Dismissal benefits

Where the Company provides the dismissal benefit to its employees, the employee compensation liability arising from the dismissal benefit shall be recognized on the following date, whichever is earlier, and included in the current profit or loss: when the Company fails to unilaterally withdraw the dismissal benefit offered due to the termination of the labor relation plan or layoff proposal; when the Company confirms the costs or fees associated with the reorganization involving the payment of the dismissal benefits.

4.24.3 Post-employment benefits

(1) Defined contribution plan

The Company pays the basic endowment insurance premiums and unemployment insurance for employees according to the relevant provisions of the local governments. During the accounting period when employees serve the Company, the paid amount which is calculated based on the payment base and proportion as stipulated in the provisions of the local place is recognized as liabilities and included in the current profit or loss or assets-related cost.

In addition, the Company has also participated in the corporation pension plan / supplement endowment insurance fund approved by relevant departments of the state. The Company pays to the corporation pension plan / local social insurance agencies at a certain proportion of the total amount of employee wages, with the corresponding expenditures included in the current profit or loss or assets-related cost.

(2) Defined benefit plan

According to the formula determined based on expected cumulative unit method, the Company will set the period that the welfare obligations deriving from the defined benefit plan, which will be included in current profit or loss or assets-related cost.

A net liability or net asset in connection with the defined benefit plan is recognized at the present value of the obligation under the defined benefit plan less the deficit or surplus arising out of the fair value of the assets under the defined benefit plan. For a surplus of defined benefit plans, the Company should measure the net asset of such defined benefit plans at the lower of the surplus of such defined benefit plans and asset upper limit thereof.

Obligations under the defined benefit plan, including the payment obligation that is expected to be done within 12 months following the annual reporting period when the employees serve for the Company, are discounted at the market yield of the national debt matching with the obligatory term of the defined benefit plan and the currency on the balance sheet date or the bonds of the high-quality companies in the active market.

The service costs of the defined benefit plan and net interest on the net liabilities or net assets in respect of the defined benefit plan are included in the current profit or loss or assets-related costs; changes in the re-measurement of net liabilities or net assets under the defined benefit plans should be included in other comprehensive income and should not be reversed in subsequent accounting periods. When the original defined benefit plan terminates, the portion originally included in other comprehensive income will all be transferred to the retained earnings.

When the defined benefit plan is settled, the settlement gain or loss will be recognized at the balance between the present value of the obligations of the defined benefit plan determined on the settlement date and the settlement price.

4.25 Share-based payment

The Company's share-based payment refers to the transaction where it grants the equity instrument or assumes the liability determined based on the equity instrument for the purpose of acquiring services rendered by employees or other parties. The Company's share-based payment is divided into the equity-settled share-based payment and the cash-settled share-based payment.

4.25.1 Equity-settled share-based payment and equity instrument

Where the Company acquires services rendered by employees via the equity-settled share-based payment, such payment should be calculated at the fair value of equity instruments granted to employees. The Company includes the share-based payment for which relevant right can be exercised subsequent to the grant of equity instruments in relevant costs or expenses on the grant date at the fair value of equity instruments, and increases capital reserves accordingly. For the share-based payment for which relevant right can be exercised after the grant of equity instruments only when the services during the waiting period are completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the Company, based on the best estimate of the quantity of equity instruments where relevant rights can be exercised, includes the services acquired during that period in relevant costs or expenses at the fair value on the grant date, and increases capital reserves accordingly.

In case any clause on the equity-settled share-based payment has been modified, services acquired should be recognized as if such clause has not been modified. In addition, the increase in services acquired should be recognized in case of any increase to the fair value of equity instruments granted or any change favorable to employees on the date of increasing such fair value.

During the waiting period, if any equity instrument granted is canceled, the Company will accelerate the right exercise relevant to the equity instrument canceled, immediately include the amount which should be recognized during the remaining waiting period in the current profit or loss, and recognize capital reserves at the same time. However, if any new equity instrument is granted and on the date of granting such new equity instrument, it is affirmed that such new equity instrument can replace the canceled one, the treatment for such new equity instrument will be made in the way for modifying terms and conditions of the original equity instrument.

4.25.2 Cash-settled share-based payment and equity instrument

Cash-settled share-based payment is measured at the fair value of the liability which is assumed by the Company and calculated based on share or other equity instrument. The Company includes the share-based payment for which relevant right can be exercised subsequent to the grant of equity instruments in relevant costs or expenses on the grant date at the fair value of the liability it assumes, and increase liabilities accordingly. For the share-based payment for which relevant right can be exercised after the grant of equity instruments only when the services during the waiting period are completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the Company, based on the best estimate on the situation of exercising relevant right, includes the services acquired during that period in relevant costs or expenses and in liabilities according, at the fair value of the liability the Company assumes. On each balance sheet date and settlement date prior to the settlement of relevant liabilities, the fair value of liability should be remeasured through the current profit or loss.

Where the Company modifies terms and conditions of the agreement on cash-settled share-based payment so as to realize the equity-settled share-based payment, on the date of modification (no matter whether the modification is carried out during or after the waiting period), the equity-settled share-based payment shall be measured at the fair value prevailing on the date of modifying the equity instrument granted, and services obtained shall be included in capital reserves; meanwhile, liabilities recognized based on cash-settled share-based payment on the date of modification shall be derecognized, and the difference between the cash-settled share-based payment and the equity-settled share-based payment shall be included in the current profit or loss. If the waiting period is extended or shortened on account of the modification made by the Company, the Company will make the accounting treatment according to the modified waiting period.

4.25.3 Method for determining the fair value of equity instrument

The Company determines the fair value of such equity instrument as granted shares with an active market at the price quoted in the active market and based on the terms and conditions on granting these shares. It determines the fair value of such equity instrument as granted share option without an active market by such valuation technique as option pricing model and based on the terms and conditions on granting these shares.

4.25.4 Basis for determining the optimum estimate of equity instrument with exercisable right

On each balance sheet date within the waiting period, the Company makes the optimum estimate based on such newly-obtained subsequent information as the change in the number of employees with exercisable right, and modifies the estimated quantity of equity instruments with exercisable right. On the vesting date, the finally estimated quantity of equity instruments with exercisable right should be consistent with the actual quantity of exercisable rights.

4.26 Bonds payable

The publicly offered bonds are initially measured at the amount of the fair value less the transaction cost amount and are measured subsequently based on the amortized cost under the effective interest rate method during the remaining period.

The interest costs are capitalized when they are eligible for capitalization, otherwise they are directly included in the current profit or loss.

4.27 Estimated liabilities

When an obligation relating to a contingency meets all the following conditions at the same time, it will be recognized as an estimated liability by the Company:

(1) Such obligation is a present obligation of the Company;

(2) The performance of such obligation is likely to result in outflow of economic benefits from the Company;

(3) The amount of the obligation can be measured reliably.

Estimated liabilities are initially measured at the best estimate of expenses required for the performance of relevant present obligations.

When determining the best estimates, the Company comprehensively considers the risks, uncertainties, time value of money and other factors relating to contingencies. If the time value of money is significant, the best estimates will be determined after discount of relevant future cash outflows.

If there is continuous range for the necessary expenses, and probabilities of occurrence of all the outcomes within this range are equal, the best estimate will be determined at the intermediate value; in other cases, the best estimate is subject to the treatment for the following circumstances:

- If contingencies are involved with single project, the estimate will be determined based on the amount which is most likely to occur;

- If contingencies are involved with several projects, the estimate will be determined based on various possible results and relevant probabilities.

If all or part of the expenses necessary for liquidating estimated liabilities are expected to be compensated by a third party, the compensation will be separately recognized as assets when it is virtually certain that the compensation will be received. The compensation recognized should not exceed the book value of estimated liabilities.

The Company reviews the book value of estimated liabilities on the balance sheet date. If there is unambiguous evidence indicating that such book value cannot reflect the current best estimate, such book value will be adjusted based on the current best estimate.

4.28 Preferred stock, perpetual bond and other financial instruments

According to the contract terms on preferred stock/perpetual bond issued and the economic essence reflected by the preferred stock/perpetual bond rather than just in legal form, the Company classifies such financial instruments or its constituent part as financial assets, financial liabilities or equity instruments, at the initial recognition.

The financial instruments issued by the Company, such as the preferred stock and perpetual bond are classified as financial liabilities in whole or in the constituent part at the initial recognition, as long as they meet one of the following conditions:

(1) Including the contract obligation where the Company cannot unconditionally avoid to pay with cash or other financial assets;

(2) Covering the contract obligation of delivering the own equity instruments with variable number for settlement;

(3) Including the derivative instrument settled with the own equity (such as the convertibility), and the settlement of such derivative instrument does not be conducted by exchanging the cash or other financial assets of fixed assets with the own equity instrument with fixed number;

(4) Including the contract term where the contract obligation can be formed indirectly;

(5) On the liquidation of the issuer, the perpetual bond is at the same liquidation order with the ordinary bonds and other obligations issued by the issuer.

Where the financial instruments, including the preferred stock/ perpetual bond, fail to meet one of the above conditions, they may be classified as equity instruments in whole or in the constituent part at the initial recognition.

For preferred stock or perpetual bond issued by the Company and including both equity component and liability component, the Company adopts the accounting policy for convertible financial instruments including the equity component for treatment. For preferred stock or perpetual bond issued by the Company and not including the equity component, the Company adopts the accounting policy for convertible financial instruments not including the equity component for treatment.

For the preferred stock which is issued by the Company and should be classified into the equity instruments, the Company includes the paid-in amount of the preferred stock in the equity instruments. If the distribution of dividends and interest exists over the duration, it should be taken as profit distribution. If the preferred stock has been redeemed according to contract terms, the redemption price will be used to offset relevant equity.

4.29 Revenue

4.29.1 Accounting policies adopted for revenue recognition and measurement

If the Company fulfills its performance obligations in a contract, it will recognize revenue when relevant customer obtains right of control over relevant goods or services. Obtaining the right of control over relevant goods or services means that the customer is able to make decisions on the use of the goods or the rendering of the services, and can obtain almost all of the economic benefits therefrom.

If two or more performance obligations are covered in the contract, on the contract commencement date, the transaction price will be amortized to individual performance obligation based on the relative proportion of the individual selling price of goods or services involved in the individual performance obligation. The Company measures revenue at the transaction price amortized to individual performance obligation.

The transaction price refers to the amount of consideration the Company is expected to have the right to take on account of the transfer of goods or services to the customer, excluding the payments charged by any third party and the payments expected to be refunded to the customer. The Company determines the transaction price according to the contract terms and in light of its previous regular practice, in the meantime, factors such as variable consideration, significant financing composition existing in the contract, non-cash consideration, and consideration payable to customers will be taken into account. The Company determines the transaction price involving the variable consideration at the amount that should not exceed the amount of accumulatively recognized revenue that is highly unlikely to have a major reversal when relevant uncertainty is eliminated. If the significant financing component in covered in the contract, the Company will determine the transaction price based on the amount of cash payable at once by the customer when the customer acquires the right of control over goods or services, as assumed, and amortize the difference between such transaction price and the contract price by the effective interest method during the contract period.

