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BRINGING ENERGY

TO THE WORLD

ANNUAL REPORT 2021

Double Carbon Pioneer
Empowering the Future

中国能源建设股份有限公司
CHINA ENERGY ENGINEERING CO., LTD.

(A joint stock company incorporated in the People's
Republic of China with limited liability)
(Stock Code: 3996) (A Share: 601868)



IMPORTANT NOTICE

- I. The Board of Directors, the Board of Supervisors, Directors, Supervisors and Senior Management of the Company confirm that the contents in this annual report are true, accurate and complete and have no false representations, misleading statements or material omissions, and they will individually and collectively accept legal responsibility for such contents.
- II. All Directors of the Company attended the Board meeting.
- III. KPMG Huazhen LLP has issued an unqualified audit report to the Company.
- IV. Song Hailiang, the person-in-charge of the Company, Li Lai Nar, the person-in-charge of accounting affairs and, Zhang Yaxian, the head of the accounting institution (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report in this annual report.
- V. **Profit distribution plan or plan to convert capital reserve into share capital reviewed and approved by the Board during the Reporting Period**

Based on the Company's total share capital 41,691,163,636 shares, a cash dividend of RMB0.225 for every 10 shares (tax inclusive) is distributed to all shareholders, a total of cash dividends of RMB938 million are distributed, and the remaining profits are carried forward to the next year. During the year, the Company did not implement the conversion of capital reserve into share capital. The above profit distribution plan will take effect after being submitted to the Company's 2021 annual general meeting for approval.



VI. Risks disclaimer of the forward-looking statements

Applicable Not Applicable

Forward looking statements such as future plans and development strategies contained in the Report do not constitute substantive commitments of the Company to its investors. Investors and relevant persons are kindly reminded to maintain adequate risk awareness of such statements and understand the differences between plans, forecasts and commitments. Investors should be aware of the investment risks.

VII. Any appropriation of fund by the controlling shareholder and its related parties for non-operating purpose?

No

VIII. Any provision of external guarantee in violation of the stipulated decision-making procedure?

No

IX. Whether more than half of Directors are unable to warrant the truthfulness, accuracy and completeness of the annual report disclosed by the Company?

No

X. Material risk alert

The Company has described the risks faced by us in this report in detail, please refer to the description of the risks faced by the Company in the "Management Discussion and Analysis" section of this report.

XI. Others

Applicable Not Applicable



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Documents Available for Inspection

1. Financial statements signed and sealed by the legal representative, chief financial officer and head of the accounting department.
 2. Original copies of all documents and announcements of the Company which had been disclosed to the public on China Securities Journal, Shanghai Securities News, and Securities Times.
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DEFINITIONS

DEFINITIONS OF THE FREQUENTLY USED TERMS

Company or our Company	refers to China Energy Engineering Corporation Limited (中國能源建設股份有限公司), a joint stock company with limited liability incorporated in the PRC on 19 December 2014
Group or our Group	refers to China Energy Engineering Corporation Limited and its subsidiaries
Energy China Group	refers to China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), the controlling shareholder of the Company
EPPE Company	refers to Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)
CPECC	refers to China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)
CEEPE	refers to China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)
Finance Company	refers to China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)
CGGC Group	refers to China Gezhouba Group Company Limited (中國葛洲壩集團有限公司)
CGGC	refers to China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司)
Hunan Institute	refers to China Energy Engineering Group Hunan Electric Power Design Institute Co., Ltd. (中國能源建設集團湖南省電力設計院有限公司)
Asset Management Company	refers to China Energy Engineering Group Asset Management Co., Ltd. (中國能源建設集團資產管理有限公司)
Beijing Power Construction	refers to China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)
Hubei Provincial Communications Investment Group	refers to Hubei Provincial Communications Investment Group Co., Ltd. (湖北省交通投資集團有限公司)
Board or Board of Directors	refers to the board of directors of China Energy Engineering Corporation Limited
Director(s)	refers to the director(s) of China Energy Engineering Corporation Limited