The obligation performance belongs to certain period in case one of the following conditions is met; otherwise, it belongs to certain time-point:

- The customer obtains and consumes the economic benefits brought by the performance of the Company while the Company is performing the obligation.
- Customers are able to control the goods under construction by the Company in the course of performing obligations.
- The Goods produced in the course of performing obligations have irreplaceable uses, and the Company has the right to receive payments for the portion of the performance that has been completed to date.

For a performance obligation to be performed within a certain period, the Company recognizes the revenue according to the performance progress during such period, except for the case that the performance progress cannot be reasonably determined. The Company may determine the performance progress by the output method or input method based on the nature of goods or service. When the performance progress cannot be reasonably determined, if the cost incurred is expected to be compensated, the revenue will be recognized by the Company at the amount of the cost incurred until the performance progress can be reasonably determined.

The revenue from obligation performance belonging to certain time-point is recognized by the Company when the customer has acquired the right of control over relevant goods or services. The Company will consider the following signs when judging whether the customer has acquired the right of control over relevant goods or services:

- The customer has the current payment obligation for such goods or service, i.e. the Company enjoys the current right to collect the payment for such goods or service.
- The Company has transferred the legal ownership of such goods to the customer, i.e. the customer possesses the legal ownership of such goods.
- The Company has transferred goods to the customer in kind, i.e. the customer has possessed such goods in kind.
- The substantial risks and rewards of the ownership of such goods have been transferred by the Company to the customer, i.e. the customer has acquired the substantial risks and rewards of the ownership of such goods.
- The customer has accepted such goods or services.

4.30 Contract costs

Contract costs include the contract performance cost and the contract acquisition cost.

If the Company's cost on contract performance does not belong to the scope for other accounting standards for business enterprises, it, as the contract performance cost, will be recognized as an asset when it meets the following conditions at the same time:

1. Such cost is directly relevant to the contract which has been or is expected to be acquired;
2. Such cost increases the resource which will be used by the Company for obligation performance;
3. Such cost is expected to be recoverable.

If the incremental cost incurred in the Company on account of contract acquisition is expected to be recoverable, it, as the contract acquisition cost, will be recognized as an asset.

Assets related to contract cost are amortized on the basis for the recognition of revenue from goods or services relevant to such assets; however, if the amortization period of contract acquisition cost is less than one year, the Company will include such cost in the current profit or loss when it occurs.

If the book value of the assets related to contract cost is higher than the difference between the following two items, the Company will make the provision for impairment of the exceeding part, and recognize it as the loss from asset impairment:

1. The remaining consideration expected to be obtained on account of the transfer of goods or services related to the assets;
2. The cost that is expected to be incurred for the purpose of transferring relevant goods or services.

If the factors causing the impairment in the previous period change, resulting that the above-mentioned difference is higher than the book value of such assets, the Company will reverse the provision for impairment which has been made originally, and include it in the current profit or loss. However, the book value of assets reversed should not exceed the book value of such assets on the reversal date as if no provision for impairment has been made.

4.31 Government grants

4.31.1 Classification of government grants

Government grants are monetary assets or non-monetary assets freely obtained by the Company from the government, They are classified into the asset-related government grants and the income-related government grants.

Asset-related government grants are government grants that the enterprise acquires for acquisition, construction or otherwise form long-term assets. Income-related government grants refer to government grants other than asset-related government grants.

4.31.2 Measurement and derecognition of government grants

Government grants are recognized when the Company can meet all conditions attached thereto and is able to obtain such grants.

Government grants in the form of monetary assets are measured at the amount received or receivable. The government grants in the form of non-monetary assets are measured at fair value, or at the nominal value if the fair value cannot be reliably obtained.

Asset-related government grants are used to offset the book value of relevant assets or recognized as deferred income. If such grants are recognized as the deferred income, they will be included in the current profit or loss by reasonable and systematic methods within useful lives of related assets (If such grants are relevant to routine activities of the Company, they will be included in other income; if such grants are irrelevant to routine activities of the Company, they will be included in non-operating income). If relevant assets are sold, transferred, scraped or damaged before the end of their useful lives, the balance of the unallocated deferred income will be transferred to the profit or loss for the period of assets disposal.

Income-related government grants used to compensate for relevant costs or losses which will occur in the following period in the Company are recognized as the deferred income, and, during the period when relevant costs or losses are recognized, are included in the current profit or loss (if income-related government grants are relevant to routine activities of the Company, they will be included in the other income; if income-related government grants are irrelevant to routine activities of the Company, they will be included in the non-operating income) or used to offset relevant costs or losses; income-related government grants used to compensate for relevant costs or losses incurred in the Company are included in the current profit or loss (if income-related government grants are relevant to routine activities of the Company, they will be included in the other income; if income-related government grants are irrelevant to routine activities of the Company, they will be included in the non-operating income) or used to offset relevant costs or losses.

Government grants measured at nominal amount are directly included in the current profit or loss.

The interest subsidies for policy-based preferential loans obtained by the Company shall be subject to the following accounting treatments based on two kinds of situations:

(1) Where the finance department appropriates the interest subsidies to the lending bank, and the lending bank provides the loan at the policy-based preferential interest rate to the Company, the Company will take the book-entry value at the loan amount actually received, and relevant loan expenses are calculated based on the principal of the loan and the policy-based preferential interest rate.

(2) Where the finance department directly appropriates the interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset related borrowing costs.

4.31.3 Accounting treatment for the refund of government grants

If any government grants recognized need to be refunded, during the period when they need to be refunded, the Company will:

(I) adjust the book value of the government grants to be refunded when the book value of relevant assets is offset upon initial recognition;

(II) write down the book balance of relevant deferred income with such government grants when relevant deferred income exists, and include the remaining part in the current profit or loss;

(III) directly include such government grants in the current profit or loss for other circumstances.

4.32 Deferred income tax assets and deferred income tax liabilities

Income tax includes the current income tax and deferred income tax. Except for the income tax in the transactions or matters of business combination and directly including relevant items in the owners' equity (including other comprehensive income), the Company includes the current income tax and deferred income tax in the current profit or loss.

The deferred income tax assets and deferred income tax liabilities are calculated and recognized based on the differences (temporary differences) between the tax bases of assets and liabilities and the book values of the same.

Deductible temporary differences, not exceeding the taxable income which is likely to be obtained in the future and is used to deduct the deductible temporary differences, are recognized as deferred income tax assets. Deductible losses and tax credits that can be carried forward to subsequent years, not exceeding the taxable income which is likely to be obtained in the future for the purpose of deducting the deductible losses and tax credits, are recognized as deferred income tax assets accordingly.

Taxable temporary differences are recognized as deferred income tax liabilities except in special circumstances.

Special situations where the deferred income tax assets or deferred income tax liabilities are not recognized include:

- Initial recognition of goodwill;

- Transactions or matters that neither belong to the business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur.

Taxable temporary differences related to investments in subsidiaries, associates and joint ventures are recognized as deferred income tax liabilities; unless the Company is able to control the time for reversing such temporary differences and such temporary differences are unlikely to be reversed in the foreseeable future. For the deductible temporary differences related to investments in subsidiaries, associates and joint ventures, the deferred income tax assets are recognized when the temporary differences may be reversed in the foreseeable future and they are likely to be obtained to offset the taxable income of deductible temporary differences in the future.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities are measured at the tax rates applicable to the period where relevant assets are expected to be recovered or relevant liabilities are expected to be discharged, according to the tax law.

On the balance sheet date, the Company reviews the book value of deferred income tax assets. If it is unlikely to obtain sufficient taxable income in the future to offset against the benefit of deferred income tax assets, the book value of deferred income tax assets will be written down. If it is likely to obtain sufficient taxable income, the book value of deferred tax assets written down will be recovered.

If the Company has the legal right to settle in net amounts and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current tax assets and current tax liabilities of the Company shall be presented based on the net amount after offset.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities simultaneously meeting the following conditions are presented by net amount after offset:

- The taxpayer has the legal right to settle the current income tax assets and current income tax liabilities by net amount;

- Deferred income tax assets and deferred income tax liabilities are related to the income tax which are imposed on the same taxpayer by the same tax collection authority or to different taxpayers, but, in each important future period in connection with the reversal of deferred income tax assets and liabilities, the involved taxpayers intend to settle the current income tax assets and current income tax liabilities with net amount or to obtain assets and discharge liabilities simultaneously.

4.33 Leases

Lease refers to a contract where the lessor transfers the asset use right to the lessee for a certain period to get relevant consideration. On the commencement date of a contract, the Company evaluates whether the contract is concluded for lease or involved with lease. If any party to a contract has exchanged the right to control the use of one or more identified assets within a certain period for consideration, the contract is concluded for lease or involved with lease.

If the contract is involved with several individual leases at the same time, the Company will divide the contract and carry out the accounting treatment for lease individually. If the contract includes both the lease part and non-lease part, the lessee and the lessor will separate the lease part from the non-lease part.

If the rent relief, deferred rent payment and other rent concessions directly caused by the novel coronavirus pneumonia (COVID-19) epidemic or agreed regarding the existing lease contract meet the following conditions at the same time, the Company will adopt a simplified method to measure all leases without the assessment on whether any lease has changed and the re-assessment for lease classification:

- The lease consideration after such concession is less than or basically equal to the original lease consideration, in which the lease consideration is not discounted or is discounted at the discount rate applicable before the rent concession;

- Other lease terms and conditions are determined to be unchanged after a comprehensive consideration of the qualitative and quantitative factors.

4.33.1 The Company as the lessee

(1) Right-of-use assets

On the commencement date of the lease term, the Company recognizes leases other than short-term lease and low-value asset lease as the right-of-use assets. Right-of-use assets are initially measured at cost. Such cost includes:

- Initially measured amount of lease liabilities;

- Lease payment amount on or before the commencement date of the lease term, or the balance of such amount less the amount relevant to the enjoyed lease incentive, if any;

- Initially direct expense incurred in the Company;

- The cost expected to incur in the Company for the purpose of disassembling and removing the leased assets, restoring the location of the leased assets or restoring the leased assets to the status specified in the lease clauses. But it excludes the cost incurred from the production of inventories.

The Company subsequently makes the provision for depreciation of right-of-use assets by the straight-line method. Where the Company can reasonably confirm that the ownership of the leased assets can be obtained at the expiration of the lease term, the provision for depreciation of right-of-use assets should be made over the remaining useful life for the leased assets; otherwise, such provision should be made over the lease term or the remaining useful life for the leased assets, whichever is shorter.