Definitions

Board of Supervisors or Supervisory Committee	refers to the board of supervisors of China Energy Engineering Corporation Limited
Reporting Period	refers to the period starting on 1 January 2021 and ended 31 December 2021
year-on-year	refers to comparison with the same period of the previous year
Corporate Governance Code	refers to the Corporate Governance Code as contained in Appendix 14 to the Hong Kong Listing Rules
Hong Kong Listing Rules	refers to the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
Model Code	refers to Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
SFO	refers to Hong Kong Securities and Future Ordinance
PRC or China	refers to the People's Republic of China
Ministry of Finance	refers to Ministry of Finance of the People's Republic of China (中華人民共和國財政部)
MOC	refers to the Ministry of Commerce of the People's Republic of China (中華人民共和國商務部)
MIIT	Ministry of Industry and Information Technology of the People's Republic of China (中華人民共和國工業和信息化部)
DRC	refers to National Development and Reform Commission of China (中華人民共和國國家發展和改革委員會)
SASAC or State-owned Assets Supervision Commission of the State Council	refers to State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)
National Bureau of Statistics	refers to the National Bureau of Statistics of the People's Republic of China (中華人民共和國統計局)
Stock Exchange	refers to The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited

Definitions

One Belt and One Road	refers to the initiative proposed by the People's Republic of China that focuses on connection and cooperation among countries primarily in Eurasia, which consists of two main components, the land-based "Silk Road Economic Belt" and ocean-going "Maritime Silk Road"
OFAC	refers to the abbreviation of the Office of Foreign Assets Control, referring to The Office of Foreign Assets Control of the US Department of the Treasury
three supply in one industry	refers to the water, power and heat(gas) supply and property management took place in the residence to employees of state-owned enterprises
MW	refers to the measurement of electric power which equals to 1,000,000 watts. Alternatively, 1 MW equals to 1,000 kW
PPP	refers to public private partnership, a business model in which public infrastructure projects are financed, built and operated by way of partnership between the public sector and the private sector
PV	refers to the abbreviation of solar photovoltaic system, a technology that directly converts solar energy into electrical energy by making use of the photovoltaic effect of semiconductor materials
EPC	refers to a common form of contracting arrangement whereby the contractor is commissioned by the project owner to carry out project work such as design, procurement, construction and trial operations, or any combination of the above, either through the contractor's own labor or by subcontracting part or all of the project work, and is responsible for the quality, safety, timely delivery and cost of the project
BOT	refers to the build-operate-transfer mode. It is a model in which the government grants the concession rights of an infrastructure project to a contractor, where the contractor is responsible for the design, financing, construction and operation of the project during the concession period to recover its costs, repay debts and earn profits. Upon expiration of the concession period, the ownership of the project will be transferred back to the government
smart grid	refers to the new modern grid highly integrating the advanced sensor measurement technology, information and communication technology, analysis and decision technology, automatic control technology, energy electric technology and power grid infrastructure in order to achieve the reliable, economical, efficient, and environmentally friendly and safety use objectives
"1466" Strategy	refers to "one strategic vision" of being an industry-leading and world-class company; "four leading positions" in implementing national strategies, promoting the energy revolution, speeding up high-quality development and building a better life; and "six first-class" in building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment management provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment; and "six major breakthroughs" in promoting energy revolution and energy transformation development, accelerating high-quality development, deepening system reform, comprehensively strengthening scientific management, comprehensively improving the core competitiveness and organizational capacity of enterprises, and strengthening the party's overall leadership and party building .