The Company confirms whether the right-of-use assets have been impaired in the principles specified in Note "4.17 Impairment of fixed assets" hereof, and makes accounting treatment for impairment losses recognized.

(2) Lease liabilities

On the commencement date of the lease term, the Company recognizes leases other than short-term lease and low-value asset lease as the lease liabilities. The lease liabilities are initially measured at the present value of unpaid lease payment. The lease payment includes:

- Fixed payment (including the actual fixed payment), or the balance of such payment less the amount relevant to lease incentive, if any;

- Variable lease payment depending on certain index or ratio;

- Payment expected to be paid based on the residual value of the guarantee provided by the Company;

- The executive price for buying the option, provided that the Company is reasonably certain that it will execute the option;

- Payment needs to be paid for executing the lease termination option, provided that it is reflected that the Company will execute the lease termination option during the lease term.

The Company takes the interest rate implicit in lease as the discount rate, or takes the interest rate for incremental borrowings of the Company as the discount rate if the interest rate implicit in lease cannot be determined reasonably.

The Company calculates the interest expenses for lease liabilities over all periods within the lease term based on the fixed and periodic interest rate, and includes the same in the current profit or loss or the asset-related cost.

Variable lease payment not included in the lease liabilities for measurement is included in the current profit or loss or the asset-related cost when it is actually incurred.

After the commencement date of the lease term, in case of the following situations, the Company will remeasure the lease liabilities and adjust the corresponding right-of-use assets. If the book value of right-of-use assets has been reduced to zero, but the lease liabilities still need to be reduced, the Company will include the difference in the current profit or loss:

- If the Company's assessment result of call option, renewal option or lease termination option changes, or the actual execution situation of the aforesaid option is inconsistent with the original assessment result, the Company will remeasure the lease liabilities at the present value calculated based on the lease payment after the change at the revised discount rate;

- If the actual fixed payment, the amount expected to be payable of the residual value of the guarantee or the index or ratio used to determine the lease payment changes, the Company will remeasure the lease liabilities at the present value calculated based on the lease payment after the change at the original discount rate. However, if the change in lease payment is caused by the change in the floating rate, the present value will be calculated at the revised discount rate.

(3) Short-term lease and low-value asset lease

The Company chooses not to recognize the short-term lease and low-value asset lease as the right-of-use assets and lease liabilities, and includes relevant lease payments in the current profit or loss or asset-related cost by the straight-line method over all periods within the lease term. Short-term lease refers to the lease where the lease term does not exceed 12 months as of the commencement date of lease term and which does not include the call option. Low-value asset lease refers to the lease where the price is low when the individual leased asset is the brand new asset. When the Company subleases or is expected to sublease the leased assets, the original lease will not be the low-value asset lease any more.

(4) Lease changes

Where any lease has changed and meet the following conditions at the same time, the Company should take such lease as an individual lease for accounting treatment:

1) Such lease change has expanded the lease scope by adding one or more rights to the use of leased assets;

2) The added consideration is equal to the amount of adjustment made based on the contract to the separate price for the expended part of the lease.

Where the lease change is taken as an individual lease for accounting treatment, on the effective date of lease change, the Company re-amortizes the contract consideration after change, re-determines the lease term, and remeasures the lease liabilities based on the present value calculated based on the changed lease payment at the revised discount rate.

If the lease scope or term is reduced due to the lease change, the Company will reduce the book value of right-of-use assets accordingly and include relevant gains or losses from the partial or whole termination of the lease in the current profit or loss. If other lease change causes the remeasurement of lease liabilities, the Company will adjust the book value of right-of-use assets accordingly.

(5) Rent concession relevant to the COVID-19 epidemic

Where the simplified method for the rent concession relevant to the COVID-19 epidemic is adopted, the Company should not assess whether the lease has changed, but should continuously calculate the interest expense in lease liabilities based on the discount rate consistent with that adopted before such rent concession and include such expense in the current profit or loss, and continuously make the provision for depreciation of right-of-use assets by the method adopted before such rent concession. In case of the rent relief, the Company should take the rent relieved as the variable lease payment, and use it to offset the asset-related cost or expense based on the amount undiscounted or the amount discounted at the discount rate adopted before the rent concession when the original rent payment obligation is relieved by reaching an rent concession agreement; meanwhile, the Company should adjust the lease liabilities accordingly; if case of the deferred rent payment, the Company should offset the lease liabilities recognized in the prior period at the actual payment.

For the short-term lease and the low-value asset lease, the Company continues to include the rent under the original lease contract in asset-related cost or expense by the method that is consistent with the method applicable before the rent concession. In case of the rent relief, the Company should take the rent relieved as the variable rent payment and use it to offset the asset-related cost or expense during the rent concession period; in case of the deferred rent payment, the Company should recognize the rent payable as payables during the original payment period and offset the payables recognized in the prior period when the rent is actually paid.

4.33.2 The Company as the lessor

On the lease commencement date, the Company divides leases into the finance lease and operating lease. The finance lease refers to the lease where all risks and rewards related to the ownership of leased assets have been transferred, no matter whether the ownership has been finally transferred. The operating lease refers to other leases than the finance lease. The Company, as the sublessor, classifies subleases based on the right-of-use assets generating from the original leases.

(1) Accounting treatment of operating lease

The lease receipt from operating lease is recognized as the rent revenue by the straight-line method during each period within the lease term. The Company capitalizes the incurred initial direct expense relevant to the operating lease, and amortizes the same on the same basis for rent revenue recognition during the

lease term to include the same in the current profit or loss. Variable lease payment not included in the lease receipt is included in the current profit or loss when it is actually incurred. In case of any change in operating lease, the Company will make accounting treatment for the operating lease changed by taking it as a new lease from the change commencement date, the amount receivable of the new lease will be recognized at the lease payment to be received or receivable which is relevant to the lease before the change.

(2) Accounting treatment of finance lease

On the lease commencement date, the Company recognizes finance lease receivables for finance leases, and derecognizes assets under the finance lease. At the initial measurement of finance lease receivables, the Company takes the net lease investment as the entry value as the finance lease receivables. The net lease investment refers to the sum of the unguaranteed residual value and the present value calculated via discount based on the lease receipt which has not been received on the commencement date of lease term at the interest rate implicit in lease.

The Company determines via calculation the interest income over all periods within the lease term based on the fixed and periodic interest rate. The derecognition and impairment of finance lease receivables are subject to the accounting treatment specified in "Note 4.9 Financial instruments".

Variable lease payment not included in the net lease investment for measurement is included in the current profit or loss when it is actually incurred.

Where any finance lease has changed and meets the following conditions at the same time, the Company should take such lease as an individual lease for accounting treatment:

- Such lease change has expanded the lease scope by adding one or more rights to the use of leased assets;

- The added consideration is equal to the amount of adjustment made based on the contract to the separate price for the expended part of the lease.

Where the changed finance lease does not be taken as an individual lease for accounting treatment, the Company will treat such changed finance lease according to the following situations:

- If the change takes effect on the lease commencement date, and such lease may be classified as the operating lease, the Company will make accounting treatment for such lease by taking it as a new lease from the lease change effectiveness date, and recognize the book value of the leased assets at the net lease investment before the lease change effectiveness date;

If the change takes effect on the lease commencement date, and such lease may be classified as the finance lease, the Company will make accounting treatment according to the policies for contract modification or reset specified in the Note "4.9 Financial instruments".

(3) Rent concession relevant to the COVID-19 epidemic

- For the operating lease where the simplified method is adopted for the rent concession relevant to the COVID-19 epidemic, the Company continues to recognize the original contract rent as the lease revenue by the method that is consistent with the method applicable before the rent concession; in case of any rent relief, the Company will recognize the variable lease payment rent at the rent relieved and use the same to offset the lease revenue during the period for rent concession; in case of any deferred rent collection, the Company will recognize receivables at the rent receivable during the original collection period and offset the receivables recognized in the prior period when the rent is actually received.

- For the finance lease where the simplified method is adopted for the rent concession relevant to the COVID-19 epidemic, the Company continues to calculate the interest at the discount rate consistent with that before the rent concession and recognize lease revenue. In case of the rent relief, the Company should take the rent relieved as the variable lease payment, and offset the originally recognized lease revenue at amount undiscounted or discounted at the discount rate before the rent concession when the original rent collection right is waived by reaching an rent concession agreement, and the part insufficient for offset should be included in the investment income; meanwhile, the Company should adjust the finance lease receivables accordingly; if case of the deferred rent collection, the Company should offset the originally recognized finance lease receivables at the actual payment.

4.33.3 Leaseback

The Company determines via assessment whether the assets transfer under leaseback belongs to sales according to the principle specified in Note "4.29 Revenue".

(1) Acting as the lessee

If the assets transfer under leaseback belongs to sales, the Company, as the lessee, will measure the right-of-use assets arising from leaseback based on the part relevant to the use right acquired via leaseback in the book value of the original assets, and recognize relevant gain or loss only regarding the right transferred to the lessor; if the assets transfer under leaseback does not belong to sales, the Company, as the lessee, will continue to recognize the transferred assets, and will recognize a financial liability equal to the transfer revenue at the same time. For the accounting treatment of financial liabilities, see “Note 4.9 Financial instruments”.

(2) Acting as the leaser

If the assets transfer under leaseback belongs to sales, the Company, as the lessor, will carry out the accounting treatment for assets purchase, and make the accounting treatment for assets lease-out according to “2. The Company as the lessor” mentioned above; if the assets transfer under leaseback does not belong to sales, the Company, as the lessor, will not recognize the transferred assets, but will recognize a financial asset equal to the transfer revenue at the same time. For the accounting treatment of financial assets, see “Note 4.9 Financial instruments”.

4.34 Assets held for sale

Where the Company recovers the book value of any non-current asset or disposed asset portfolio mainly through selling (including the exchange of non-mon etary assets with commercial essence) but not continuously using the same, such non-current asset or disposed asset portfolio shall be divided into assets held for sale.

The Company recognizes non-current assets or disposed asset portfolios meeting the following conditions at the same time as assets held for sale:

(1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;

(2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired the decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale is subject to the approval of relevant authorities or regulatory authorities of the Company according to relevant provisions, the approval has been obtained.

For any non-current asset (excluding financial assets, deferred income tax assets, investment properties with the subsequent measurement made at fair value, and the assets arising from employee compensation) or disposed asset portfolio classified as assets held for sale, where its book value is higher than the net amount of its fair value less the selling expense, the book value should be written down to the net amount of the fair value less the selling expense, and the amount written down should be recognized as the loss from asset impairment and included in the current profit or loss, while the provision for impairment of assets held for sale is made.

4.35 Discontinued operation

Discontinued operation refers to the component which meets one of the following conditions and can be separately distinguished, moreover such component has been disposed or classified as held for sale by the Company:

(1) the component represents an independent major business or a sole major business area;

(2) the component is a part of a related plan where an independent major business or a sole major business area will be disposed as planned; or

(3) the component is a subsidiary acquired only for re-sale.