Definitions

12 in place	refers to safety awareness in place, risk identification and control in place, institutional system construction in place, safety measures in place, effective rigid training in place, resource allocation in place, safety management organization and capacity in place, dynamic supervision and inspection in place, reward and punishment mechanism in place, emergency management and emergency response in place, experience and lessons learned in place, safety culture construction in place
three basics and four modernizations	“Three basics” refers to focusing on the grassroots, strengthening the foundation, and practicing basic skills, and “four modernizations” refer to specialization, standardization, digitization, and refinement
Basic 334 Project	“Three basics” refers to focusing on the grassroots, strengthening the foundation, and practicing basic skills, “three full” refers to comprehensive budget management, full cost accounting management, and comprehensive performance appraisal management; and “four modernizations” refer to specialization, standardization, digitization, and refinement
two controls, two reductions, one governance and one fast	refers to paying close attention to the pressure reduction of “two funds”, strictly controlling the asset-liability ratio, strengthening cost and expense management and control, increasing efforts to control losses, and speeding up turnover efficiency.
Certain Opinions	Certain Opinions on Comprehensively Strengthening the Leadership of the Party, Accelerating High-quality Development, Deepening System Reform and Strengthening Scientific Management (《關於全面加強黨的領導、加快高品質發展、深化系統改革和加強科學管理的若干意見》)
“two funds”	accounts receivable and inventories
“four rates”	profit margin of operating income, asset-liability ratio, R&D investment intensity, labor productivity of all employees
Safety Production “234” Project	“two constructions”, namely constructions of large safety management system and intrinsic safety management capability; “consolidating three foundations”, namely consolidating grassroots responsibilities, laying solid management foundation and practicing basic skills of safety production; “strengthening four modernizations”, namely promoting specialization, standardization, digitization and refined management of safety production
“4633” Institutional Framework System	4 categories, namely basic system, party building system, management system and business system; 6 document types, namely governance rules, administrative measures, work rules, business specifications, guiding opinions and implementation rules; 3 levels, namely the first-level system, the second-level system and the third-level system; 3 statuses, namely implementation, trial implementation and abolition
“1+9” Planning System	“1+9” Planning System refers to the “14th Five-Year” overall development plan and 9 functional and special plans for new energy, human resources and financial business of Energy China

CORPORATE INFORMATION AND KEY FINANCIAL INDICATORS

Founded on 19 December 2014, the Company is a joint stock company with limited liability established and co-sponsored by China Energy Engineering Group Co., Ltd. (a central enterprise supervised and administered by the SASAC), and its wholly-owned subsidiary, Electric Power Planning Engineering Institute Co., Ltd. The Company issued H shares under the initial public offering on 10 December 2015 and got listed on the main board of the Stock Exchange (Stock Code: 3996.HK), and got listed on the main board of the Shanghai Stock Exchange (stock code: 601868.SH) on 28 September 2021.

The Company is an ultra large comprehensive group company that provides overall solutions and full industry chain services to industries such as energy and power, infrastructure in the PRC as well as over the world. Its businesses cover energy power, water conservancy and waterworks, railways and highways, ports and navigation channels, municipal engineering, urban rail, eco-environment protection and housing construction, with a complete industrial chain integrating planning and consulting, evaluations and review, survey and design, construction and contracting and management, operational maintenance and investment operation, technical services, equipment manufacturing, and building materials. The Company successfully entered Global 500 for eight consecutive years and obtained front-row rankings in ENR Top 150 Global Engineering Design Firms, Top 225 International Design Firms, Top 250 Global Contractors and Top 250 International Contractors. The Company has set up over 200 overseas branch offices in more than 90 countries and regions with its businesses extending to over 140 countries and regions outside China.

The Company serves the national strategies and leads industry development by virtue of its leading technological levels and superb innovation capabilities. As of the end of 2021, the Company had 3 academician expert workstations, 11 workstations of postdoctoral scientific researchers, 3 national research institutions and 60 provincial research institutions and 106 high and new technology enterprises. It obtained 48 National Science and Technology Progress Awards, more than 2,300 major scientific and technological achievements and 10,147 patents in force. It formulated and revised over 1,200 national and industry standards. In a series of major projects related to the national economy and people's livelihood, such as the Three Gorges Project, South-to-North Water Diversion, West-East Gas Transmission, West-East Power Transmission and Third-Generation Nuclear Power, as the main force of engineering construction and the national team, the Company successively undertook a number of major projects such as the world's first "300" thermal power project, the world's first AP1000, CAP1400 nuclear power project, the world's largest wind power and solar PV power generation, the world's first multi-terminal flexible direct current transmission project, the world's first 1,240MW high-efficiency ultra-supercritical coal-fired power project, the world's first UHV multi-terminal hybrid direct current project and the world's highest transmission and transformation project, creating many world firsts.

Adhering to a strategic vision of being an "industry-leading and world-class" company, the Company is committed to building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment management provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment. The Company will always adhere to being at the forefront of implementing national strategies, promoting the energy revolution, speeding up high-quality development and building a better life, the Company accelerates the establishment of a world-class enterprise with global competitiveness, and continues to create biggest value for the customers, shareholders, employees and the society.

Corporate Information and Key Financial Indicators

I. COMPANY INFORMATION

Chinese Name of the Company	中國能源建設股份有限公司
Chinese abbreviation of the Company	中國能建
English name of the Company	China Energy Engineering Corporation Limited
Abbreviation of the English name of the Company	CH ENERGY ENG
Legal representative of the Company	SONG Hailiang

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board	Representative of securities affairs
Name	Qin Tianming	/
Correspondence address	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC	/
Tel	010-5909 8818	/
Fax	/	/
E-mail	zgnj3996@ceec.net.cn	/

III. BASIC COMPANY INFORMATION

Registered address	Room 01-2706, 1-24/F, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Postal code of registered address	100022
Business address	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Postal code of business address	100022
Company website	www.ceec.net.cn
Email	zgnj3996@ceec.net.cn
Index of changes during the Reporting Period	/

IV. INFORMATION DISCLOSURE AND PLACE FOR INSPECTION

Newspapers designated by the Company for information disclosure	China Securities Journal, Securities Times, Shanghai Securities News
Website designated by the CSRC for publication of annual reports	www.sse.com.cn
Place where the annual reports of the Company are available	Board Secretary Office, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Index of changes during the Reporting Period	/

Corporate Information and Key Financial Indicators

V. STOCK INFORMATION OF THE COMPANY

Class of shares	Stock Information of the Company			
	Stock exchange on which shares are listed	Stock abbreviation	Stock code	Stock abbreviation before the change
A Shares	Shanghai Stock Exchange	中國能建	601868.SH	
H Shares	Hong Kong Stock Exchange	CH ENERGY ENG	3996.HK	

VI. OTHER RELATED INFORMATION

Domestic accounting firm appointed by the Company	Name	KPMG Huazhen LLP
	Office address	8th Floor, E2 Tower, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing
	Signing accountants	Wu Xuchu, Guo Chengzhan
Overseas accounting firm appointed by the Company	Name	/
	Office address	/
	Signing accountants	/
The sponsor to perform continuous supervision duties during the Reporting Period	Name	China International Capital Corporation Limited
	Office address	27th and 28th Floor, China World Tower 2, No. 1 Jianguomen Wai Avenue, Chaoyang District, Beijing
	Signing representative of sponsor	Zhang Xuekong, Dang Yi
	Period of continuous supervision	28 September 2021 to 31 December 2023
The sponsor to perform continuous supervision duties during the Reporting Period	Name	Huatai United Securities Company Limited
	Office address	Room 401, Building B7, Qianhai Shenzhen-Hong Kong Fund Town, No. 128, Guiwan 5th Road, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen
	Signing officers of financial advisors	Luo Yiping, Huang Tao
	Period of continuous monitoring and guidance	28 September 2021 to 31 December 2023
Domestic legal advisors engaged by the Company	Name	Jia Yuan Law Offices
	Office address	Room F408, Ocean Plaza, 158 Fuxing Men Nei Avenue, Beijing, the PRC
Overseas legal advisors engaged by the Company	Name	Clifford Chance
	Office address	27/F, Jardine House, One Connaught Place, Central, Hong Kong

Corporate Information and Key Financial Indicators

VII. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS FOR THE RECENT THREE YEARS

(I) Key Accounting Data

Unit: '000 Currency: RMB

Key accounting information	2021	2020	Change over the corresponding period last year (%)	2019
Operating income	322,318,565	270,327,662	19.23	247,290,988
Net profit attributable to shareholders of listed company	6,504,102	4,670,576	39.26	5,112,260
Net profit excluding non-recurring profit or loss attributable to shareholders of the Company	5,071,829	3,683,494	37.69	3,717,259
Net cash flows from operating activities	8,844,178	6,490,100	36.27	10,963,577