Profit or loss from continued operation and profit or loss from discontinued operation are presented in the income statement. Loss from discontinued operation, reversed amount and other profit or loss from operation as well as the profit or loss from disposal are presented as the profit or loss from discontinued operation. For the discontinued operation presented in the current period, the Company presents the information which has originally presented as the profit or loss from continued operation as the profit or loss from discontinued operation for the comparable accounting period in the financial statements for the current period.

4.36 Measurement at fair value

The Company measures the relevant assets and liabilities at fair value based on the following assumptions:

- The sales of assets or transfer of liabilities by the market participant on the measurement date belongs to the orderly transaction under the current market conditions;

- Such orderly transaction is carried out in the major market of relevant assets or liabilities. If the major market does not exist, it is assumed that such transaction is carried out in the market most beneficial to relevant assets or liabilities.

- The assumption used by the market participant in order to maximize the benefits at the time of pricing such assets or liabilities.

According to the property of the said transaction and the characteristic of the said assets or liabilities, the Company recognizes the transaction value as the fair value of initial recognition.

If other relevant accounting standards require or permit the Company to conduct initial measurement on the relevant assets or liabilities at the said fair value, and the transaction value is different from the fair value, the Company will include relevant gains or losses in the current profit or loss, unless otherwise specified in other relevant accounting standards.

For the measurement of non-financial assets at fair value, the capability of the market participant in bringing about economic interest via the best use of such assets, or the capability in selling such assets to the other market participant for bringing about economic interest with the best use of such assets should be taken into account.

The valuation techniques which are applicable to the current situation and have sufficient usable data and other information support are taken into account by the Company for the adoption of valuation technique. Relevant observable input values are preferentially adopted for valuation techniques, and the unobservable input values can be used only when the observable input values are unable or unpractical to be obtained.

Input values used in the fair value measurement are divided into three levels:

- Level 1 input values are unadjusted quoted prices in the active market of identical assets or liabilities accessible on the measurement date.

- Level 2 input values refer to input values that are directly or indirectly observable for relevant assets or liabilities, other than Level 1 input values.

- Level 3 input values are unobservable input values for relevant assets or liabilities.

The fair value measurement is categorized in its entirety based on the lowest level where the input values that are significant to the entire measurement stand.

4.37 Asset securitization

The Company securitizes the “receivables” and “long-term receivables” in part, and trusts assets to the entity with the specific purpose, and such entity should issue the asset-backed securities to investors. When applying the accounting policies for securitized financial assets, the Company has considered the risk and remuneration transfer degree regarding the assets transferred to other entity, and the degree of control the Company has over such entity;

(1) When the Company has transferred almost all risks and remunerations related to the ownership of the financial assets, it will derecognize such financial assets;

(2) When the Company has reserved almost all risks and remunerations related to the ownership of the financial assets, it will continue to recognize such financial assets;

(3) When the Company has neither transferred nor reserved almost all risks and remunerations related to the ownership of the financial assets, it may consider whether it has the control over such financial assets. If the Company has not reserved the control, it will derecognize such financial assets and recognize the rights and obligations arising from transfer or the same reserved as assets or liabilities respectively. If the Company has reserved the control, it will recognize such financial assets based on the degree of continuous involvement of such financial assets, and recognize relevant liabilities accordingly.

4.38 Expenses on work safety, and maintenance of simple reproduction

According to relevant provisions of the Circular on Issuing the Administrative Measures for the Withdrawal and Use of Expenses on Work Safety of Enterprises (CZ [2022] No.136) issued by the Ministry of Finance, enterprises engaging in electricity production and supply shall, based on the business revenue in the previous year, withdraw the expenses on work safety by the excess-regressive method.

At the withdrawal of such expenses as the expenses on work safety according to the Interpretation No. 3 of Accounting Standards for Business Enterprises (CK [2009] No. 8), these expenses should be included in the cost of related products or the current profit or loss, and recognized in "special reserves" at the same time.

With respect to the expenses on work safety and simple reproduction maintenance, if they belong to the disbursement costs when used within the provided scope, the special reserves will be directly written down; if a fixed asset is formed, all expenses incurred will be charged to the item of "construction in progress" and recognized as fixed assets when the safety project is completed and achieves its serviceable condition; meanwhile, the cost of fixed asset incurred is used to charge against the special reserves, and the accumulated depreciation with the same amount is recognized. Provision for depreciation of such fixed assets will be no longer made in subsequent periods.

4.39 Other significant accounting policies and accounting estimates

4.39.1 Accounting treatment for the free transfer of the shares of subsidiaries within state solely-owned enterprises or state wholly-owned enterprises (applicable for transferred-in enterprises)

In the work of addressing overcapacity, reducing inventory, deleverage, reducing costs and bolstering areas of weakness, the Company gratuitously obtained the equity of its original subsidiaries according to relevant provisions stipulated by state-owned assets regulation departments. The Company and transferred-out enterprises are state solely-owned enterprises.

(1) Individual financial statements

On the date when obtaining the control over the transferred enterprises, the Company recognizes the long-term equity investments of these transferred enterprises based on relevant amounts specified in the official reply given by state-owned assets regulation departments, and adjusts capital reserves (capital premiums) at the same time.

(2) Consolidated financial statements

After obtaining the control over transferred enterprises, the Company included those transferred enterprises in the consolidated financial statements.

Various assets and liabilities transferred in the Company are included in the consolidated balance sheet of the Company at the amounts continuously calculated based on the book values determined via audit and approved by state-owned assets regulation departments till the control day, and while the adjustment to capital reserves (capital premiums) are made. The retained earnings realized by transferred enterprises from the base day approved by relevant state-owned assets regulation department to the day when the control is transferred should be transferred from capital reserves to retained earnings to the extent that the amount transferred is equal to the credit balance of the Company's capital reserves (capital premiums).

The amounts of net profit, cash flows and changes in owners' equity incurred in those transferred enterprises at the end of the period from the base day approved by relevant state-owned assets regulation department to the day when the control is transferred should be reflected in the consolidated income statement, consolidated statement of cash flows and consolidated statement of changes in owners' equity for the period when the Company obtains the control over those transferred enterprises.

4.39.2 Accounting treatment for the free transfer of the shares of subsidiaries within state solely-owned enterprises or state wholly-owned enterprises (applicable for transferred-out enterprises)

In the work of addressing overcapacity, reducing inventory, deleverage, reducing costs and bolstering areas of weakness, the Company gratuitously transferred out the equity of its original subsidiaries according to relevant provisions stipulated by state-owned assets regulation departments. The Company and transferred-in enterprises are state solely-owned enterprises.

(1) Individual financial statements

As of the date when losing the control over the transferred enterprises, the Company derecognizes the long-term equity investments of these transferred enterprises. Meanwhile, the Company offsets the capital reserves (capital premiums), and offsets the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset.

(2) Consolidated financial statements

As of the date when losing the control over the transferred enterprises, the Company derecognizes the assets, liabilities, minority equity and other equity items which have been presented in the consolidated financial statements and are relevant to those transferred enterprises, and offsets capital reserves (capital premiums) with relevant differences and offsets the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset. Meanwhile, the unrealized internal profits or losses incurred before the transfer of the control between the Company and other transferred enterprises are transferred in capital reserves (capital premiums), and used to offset the surplus reserves and retained earnings successively when the capital reserves (capital premiums) are insufficient to offset.

4.39.3 Special rewards and subsidies for the restructuring of industrial enterprises

As the Company acquired the special rewards and subsidies for the restructuring of industrial enterprises according to the *Circular of the Ministry of Finance on Issuing the Administrative Measures for Special Rewards and Subsidies for the Restructuring of Industrial Enterprises* (CJ [2018] No. 462), it provisionally recognized the special payables at the time when it acquired the special rewards and subsidies allocated in advance. When the Company carries out relevant work of capacity resolution as required, if the Company is able to reasonably and reliably determine the amounts of special rewards and subsidies obtained from task completion according to the calculation standard stipulated in the document (CJ [2018] No. 462), it should include these amounts in the current profit or loss, and offset the special payables at the same time; if not, after the inspection and liquidation carried out by the Ministry of Finance, the Company should include relevant liquidated amounts in the current profit or loss and offset the special payables at the same time. Where the special rewards and subsidies allocated in advance are less than the amounts the Company is expected to enjoy, the insufficient part should be recognized as other receivables; where the Company should pay some capital to the Ministry of Finance as required as it fails to complete relevant task, the amount of capital paid should be used for offset the special payables.

5 Notes to changes in accounting policies and accounting estimates, corrections of accounting errors and other adjustments

5.1 Changes in accounting policies

5.1.1 Implementation of the *Interpretation No.16 of Accounting Standards for Business Enterprises*, stating that "the accounting treatment of exempting the initial recognition does not apply to the deferred income tax relevant to the assets and liabilities arising from any individual transaction"

The Ministry of Finance issued the *Interpretation No.16 of Accounting Standards for Business Enterprises* (CK [2022] No. 31) (hereinafter referred to as "Interpretation No.16") on November 30, 2022 for the implementation as of January 1, 2023, by which the accounting treatment of exempting the initial recognition does not apply to the deferred income tax relevant to the assets and liabilities arising from any individual transaction, and enterprises are allowed to implement the Interpretation No.16 in advance from January 1, 2022.

According to the Interpretation No.16, the provision of exempting the initial recognition of deferred income tax assets and deferred income tax liabilities should not apply to individual transactions that neither belong to the business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur, and where the assets and liabilities initially recognized do not cause any taxable temporary difference and deductible temporary differences with the equivalent amount (including the lease transactions where lessees initially recognize lease liabilities on the commencement date of lease term and include the same in right-of-use assets, and the transactions where the fixed assets with the retirement obligation are recognized as estimated liabilities and included in the assets-related cost); thus, when such transactions occur, enterprises should recognize the corresponding deferred income tax assets and deferred income tax liabilities respectively according to relevant provisions of the *Accounting Standards for Business Enterprises No.18 - Income Tax.*

As for individual transactions mentioned in the Interpretation No.16 occur during the period from the beginning of the earliest period for the presentation of financial statements under the initial implementation of the Interpretation No.16, enterprises should make adjustments according to the Interpretation No.16. As for the lease liabilities and right-of-use assets recognized for individual transactions mentioned in the Interpretation No.16 and occurred at the beginning of the earliest period for the presentation of financial statements under the initial implementation of the Interpretation No.16, and the recognized estimated liabilities relevant to the retirement obligation and the corresponding related assets, where the taxable temporary differences and deductible temporary differences arise therefrom, enterprises should, according to the Interpretation No.16 and the *Accounting Standards for Business Enterprises No.18 -- Income Tax*, adjust the retained earnings for the earliest period for the presentation of the financial statements and other relevant items in the financial statements based on the accumulatively affected amounts.