	End of 2021	End of 2020	Change over the end of the corresponding period last year(%)	End of 2019
Net assets attributable to shareholders of listed company	94,198,680	68,416,918	37.68	58,144,762
Total assets	528,862,588	476,051,912	11.09	421,670,301

(II) Key Financial Indicators

Key financial indicators	2021	2020	Change over the corresponding period last year	2019
Basic earnings per share (RMB per share)	0.19	0.15	Increased by 26.67 percentage points	0.17
Diluted earnings per share (RMB per share)	0.19	0.15	Increased by 26.67 percentage points	0.17
Basic earnings per share excluding non-recurring profit or loss (RMB per share)	0.14	0.12	Increased by 16.67 percentage points	0.12
Weighted average return on net assets (%)	8.55	7.90	Increased by 0.65 percentage points	9.66
Weighted average return on net assets excluding non-recurring profit or loss (%)	6.55	6.17	Increased by 0.38 percentage points	7.02

Explanation of the main accounting information and financial indicators of the Company for the three years prior to the end of the Reporting Period

✓ Applicable Not Applicable

The basic earnings per share and diluted earnings per share for the Reporting Period were calculated after deducting the interests for holders of other equity instruments of RMB365 million.

Corporate Information and Key Financial Indicators

VIII. DIFFERENCES BETWEEN THE PRC GAAP AND IFAS

(I) Differences between net profit and net assets attributable to shareholders of listed companies in financial reports disclosed in accordance with international accounting standards and Chinese accounting standards

Applicable Not Applicable

(II) Differences in net profit and net assets attributable to shareholders of listed companies in financial reports disclosed in accordance with foreign accounting standards and Chinese accounting standards

Applicable Not Applicable

(III) Differences between Chinese and foreign accounting standards:

Applicable Not Applicable

IX. KEY FINANCIAL DATA BY QUARTER IN 2021

Unit: '000 Currency: RMB

	Q1 (January to March)	Q2 (April to June)	Q3 (July to September)	Q4 (October to December)
Operating income	61,305,991	80,239,747	68,041,624	112,731,203
Net profit attributable to equity holders of listed company	824,578	1,529,073	1,006,909	3,143,542
Net profit excluding non-recurring profit or loss attributable to equity holders of listed company	541,837	1,344,769	860,583	2,324,640
Net cash flows from operating activities	(12,431,661)	1,420,912	145,878	19,709,049

Differences between quarterly information and disclosed periodic report

Applicable Not Applicable

X. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS

Applicable Not Applicable

Unit: '000 Currency: RMB

Non-recurring profit and loss items	Amount in 2021	Amount in 2020	Amount in 2019
Gains or loss from disposal of non-current assets	1,027,612	654,840	2,362,588
Government grants included in current profit or loss (other than government grants which are closely related to corporate business and granted based on a fixed amount or a fixed quantity unified by the state)	901,198	727,977	635,267

Corporate Information and Key Financial Indicators

Non-recurring profit and loss items	Amount in 2021	Amount in 2020	Amount in 2019
Capital occupation fee charged to non-financial enterprises included in current profits and losses	56,899	50,829	90,836
Gain or loss on debt restructuring	28,896	41,000	47,913
Gain or loss on changes in fair value from held-for-trading financial assets, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, and investment income from disposal of financial assets for trading, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investment, except for effective hedging transactions that are related to the Company's normal operation	2,309	572,737	38,894
Anticipated litigation/guarantee losses	(1,399,800)	(414,560)	–
Other non-operating income and expenses other than the above	302,188	(43,709)	66,759
Subtotal	919,302	1,589,114	3,242,257
Less: Effect of income tax	(366,248)	(362,327)	(809,334)
Effect of minority interest (after tax)	879,219	(239,705)	(1,037,922)
Total	1,432,273	987,082	1,395,001

For items of non-recurring profit or loss stated in the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss Items” that are defined as items of recurring profit or loss, the Company shall provide the reasons