The Company has implemented the aforesaid provision as of January 1, 2023, and the main impacts of such implementation include:

Content of and reason for changes in accounting policies	Procedures for examination and approval	Affected items	Impact on the balance as at January 1, 2023	
			Consolidated	The Company
Interpretation No.16	Board of Directors	Deferred income tax assets	830,672,861.83	
		Deferred income tax liabilities	811,455,801.88	
		Retained earnings	-6,583,405.02	
		Minority equity	25,800,464.97	
		Income tax expenses	-34,662,538.23	
		Net profit attributable to owners of the company	17,876,988.23	
		Minority interest income	16,785,550.00	

5.2 Changes in accounting estimates

There was no change in significant accounting estimates of the Company during the reporting period.

5.3 Correction of significant accounting errors in prior periods

5.3.1 Affected items and adjusted amounts in the financial statements for the period prior to the presentation

Significant accounting errors in prior periods adopting the retrospective restatement method during the reporting period

Item	Total assets	Total liabilities	Owners' equity	Total operating income	Total profits
Affected amount	1,338,866,117.18	2,016,323,952.46	-677,457,835.28	-2,799,227,288.64	-228,692,842.73

Details of significant accounting errors in prior periods:

1. SPIC Material Equipment, China Power Complete Equipment, SPIC Hebei Electric Power and SPIC Henan Electric Power, subsidiaries of the Company recognized the revenue by the net method instead of the gross method, by which the operating income and operating costs for the prior year decreased by RMB 2,193,148,600.

2. Shanghai Nuclear Engineering Research and Design Institute Co., Ltd., a subsidiary of the Company, in the course of IPO audit, ① adjusted the opening amounts of AE and technical services based on the verified progress of contract performance; ② adjusted the progress of the research and development project, and the made the expense capitalization adjustment; ③ recognized the discounted finance company acceptance bills not meeting the requirements of derecognition as notes receivable; ④ adjusted the fair value of investment properties based on the appraisal results; ⑤ made the supplementary withdrawal of the current income tax expenses, property tax, land use tax, and stamp tax; ⑥ wrote off the deferred income tax assets recognized based on the deductible losses in 2022, the distributed profits at the beginning of that year affected and deferred income tax assets adjusted due to the implementation of the new standards for revenue, and the deferred income tax assets adjusted based on changes in the provision for bad debts. These matters mentioned above increased the total assets and liabilities at the beginning of the year by RMB 1,085,182,300 and RMB 1,127,278,800 respectively, and decreased the total owners' equity at the beginning of the year by RMB 42,096,500.

3. SPIC Beijing Electric Power Co., Ltd., a subsidiary of the Company, ① made the retroactive VAT adjustment with interest bearing to loans from and to related parties not belong to the scope for unified-borrowing and unified-lending from 2020 to 2022 within the scope of consolidation of the Company, according to relevant requirements of unified-borrowing and unified-lending; ② adjusted the time-point for the enterprise adjustment of converting assets failing to be converted into fixed assets according to relevant requirements during the period from 2021 to 2022 into fixed assets, and made the supplementary withdrawal of relevant depreciations; ③ adjusted the differences between the fair values of various identifiable assets, identifiable liabilities and contingent liabilities acquired from the combinee and the tax bases thereof; ④ made the supplementary recognition of right-of-use assets and lease liabilities arising from the lease of lands. These matters mentioned above increased the total assets and liabilities at the beginning of the year by RMB 62,796,200 and RMB 197,196,800 respectively, and decreased the total owners' equity at the beginning of the year by RMB 134,400,600.

4. SPIC Heilongjiang Electric Power Co., Ltd., a subsidiary of the Company, ① made the retroactive adjustment on the sales of trial operation for the earliest presentation period of the financial statements where the *Interpretation No.15 of Accounting Standards for Business Enterprises* was first implemented, according to the listing requirements and the *Interpretation No.15 of Accounting Standards for Business Enterprises*; ② as for the error in the time-point for converting the distributed photovoltaic power generation project into fixed assets, adjusted the original value of fixed assets based on the correct period, and made the interest capitalization and depreciation; ③ adjusted the difference between the provisional revenue and the amount specified in the settlement statement; ④ implemented the new standards for leases; ⑤ made the adjustment of debt investment in the name of equity investment (disguised debt); ⑥ as for the poverty alleviation money paid during the operating period, added the discounted value of such liability into the cost of assets; ⑦ had its employee compensation paid by Heilongjiang Branch (cancelled) in 2019 and 2020; ⑧ adjusted the management service fee collected from its subsidiaries without considering the unrealized profits. These matters mentioned above increased the total assets and liabilities at the beginning of the year by RMB 27,648,200 and RMB 330,311,300 respectively, and decreased the total owners' equity at the beginning of the year by RMB 302,663,100.

5. SPIC Shanxi Electric Power Co., Ltd., a subsidiary of the Company, recognized the poverty alleviation money paid during the operating period as an asset and the obligation of paying the poverty alleviation money as an liability, increasing the total assets and liabilities at the beginning of the year by RMB 79,346,900 and RMB 87,798,200 respectively, and decreasing the total owners' equity at the beginning of the year by RMB 8,451,300.

6. Other adjustment matters of the Company increased the total assets and liabilities at the beginning of the year by RMB 83,892,500 and RMB 273,738,900 respectively, and decreased the total owners' equity at the beginning of the year by RMB 189,846,300.

5.4 Impacts of the above adjustments on the amounts as at January 1, 2023 and amounts as at December 31, 2022

Item	Amount as at December 31, 2022 (Amount in 2022 before adjustment)	Amount as at January 1, 2023 (Amount in 2022 after adjustment)	Amount impacted by adjustment		
			Total	Changes in accounting policies	Correction of accounting errors
Total assets	1,581,795,901,638.78	1,583,965,440,617.79	2,169,538,979.01	830,672,861.83	1,338,866,117.18
Total liabilities	1,105,781,577,658.12	1,108,609,357,412.46	2,827,779,754.34	811,455,801.88	2,016,323,952.46
Total equity attributable to owners of the company	186,555,458,465.94	186,147,479,758.36	-407,978,707.58	-6,583,405.02	-401,395,302.56
Including: Paid-in capital	35,000,000,000.00	35,000,000,000.00			
Other equity instruments	127,700,000,000.00	127,700,000,000.00			
Capital reserves	30,579,328,456.25	30,595,710,770.05	16,382,313.80		16,382,313.80
Other comprehensive income	174,905,489.39	173,769,360.14	-1,136,129.25		-1,136,129.25
Special reserves	387,174,799.33	385,894,693.08	-1,280,106.25		-1,280,106.25
Retained earnings	-7,285,950,279.03	-7,707,895,064.91	-421,944,785.88	-6,583,405.02	-415,361,380.86
Minority equity	289,458,865,514.72	289,208,603,446.97	-250,262,067.75	25,800,464.97	-276,062,532.72

6 Taxation

6.1 Major tax types and tax rates

Tax type	Basis of tax assessment	Applicable tax rate (%)
Value added tax (VAT)	Levied based on the difference between the output tax (calculated based on the revenue from sales of goods and rendering of services according to tax law) and the deductible input tax for the period	13, 9, 6
	The Group has business where VAT is levied by the simple method without deducting the input VAT	5, 3, 1
	The Group's subsidiaries have the small-scale taxpayers who adopt the simple method for tax collection without deduction of input VAT	5, 3, 1
Resource tax	Levied based on the quantity of aluminum ore mined	RMB 20 / ton
	The coal resource tax is levied at relevant price and rate.	5, 6, 9
Urban maintenance and construction tax	Levied based on the VAT and consumption tax actually paid	1, 5, 7
Enterprise income tax	Levied based on the taxable income	25

For taxpayers adopting different enterprise income tax rates, the information should be disclosed as follows:

Taxpayer	Income tax rate (%)
SPIC Green Energy Limited	16.5
SPIC Pacific Energy Pty Ltd	30
SPIC Brazil Energia Participaçoes S.A.	34
Pacific Hydro Pty Ltd	30
Pacific Hydro Chile SA	27
Pacific Hydro Energia do Brasil Ltda	34

6.2 Tax preference

1. Preferential policies for VAT

(1) According to the *Circular on Value-added Tax Policies for Wind Power Generation* (CS [2015] No. 74) issued by the Ministry of Finance and the State Taxation Administration, from July 1, 2015, as for the power products self-produced by the taxpayers through wind power, the VAT policy of refund at 50% upon collection shall apply. Wind power generation enterprises subordinate to the Company may enjoy the above-mentioned preferential tax policy.

(2) According to the *Circular on Renewing the Preferential Policies for Value-added Tax, Real Estate Tax and Urban Land Use Tax for Heat Supply Enterprises* (CS [2019] No. 38) issued by the Ministry of Finance and the State Taxation Administration, in "northwest, north China and northeast regions", the revenue from heating fees charged from individual citizens (hereinafter referred to as "Citizens") by heat supply enterprises during the period from January 1, 2019 to the end of the heating period in 2020 shall be exempt from VAT; heat supply enterprises subordinate to the Company enjoyed the aforesaid policy in the current period. According to the announcement of the Ministry of Finance and the State Taxation Administration ([2023] No. 56), the implementation period of the above-mentioned preferential policy shall be extended to the end of the heating period in 2027.

(3) According to the notifications on taxation matters given by No. 16 Taxation Office under Xuhui District Branch of Shanghai Municipality Tax Service, State Taxation Administration and No. 10 Taxation under Qingpu District Branch of Shanghai Municipality Tax Service, State Taxation Administration, the projects of "study on the technique principle of underwater laser repair welding of stainless steel weld in nuclear power plant" and "study on leakage detection technology of heat transfer pipe of moisture separator reheater in nuclear power plant" of Shanghai Nuclear Industry Nondestructive Testing Center subordinate to the Company shall be exempt from VAT.

(4) According to the *Circular of the Ministry of Finance on Tax Issues Concerning the Imported Equipment for the Third-generation Nuclear Power Project* (CGS [2013] No. 15), Shandong Nuclear Power Company Ltd., a subsidiary of the Company, paid the tariff and import VAT at 56% of the tax amount payment for the total amount of imported equipment before the completion acceptance of Haiyang Nuclear Power Project (the total amount of imported equipment and accurate tax amount are subject to the amounts finally approved by the General Administration of Customs).

(5) As from January 1, 2011, according to the Circular of the Ministry of Finance and the State Taxation Administration on Value-added Tax Policy for Software Products (CS [2011] No. 100), VAT for software products may be refunded upon collection, SPIC Digital Technology Co., Ltd., subordinate to the Company, enjoys the above -mentioned tax preferential policies.

(6) According to the Announcement on Specifying VAT Reduction and Exemption Policies for Small-scale Taxpayers (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 1), stating that "III. From January 1, 2023 to December 31, 2023, the policy for additional deduction of VAT shall be implemented as follows: (I) Taxpayers in the productive service industry shall be allowed to additionally deduct the taxable amount at 5% of the deductible input tax for the current period; (II) Taxpayers in the living service industry shall be allowed to additionally deduct the taxable amount at 10% of the deductible input tax for the current period. SPIC Digital Technology Co., Ltd., SPIC Carbon Asset Management Co., Ltd., Tieling Qinghe Power Project Supervision Co., Ltd. and Dalian Zhongdian Nuclear Power Maintenance Co., Ltd. enjoyed the above-mentioned preferential tax policy.

(7) According to the *Announcement of the Ministry of Finance and the State Taxation Administration on the Value-added Tax Super-deduction Policy for Advanced Manufacturing Enterprises* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 43), stating that from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to add an extra 5% based on the deductible input tax for the current period for deduction of the VAT payable, Zhejiang HuaRay Technology Co., Ltd., a subsidiary of the Company, was in line with such requirement, and enjoyed such preferential tax policy for VAT super-deduction.

(8) According to Article 2 of the *Announcement on Further Stepping up the Application of End-of-Period Excess Input Value-Added Tax Credit Refund Policies* (Announcement of the Ministry of Finance and the State Taxation Administration [2022] No.14), an eligible enterprise may apply to the competent tax authority for a refund of its incremental VAT credit amount.

2. Preferential policies for enterprise income tax

(1) According to Article 27 in the *Law of the People's Republic of China on Enterprise Income Tax* and Article 87 in the implementing regulations thereof, the *Circular on Issues Concerning the Implementation of the Catalogue of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects* (CS [2008] No. 46) (*Circular of the State Taxation Administration on Issues Concerning the Implementation of the Preferential Policies for Enterprise Income Tax for Public Infrastructure Projects Supported by the State* (GSF [2009] No. 80)), the *Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects and Projects of Environmental Protection, Energy Saving and Water Conservation* (CS [2012] No. 10), and the *Supplementary Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Application of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects* (CS [2014] No. 55), as for the revenue from investments in projects specified in the *Catalogue of Preferential Policies for Enterprise Income Tax on Public Infrastructure Projects* (CS [2008] No. 116), from the tax year where relevant project gains revenue from the first batch of production management, the enterprise income tax shall be exempt for the first three years, and shall be half-reduced from the fourth year to the sixth year. Revenues from the photovoltaic power generation companies (projects), wind power companies (projects), projects of environmental protection, energy saving and water conservation, which are subordinate to the Company, may enjoy the above-mentioned preferential tax policies.

(2) According to the *Circular of the State Council on Implementing Several Policies on the Development of Western China* (GF [2000] No. 33), the *Circular of the Ministry of Finance, the General Administration of Customs and the State Taxation Administration on Issues Concerning Tax Policies for the In-depth Implementation of Strategies for the Development of Western China* (CS [2011] No. 58), and *the Announcement on Renewing the Enterprise Income Tax Policy for the Development of Western China* (Announcement of the Ministry of Finance, the *State Taxation Administration, and the National Development and Reform Commission* [2020] No.23) as well as relevant documents issued by all local tax bureaus, the Company's subsidiaries in Western China may enjoy the aforesaid preferential policies for the development of Western China, by which the enterprise income tax rate applicable to these subsidiaries was 15% in 2023.

(3) According to the *Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning Implementing the Catalogue of Preferential Policies for Enterprise Income Tax on Comprehensive Utilization of Resources* (CS [2008] No. 47), revenues gained by an enterprise from the production of products presented in the Catalogue and meeting national or industrial standards with resources listed in the Catalogue as major raw materials from January 1, 2018 shall be counted into the total revenues at 90% when calculating the taxable income. Revenues from the comprehensive utilization of resources by intelligent energy companies subordinate to the Company may enjoy the above-mentioned preferential tax policy.

(4) According to the *Circular of the Ministry of Finance and the State Taxation Administration on Issues Concerning the Policies for VAT, Business Tax and Enterprise Income Tax on Accelerating the Development of the Energy-saving Service Industry* (CS [2010] No. 110), the *Circular of the Ministry of Finance*

and the State Taxation Administration on the Inclusion of the Railway Transport Industry and Postal Service Industry in the Pilot Collection of Value-added Tax in Lieu of Business Tax (CS [2013] No. 106), and the *Circular of the Ministry of Finance and the State Taxation Administration on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax* (CS [2016] No. 36), the revenue from transferring goods taxable for VAT in relevant projects to energy-consuming enterprises shall be temporarily exempted from VAT; from the tax year where the project gains revenue from the first batch of production management, enterprise income tax shall be exempted for the first three years, and shall be paid based on the half of taxable income at the statutory tax rate of 25% from the fourth year to the sixth year. SPIC Power Energy Technology Co., Ltd., a subsidiary of the Company, may enjoy the aforesaid preferential tax policy when it implements the energy performance contracting project, and pay the enterprise income tax by half in 2023.

(5) According to the *Circular of the Ministry of Finance and the State Taxation Administration on Implementing the Policy on Inclusive Tax Reliefs for Small and Micro Enterprises* (CS [2022] No.13), stating that from January 1, 2022 to December 31, 2024, for small low-profit enterprises, the portion of annual taxable income more than RMB 1 million but less than RMB 3 million shall be included in the actual taxable income at 25%, based on which the enterprise income tax shall be paid at the tax rate of 20%. According to the *Announcement of the Ministry of Finance and the State Taxation Administration on the Preferential Income Tax Policy for Small and Micro Enterprises and Individual Businesses* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.6), stating that from January 1, 2023 to December 31, 2024, for small low-profit enterprises, the portion of annual taxable income less than RMB 1 million shall be included in the actual taxable income at 25%, based on which the enterprise income tax shall be paid at the tax rate of 20%. According to the *Announcement of the Ministry of Finance and the State Taxation Administration on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Businesses* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No.12), the policy that small low-profit enterprises shall calculate their actual taxable income at 25% of the annual taxable income and pay the enterprise income tax at 20% shall be continuously implemented by December 31, 2027. Some subsidiaries of the Company were recognized as micro and small enterprises and enjoyed such policy.

(6) According to the *Circular of the Ministry of Finance, the National Development and Reform Commission and the Ministry of Industry and Information Technology on Improving the Catalogue of Enterprise Income Tax Preference for Key Industries Encouraged for Development in Poor Areas of Xinjiang* (CS [2016] No.85), the applicable catalogue of preferential enterprise income tax policies for enterprises newly established in poor areas of Xinjiang, Kashgar Kashi Economic Development Zone and Khorgos Economic Development Zone shall be properly adjusted according to the *Catalogue of Enterprise Income Tax Preference for Key Industries Encouraged for Development in Poor Areas of Xinjiang (for trail implementation) (2016 version)*. 110 MW photovoltaic power generation project phase I of Yili Simax Power Generation Co., Ltd. a subsidiary of the Company, enjoyed the above-mentioned policy, with the enterprise income tax levied at 9% in 2023.

(7) According to the Announcement on the Issues Concerning the Income Tax Policies for Third-party Enterprises Engaged in Pollution Prevention and Control ([2019] No.60) jointly issued by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission and the Ministry of Ecology and Environment, the qualified third-party enterprises engaging in pollution prevention and control shall pay the enterprise income tax at the tax rate of 15% from January 1, 2019 to December 31, 2021. According to the *Announcement on Extending the Implementation Period for Some Preferential Tax Policies* (Announcement of the Ministry of Finance and the State Taxation Administration [2022] No. 4), the implementation period for the above-mentioned announcement was extended to December 31, 2023. Chaoyang Yuanda Environmental Protection Water Service Co., Ltd. Lingyuan Yuanda Water Service Co., Ltd., Changtu Yuanda Water Service Co., Ltd. and Henan Jiulong Environmental Protection Co., Ltd., subsidiaries of the Company, enjoy the above-mentioned preferential tax policy in 2023.

(8) According to the *Law of the People's Republic of China on Enterprise Income Tax* and the *Implementing Regulations of the Law of the People's Republic of China on Enterprise Income Tax*, high-tech enterprises where the state should give key support shall pay the enterprise income tax at the tax rate of 15%. The Company's subsidiaries, including SPIC Jiangxi Electric Engineering Co., Ltd., SPIC Yuanda Environmental Protection Equipment Manufacturing Co., Ltd., SPIC Hydrogen Energy Technology Development Co., Ltd., Qinghai Huanghe New Energy Maintenance and Inspection Co., Ltd., Qinghai Huanghe New Energy System Integration Engineering Co., Ltd., SPIC Qinghai Huanghe Electric Power Technology Co., Ltd. and Huanghe Hydropower Photovoltaic Industry Technology Co., Ltd. were recognized as high-tech enterprises, by which they may enjoyed the aforesaid preferential tax policy and paid the enterprise income tax at the tax rate of 15% for 2023.

(9) According to the document ([2021] No.27) issued by the Ministry of Finance and the State Taxation Administration and the document ([2021] No.66) issued by the People's Government of Xinjiang Uygur Autonomous Region, in terms of taxation, Khorgos Economic Development Zone would continue to implement the policy of "five exemptions and five reductions" until 2030, that is, for January 1, 2021 to December 31, 2030, key enterprises encouraged for development, newly established in such economic development zone and listed in the catalogue of industries in 36 categories (including 449 items), may be exempted from the enterprise income tax within 5 years from the taxable year where the first revenue from production and operation had been acquired and the local sharing part of the enterprise income tax from the sixth year to the tenth year; enterprises covered in the *Catalogue of Enterprise Income Tax Preference for Key Industries Encouraged for Development in Poor Areas of Xinjiang* (hereinafter referred to as the "Catalogue") may enjoy relevant preferential enterprise income tax policy according to the document (CS [2021] No.27). 20 MW photovoltaic power generation project of Yili Xinhui Fourth Division, 61st Regiment of Yili Xinhui Photovoltaic Power Generation Co., Ltd, a subsidiary of the Company, enjoyed the above-mentioned policy in 2023.

(10) According to the *Circular of the Ministry of Finance and the State Taxation Administration on Preferential Enterprise Income Tax Policies for the Hainan Free Trade Port* (CS [2020] No.31), enterprises in encouraged industries registered in the Hainan Free Trade Port ("FTP")and engaged in substantive operations shall pay for the enterprise income tax at a reduced tax rate of 15%.