Applicable Not Applicable

XI. ITEMS MEASURED AT FAIR VALUE

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of item	Opening balance	Ending balance	Change in the period	Amount of impact on current profit
Financial assets held for trading	2,957,693	3,020,714	63,021	(1,211)
Investment in other equity instruments	2,310,578	2,389,523	78,945	–
Other non-current financial assets	6,686,063	7,647,103	961,040	17,819
Receivables financing	4,637,568	2,315,441	(2,322,127)	–
Total	16,591,902	15,372,781	(1,219,121)	16,608

XII. OTHERS

Applicable Not Applicable

CHAIRMAN'S STATEMENT



Song Hailiang
Chairman

Dear Shareholders,

At the beginning of an inspiring year, we are pleased to look back to a remarkable chapter for working together to a good start of the “14th Five-year” plan of the Company in 2021. On behalf of the Board of Directors of the Company, I would like to express my sincere gratitude to the shareholders for giving the Company care and support in the past year.

From our tireless efforts made to cultivate seeds that were wisely sown early in advance. Last year marked a groundbreaking, breakthrough and milestone year in the development history of the Company. Over the past year, we have targeted the high goal of “rebuilding the Company with high-quality development”, adhered to seeking innovation, standing on high ground and making efforts in effect, vigorously implemented the “Certain Opinions” and the “1466” Strategy, calmly responded to various difficulties and challenges, made ambitious plans based on the blueprint, and worked hard to promote the Company to make historic breakthroughs in high-quality development, accelerated development and all-round development, to make significant progress in promoting the system reform and key icebreaking activities, and to make outstanding progress in strengthening systematic management, scientific management and refined management. The Company’s development became vital, energetic and resilient, and showed a vigorous and upward trend.

Chairman's Statement



We hope that shareholders and all parties and friends who have been paying long-term attention to the Company will continue to give us help and support!



During the year, we closely focused on the “quantity” and dedicatedly sought for development. We have made every effort to increase the total volume, broaden the sources and optimize the deposits. The newly signed contract amount, operating income, total profit, net profit and other major operating indicators have reached the highest level in history. The total assets of the Company have continued to grow, and the comprehensive strength has been significantly enhanced. The newly signed contract amount of the whole power, whole transportation, whole city and whole water transport businesses increased by more than 50% year-on-year, the newly signed domestic contract amount of new energy project business increased by 110.2% year-on-year, and emerging businesses made rapid breakthroughs; assets and land have been effectively revitalized, profit and efficiency have been steadily improved, and the development momentum is encouraging.

During the year, we kept a close eye on “quality” and focused on quality improvement. We continued to optimize the operation quality and efficiency, systematically grasped “two controls, two drops, one governance, one fast”, strengthened the analysis and rectification of profit reduction factors, strictly implemented the guarantee responsibility system, and achieved the expectation goals in terms of “two funds”, “four rates” and other indicators. We continued to optimize the management quality, solidly carried out benchmarking and world-class management improvement, systematically implement the Basic 334 Project, vigorously promoted the “abolishing, amending and establishing” of the system, paid close attention to project management, strengthened centralized procurement, exerted the joint force of supervision, and the management efficiency was further improved. We continued to optimize the corporate quality. The Company has continuously maintained Grade A in operation performance assessment by the SASAC, and the ranking in the Global 500 has been raised to 301st, and the brand recognition and reputation have been further enhanced.

Chairman's Statement

During the year, we firmly grasped the “trend” and concentrated on strengthening our foundation. We grasped the general trend of development in an effective manner, dedicated to seizing the new tracks and main battlefields of high-quality development and reconstructed and systematically reshape the core competitiveness of the Company as a whole centering on green and low-carbon, new infrastructure and digitization. We effectively exerted our comprehensive advantages, set an example in comprehensive implementation of the “dual carbon” strategies, major infrastructure construction and jointly building the “One Belt and One Road”, took the lead in issuing the “30•60” action plan, and successfully supported a number of landmark projects including the Baihetan Hydropower Station and the world’s first “Hualong One” nuclear reactor put into operation. We effectively maintained the security condition, rigidly implemented the “twelve in place” and fully carried out the “234” Project, ensuring the overall stability of the Company’s security condition.