(11) According to the *Circular of the State Council on Specifying the Proportions of Income Tax Revenue Sharing of the Central and Local Governments* (GF [2003] No.26), in order to promote the coordinated development of regional economies and the reform deepening, the State Council made a decision that income tax revenue sharing shall be carried out for the central government and the local government at 60% and 40% respectively from 2004. According to Article 6 of the *Measures for the Implementation of Enterprise Income Tax Policies in Tibet Autonomous Region* (ZZF [2022] No.11), the following industries and projects under the key support and encouragement for development (hydropower, solar photovoltaic power generation, wind power, geothermal power generation and other clean energy system testing, construction and operation) shall be exempted from the local sharing part of enterprise income tax from January 1, 2022 to December 31, 2025. Subsidiaries of the Company, such as SPIC Zayu Electric Power Co., Ltd., SPIC Shannan Electric Power Co., Ltd., SPIC Changdu Energy Co., Ltd., SPIC Shigatse Energy Co., Ltd., SPIC Dangxiong Energy Co., Ltd., Tibet Nimu Qingneng Integrated Smart Energy Co., Ltd., Tibet Zada Xuneng Integrated Smart Energy Co., Ltd., Tibet Biru Derun Energy Co., Ltd., Tibet Dingjie Weihang Energy Co., Ltd., Tibet Linzhou Jingsen Energy Co., Ltd and Tibet Dangxiong Qingguang Energy Co., Ltd. were exempted from the local sharing part of enterprise income tax.

3. Preferential policies for land use tax

(1) According to the *Notice of Qinghai Province People's Government on Postponing the Implementation of the Document (QZ [2018] No.12)* (QZ [2018] No.27), the implementation of the *Notice of Qinghai Province People's Government on Further Clarifying the Scope of Collection of Urban Land Use Tax* (QZ [2018] No.12) was postponed. The Company's subsidiary, Huanghe Hydropower Gonghe Solar Power Generation Co., Ltd., enjoyed the preferential tax policy of temporarily exemption of urban land use tax.

(2) According to the *Provisions of the State Taxation Administration on Exemption of Land Use Tax in Electric Power Industry* (GSDZ [1989] No.13), the ash yard and ash pipe outside the factory walls of the subsidiaries of the Company shall be exempted from land use tax. SPIC Northeast Electric Power Co., Ltd., a company subordinate to the Company, and its subsidiaries enjoyed the above-mentioned preferential tax policy.

(3) According to the *Notice of the Local Taxation Bureau of Inner Mongolia Autonomous Region under Inner Mongolia Autonomous Region Department of Finance on Clarifying Issues Concerning the Use of Urban Land Use Tax Policies for Photovoltaic Power Generation Enterprises* (NCS [2017] No. 2010), no land use tax shall be levied on the land that cannot be actually occupied in the factory areas of photovoltaic power generation enterprises (including production, office and living areas, the same below), such as historical sites, pass-through high-voltage transmission lines, flood discharge channels, and dams; for the land used by photovoltaic power generation enterprises, if the land belongs to agricultural land or unused land, and it has been actually used for breeding, soil and water conservation, vegetation restoration, desertification control and salinization control, such land shall be exempted from the land use tax as the "land directly used for agriculture, forestry, animal husbandry and fishery production" specified in relevant regulations. Mengdong Xiehe Jarud Banner Wind Power Co., Ltd., a company subordinate to the Company, enjoyed the aforesaid preferential tax policy.

(4) According to the *Notice of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Continuing the Policy of Lowering the Standards for Urban Land Use Tax* (JCS [2022] No.1), stating that in order to continue to maintain and stimulate the market vitality in Shanxi Province, and reduce the burden of enterprises, according to the *Opinions on Implementing the Multiplication of Market Entities* issued by Shanxi Provincial Party Committee and Shanxi Provincial Government, and the *Notice on Issuing Several Measures for Strengthening the Service Assurance for Factors of the Multiplication of Market Entities* (JZBF [2022] No.7) issued by the General Office of Shanxi Provincial Government, the tax standard that shall be due on December 31, 2021 as specified in the *Notice of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Continuing the Policy of Lowering the Standards for Urban Land Use Tax* (JCS [2021] No.3) and the *Notice of Shanxi Provincial Department of Finance and Shanxi Provincial Tax Service, State Taxation Administration on Adjusting the Standard for Urban Land Use Tax in Xinzhou City* (JCS [2021] No.11) shall have a new due date of December 31, 2025. SPIC Shanxi Aluminum Co., Ltd., a company subordinate to the Company, enjoyed the policy of reduction and exemption of land use tax.

(5) According to the Opinions of Anhui Provincial People's Government on Accelerating the Development of Power Generation via Crop Straw (WZ [2014] No.52), Guoneng Linquan Biomass Power Generation Co., Ltd., Guoneng Mengcheng Biomass Power Generation Co., Ltd. and Guoneng Shouxian Biomass Power Generation Co., Ltd., companies subordinate to the Company, were covered in the scope of policy support and enjoyed the policy of exemption of land use tax.

4. Preferential policies for land appreciation tax

According to the *Announcement of the Ministry of Finance and the State Taxation Administration on Continuing the Implementation of the Land Appreciation Tax Policy for Enterprise Restructuring and Reorganization* (Announcement of the Ministry of Finance and the State Taxation Administration [2021] No.21), in the event that an enterprise is restructured as a whole pursuant to relevant provisions of the *Company Law of the People's Republic of China*, if the enterprise before the restructuring had transferred or changed the right to use state-owned land, ground buildings and the attached installations thereon (hereinafter referred to as the "real estate") to the enterprise after the restructuring, the land appreciation tax will be temporarily exempted. The subsidiaries of the Company, Qinghai Huanghe Hydropower Development Co., Ltd. Xi'an Solar Power Branch and Huanghe Hydropower Development Co., Ltd. Xining Solar Power Branch shall be exempted from land appreciation tax.

5. Preferential policies for house property tax

(1) According to Item 4, Article 11 in the *Circular on the Implementing Rules on the In-depth (Trial) Implementation of Opinions on Strategies and Policies for the Development of Western China* (QCS [2015] No. 2073), stating that “any high-tech enterprise may be exempted from the house property tax for five years from the date when it is recognized as the high-tech enterprise.”, Huanghe Xinye Co., Ltd., a subsidiary of the Company, was exempted from the house property tax from November 2018 to October 2023.

(2) According to the *Announcement on the Extension of Relevant Tax Policies for Heat Supply Enterprises* (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 56), until the end of the heating period in 2027, for the heat supply enterprises that collect heating fees from residents, the house property tax and urban land use tax for the plants and land used for heating shall be exempted, while other plants and land of the heat supply enterprises shall be subject to the house property tax and urban land use tax in accordance with relevant provisions. The plants of Huanghe Xining Thermal Power Co., Ltd., a company subordinate to the Company, used for supplying heat to residents were exempted from the house property tax.

(3) According to the *Implementing Rules on the In-depth (Trial) Implementation of Opinions on Strategies and Policies for the Development of Western China* (QBF [2010] No.66) and the *Official Reply of the General Office of the People's Government of Qinghai Province on Decrypting Tax Policies Involved in the Implementing Rules on the Opinions on Strategies and Policies for the Development of Western Region* (QBZ [2016] No.4), encouraged industrial enterprises newly-established shall be exempted from the house property tax within 5 years from the date of production and operation. 200 MW projects of Qinghai Huanghe Hydropower Development Co., Ltd. Wulan Wind Power Generation Branch and Qinghai Huanghe Hydropower Development Co. Ltd. Gonghe Wind Power Generation Branch, companies subordinate to the Company, enjoyed the preferential policies of exemption from the house property tax.

6. Preferential policies for deed tax

According to the Announcement of the Ministry of Finance and the State Taxation Administration on Continuously Implementing the Deed Tax Policy for Restructuring and Reorganization of Enterprises and Public Institutions (Announcement of the Ministry of Finance and the State Taxation Administration [2021] No.17), in the event that an enterprise is restructured as a whole pursuant to relevant provisions of the *Company Law of the People's Republic of China*, the investor of the original enterprise survives and holds more than 75% of the equity (shares) in the enterprise after the restructuring (change), and the company after the restructuring (change) inherits the rights and obligations of the original enterprise, the land and house ownership of the reconstructed (changed) company shall be exempted from the deed tax. Thus, Qinghai Huanghe Hydropower Development Co., Ltd. Xi'an Solar Power Branch and Qinghai Huanghe Hydropower Development Co., Ltd. Xining Solar Power Branch, subsidiaries of the Company, were exempt from the deed tax.

7. Preferential policies for consumption tax

According to the *Circular on the Ministry of Finance and the State Taxation Administration on the Imposition of Consumption Tax on Batteries and Coatings* (CS [2015] No. 16), in which mercury-free galvanic cell, nickel-metalhydrogen storage battery (also known as "nickel hydrogen battery" or "nickel-hydrogen storage battery"), lithium galvanic cell, lithium ion battery, solar cell, fuel cell and all-vanadium redox flow battery shall be exempted from the consumption tax; thus, the solar cells sold by Qinghai Huanghe Hydropower Development Co., Ltd. Xi'an Solar Power Generation Branch and Qinghai Huanghe Hydropower Development Co., Ltd. Xining Solar Power Generation Branch., subsidiaries of the Company, were exempted from the consumption tax.

6.3 Other description

None.

7 Business combination and consolidated financial statements

(Unless otherwise specified, figures in the following tables shall be expressed in RMB '0,000)

7.1 Information on subsidiaries

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
1	SPIC Northeast Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shenyang	Shenyang	Production and sales of electric heating	840,449.41	100.00	100.00	1,352,559.14	Established by investment
2	SPIC Hebei Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shijiazhuang	Shijiazhuang	Production and sales of electric power	89,596.87	100.00	100.00	176,731.43	Established by investment
3	SPIC Henan Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Zhengzhou	Zhengzhou	Production and sales of electric power	392,635.00	100.00	100.00	1,060,462.96	Established by investment
4	SPIC Jiangxi Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Nanchang	Nanchang	Production and sales of electric power	285,793.94	54.32	54.32	672,452.14	Established by investment
5	China Power International Holding Ltd.	2	Domestic non-financial subsidiary	Hong Kong	Hong Kong	Investment, production and sales of electric power	1,328,518.52	100.00	100.00	1,056,882.01	Established by investment
6	Shanghai Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Shanghai	Shanghai	Production and sales of electric heating	281,674.36	51.77	57.46	636,486.25	Established by investment
7	SPIC Yuanda Environmental Protection Co., Ltd.	2	Domestic non-financial subsidiary	Chongqing	Chongqing	Environmental protection	78,081.69	43.74	43.74	183,511.55	Business combination not under common control

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
8	SPIC Huanghe Hydropower Development Co., Ltd.	2	Domestic non-financial subsidiary	Xi'an	Xi'an	Production and sales of electric power	1,745,776.51	94.17	94.17	1,251,689.98	Established by investment
9	China Power Complete Equipment Co., Ltd	2	Domestic non-financial subsidiary	Beijing	Beijing	Complete set of electricity service	23,339.41	100.00	100.00	30,206.21	Established by investment
10	SPIC Mengdong Energy Co., Ltd.	2	Domestic non-financial subsidiary	Tongliao	Tongliao	Coal, electricity or aluminum industry	330,000.00	65.00	65.00	229,512.63	Business combination not under common control
11	SPIC Jilin Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Changchun	Changchun	Production and sales of electric power	377,777.96	100.00	100.00	427,693.78	Established by investment
12	State Nuclear Power Technology Corporation	2	Domestic non-financial subsidiary	Beijing	Beijing	Investment in nuclear power project	2,402,883.53	92.06	92.06	3,817,118.82	Others
13	SPIC Yunnan International Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Kunming	Kunming	Production and sales of electric power	381,293.00	100.00	100.00	388,683.73	Established by investment
14	SPIC Guizhou Jinyuan Co., Ltd.	2	Domestic non-financial subsidiary	Guiyang	Guiyang	Production and sales of electric power	589,231.54	68.05	68.05	439,312.00	Business combination not under common control

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
15	SPIC Xinjiang Energy and Chemical Industry Co., Ltd.	2	Domestic non-financial subsidiary	Urumqi	Urumqi	Investment and management of chemical industry	422,893.09	67.94	67.94	345,304.00	Established by investment
16	China Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Project investments	8,600.00	100.00	100.00	5,829.55	Established by investment
17	SPIC Aluminum & Power Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Investment in overseas mining	447,713.16	100.00	100.00	922,404.80	Established by investment
18	SPIC (Shanghai) Aluminum Co., Ltd.	2	Domestic non-financial subsidiary	Shanghai	Shanghai	Aluminium trade	10,000.00	100.00	100.00	10,000.00	Established by investment
19	SPIC Digital Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Software development and information service	134,270.24	98.22	100.00	134,270.24	Established by investment
20	SPIC Industry-Finance Holdings Co., Ltd.	2	Domestic non-financial subsidiary	Shijiazhuang	Shijiazhuang	Production and sales of heating power	538,341.85	54.54	54.54	966,091.52	Business combination not under common control
21	China United Gas Turbine Technology Co., Ltd.	2	Domestic non-financial subsidiary	Shanghai	Shanghai	Technology development and service	162,000.00	71.70	71.70	116,160.00	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
22	State Power Investment Overseas Co., Ltd.	2	Domestic non-financial subsidiary	Zhuhai	Zhuhai	Overseas development of and investment in nuclear power	33,750.00	100.00	100.00	33,750.00	Established by investment
23	SPIC Chongqing Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Chongqing	Chongqing	Development and management of power supply	478,683.20	100.00	100.00	534,588.81	Established by investment
24	SPIC Research Institute of Science and Technology	2	Domestic non-financial subsidiary	Beijing	Beijing	Engineering and technical research	172,635.84	96.82	100.00	125,991.73	Established by investment
25	International Finance (Hong Kong) Company Limited	2	Domestic non-financial subsidiary	Hong Kong	Hong Kong	Investment	81,340.28	100.00	100.00	81,446.47	Established by investment
26	SPIC Asset Management Co., Ltd.	2	Domestic non-financial subsidiary	Tianjin	Tianjin	Foreign investment	225,486.41	100.00	100.00	225,486.41	Established by investment
27	SPIC Inner Mongolia Energy Co., Ltd.	2	Domestic non-financial subsidiary	Hohhot	Hohhot	Coal mining and power production	222,419.44	100.00	100.00	1,203,426.41	Established by investment
28	SPIC Fund Management Co., Ltd.	2	Domestic financial subsidiary	Beijing	Beijing	Entrusted management of equity investment funds and asset management	100,000.00	100.00	100.00	100,000.00	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
29	SPIC Hainan New Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Hainan	Hainan	New energy and power development	7,116.20	100.00	100.00	7,116.20	Established by investment
30	SPIC Xiong'an Energy Co., Ltd.	2	Domestic non-financial subsidiary	Shijiazhuang	Shijiazhuang	Wind power and solar power generation	2,000.00	100.00	100.00	2,000.00	Established by investment
31	SPIC Green Energy Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	New energy technology development	44,019.41	100.00	100.00	44,019.41	Established by investment
32	SPIC Hydrogen Energy Technology Development Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology research & development and sales of new energy	29,237.16	41.62	41.84	232,113.59	Established by investment
33	SPIC Heilongjiang Nuclear Energy Heating Co., Ltd.	2	Domestic non-financial subsidiary	Jiamusi, Heilongjiang	Jiamusi, Heilongjiang	Power and heat production	4,300.00	100.00	100.00	4,300.00	Established by investment
34	Guangxi SPIC Overseas Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Nanning	Nanning	Foreign investment	172,000.00	52.10	95.00	162,000.00	Established by investment
35	SPIC Beijing Heavy Duty Gas Turbine Technology Research Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology development and service	6,000.00	100.00	100.00	6,000.00	Established by investment
36	SPIC Carbon Asset Management Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology development and service	19,450.00	100.00	100.00	8,120.00	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
37	SPIC Shared Services Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Professional technique service	20,430.00	100.00	100.00	20,430.00	Established by investment
38	SPIC Southwest Energy Research Institute Co., Ltd.	2	Domestic non-financial subsidiary	Chengdu	Chengdu	Technology development and service	4,590.00	100.00	100.00	4,590.00	Established by investment
39	Beijing Funeng New Energy Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	New energy technology development		100.00	100.00	251,587.50	Established by investment
40	SPIC Finance Co., Ltd.	2	Domestic financial subsidiary	Beijing	Beijing	Finance	750,000.00	85.10	100.00	362,298.95	Established by investment
41	Zhongdian United Heavy-duty Gas Turbine Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology R&D	242,034.00	71.70	71.70	190,194.00	Established by investment
42	Beijing Ronghe Cloud Chain Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Finance	10,042.55	53.01	70.17	10,000.00	Established by investment
43	National Bio Energy Group Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Biomass power generation	713,078.15	65.39	65.39		Gratuitous transfer-in
44	SPIC Integrated Intelligent Energy Technology Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology R&D	81,000.00	100.00	100.00	81,000.00	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
45	SPIC Smart Energy Investment Co., Ltd.	2	Domestic non-financial subsidiary	Beijing	Beijing	Technology R&D	58,000.00	90.00	100.00	58,000.00	Established by investment
46	Jiaxing Rongneng New Technology Investment Partnership (L.P.)	2	Domestic non-financial subsidiary	Jiaxing, Zhejiang	Jiaxing, Zhejiang	Investment in energy sector	10,000.00	84.05	100.00	2,500.00	Established by investment
47	SPIC Technology Innovation Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	61,974.00	99.94	100.00	23,189.20	Established by investment
48	SPIC Sanxin Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	106,727.89	100.00	100.00	106,727.89	Established by investment
49	SPIC Sanxin Phase II Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	333,385.56	100.00	100.00	333,385.56	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
50	SPIC Chuangke Clean Energy Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	40,050.00	57.61	61.12	26,050.00	Established by investment
51	SPIC Qingneng Wind Power Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	41,200.00	70.61	70.61	34,200.00	Established by investment
52	SPIC Clean Energy - Green Energy No.1 Private Equity Fund	2	Structured entities	Beijing	Beijing	Foreign investment	1,000.00	45.37	70.00	695.12	Established by investment
53	SPIC Qingneng Yunchuang Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Foreign investment	10,256.12	75.12	71.19	7,704.59	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
54	SPIC Qingneng Phase I Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Beijing	Beijing	Foreign investment	950,200.00	20.01	20.01	190,100.00	Established by investment
55	SPIC Qingneng Phase II Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Foreign investment	170,200.00	20.04	20.04	34,100.00	Established by investment
56	SPIC Qingneng Phase III Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Foreign investment	185,200.00	20.03	20.03	37,100.00	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
57	SPIC Qingneng Phase IV Carbon Neutral Equity Investment (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Foreign investment	125,200.00	20.05	20.05	25,100.00	Established by investment
58	SPIC Jianneng (Jiaxing) New Energy Investment Partnership (Limited Partnership)	2	Structured entities	Tianjin	Beijing	Foreign investment	13,783.69	82.93	82.93	11,430.81	Established by investment
59	SPIC Baogong (Jiaxing) Investment Partnership (Limited Partnership)	2	Domestic non-financial subsidiary	Jiaxing, Zhejiang	Beijing	Foreign investment	2,800,000.00	20.00	20.00	400,000.00	Established by investment
60	SPIC Shandong Electric Power Co., Ltd.	2	Domestic non-financial subsidiary	Jinan	Jinan	Production and sales of electric power	12,000.00	100.00	100.00	12,000.00	Established by investment
61	SPIC Green Strategic Investment Fund (Tianjin) Partnership (Limited Partnership)	2	Structured entities	Tianjin	Tianjin	Foreign investment	10,200.00	49.22	57.57	5,872.73	Established by investment

No.	Name of enterprise	Level	Type of enterprise	Registered place	Principal place of business	Nature of business	Paid-in capital	Shareholding ratio (%)	Voting right ratio (%)	Investment amount	Way of acquisition
62	SPIC Chuangxing Green New Energy (Anhui) Venture Capital Investment Partnership (Limited Partnership)	2	Structured entities	Wuwei	Wuwei	Foreign investment	60,000.00	50.00	50.00	30,000.00	Established by investment
63	China Power International Development Limited	3	Overseas non-financial subsidiary	Hong Kong	Hong Kong	Production and sales of electric power	902,060.16	56.04	56.04	563,260.71	Established by investment
64	Inner Mongolia Dian Tou Energy Corporation Limited	3	Domestic non-financial subsidiary	Tongliao	Tongliao	Coal production and sales	192,157.35	59.22	59.22	198,518.40	Established by investment
65	Jilin Electric Power Co., Ltd.	3	Domestic non-financial subsidiary	Changchun	Changchun	Power construction and production	279,020.80	31.88	34.00	350,687.16	Established by investment

Remark: In 2023, within the scope of consolidation, 3 subsidiaries were added, see "Note 7.6 Entities newly included in the consolidation scope in 2023" for details; 6 subsidiaries were decreased, including 1 subsidiary that would no longer be included in the scope of consolidation, see "Note 7.5 Original subsidiaries no longer included in the scope of consolidation in 2023" for details, and other 5 subsidiaries were transferred to sub-subsidiaries: On June 26, 2023, the Company and its sub-subsidiary China Power International Development Limited signed the *Agreement between China Power International Development Limited and State Power Investment Corporation Limited on the Transfer of 55.15%, 100%, 100% and 100% of Equity of SPIC Beijing Electric Power Co., Ltd., SPIC Fujian Electric Power Co., Ltd., SPIC Shanxi Electric Power Co., Ltd. and SPIC Heilongjiang Electric Power Co., Ltd.*, by which the Company transferred the aforesaid four subsidiaries to China Power International Development Limited. In 2023, the Company and its sub-subsidiary China Power International Holding Ltd. signed the Agreement on the Transfer of 100% of Equity of SPIC Sichuan Electric Power Co., Ltd., by which the Company transferred SPIC Sichuan Electric Power Co., Ltd. to China Power International Holding Ltd.