During the year, we firmly upheld the “ability” and went all out to create value. We accelerated reform empowerment, promoted the construction of the Board of Directors, tenure system and contractual management with high standards, implemented the three-year action of state-owned enterprise reform in a high-efficient manner, completed the construction of adaptive organization of the headquarters at a high level, established six regional headquarters and international groups with high quality, as well as specialized platforms such as digital science, hydrogen energy and assembled buildings, and systematically reshaped the business layout. We accelerated innovation empowerment, constantly improved the scientific and technological innovation mechanism, and established R&D platforms including the “30•60”, civil explosive and new energy storage research institutes. We won more than 189 provincial, ministerial and industry-level scientific and technological awards and 1,893 authorized patents during the year. We accelerated capital empowerment, successfully realized the listing of “A+H” shares as a whole, with capital support ability effectively improving.

We have a long and challenging journey to go before achieving greater goals. On the way to a new journey, we, standing at the new starting point, closely commit to two central tasks of maintaining stable growth and strengthening scientific management, adhere to comprehensive ideological guidance, effective implementation of strategies, focusing on value creation, practical and skillful work, and strive to open a new stage of construction of the Company with high-quality development.

On the new journey, we will comprehensively promote the strategy implementation. We will always maintain strategic self-confidence, strategic awareness, practise strategic endurance, in-depthly implement the “1466” Strategy and the “1+9” Planning System, spare no effort to speed up strategic business development, give priority to new energy, actively seize the commanding height of competition, and strive to develop the new energy business as the top core business and the largest profit-making business of the Company. We will spare no effort to intensify strategic market development, strengthen the investment of market resources including the Xiong’an New District, Guangdong-Hong Kong-Macao Greater Bay Area, Hainan Free Trade Zone, Great Protection of the Yangtze River, Hashrate Transmission from East to West, and strive to achieve high-quality development in serving the national strategies. We will make every effort to strengthen the construction of strategic platforms, make full use of strategic support platforms such as the Institute of Strategic Studies, “30•60”, Energy Storage Research Institute and other innovative platforms, together with emerging industry platforms such as hydrogen energy and rail transit, commit to creating an effective starting point and fulcrum for strategic implementation.

Chairman's Statement

On the new journey, we will comprehensively deepen transformation and upgrading. We will accelerate the comprehensive transformation of green and low-carbon and introduce a series of “dual carbon” solutions, products and services of our Company. We will accelerate the overall digital transformation and make every effort to promote industrial digitization and digital industrialization. We will accelerate international transformation, adhere to overseas coordinated development in priority and high-quality, and form a new advantage of “International Energy Engineering”. We will accelerate the comprehensive innovation-based transformation and master a number of key core technologies in the fields of high-altitude wind power, hydrogen energy, energy storage and geothermal energy. We will accelerate the integrated transformation of the industrial chain, effectively integrate the upstream and downstream core resources of rail transit, green building materials, prefabricated buildings, hydrogen energy and others, and constantly stabilize and strengthen the chain. We will accelerate the appropriate diversification transformation, build industrial clusters centering on “energy +” and realize symbiotic development.

On the new journey, we will comprehensively consolidate the management foundation. We will focus on the modernization of management system and management capability, dedicate to deep the fundamental Basic 334 Project, finalize some projects, summarize some experience, selected some models and solidify some systems. We will strive to enhance the human resources management, vigorously implement the “talent thriving enterprise” strategy, and solidly accomplish the “three topics” of introduction, cultivation and utilization of talents. We will strive to improve the recurring profit, aim at the principal factors and main paths, strengthen the financial management, consolidate profitability base and broaden profit space through diversifying revenue sources and cost savings. We will commit to implement risk prevention and control, keep a close eye on key fields, key procedures and key personnel, comprehensively conduct risk screening and control, resolutely uphold the bottom line of no occurrence of significant risks.

Boundless is the ocean where we sail with the wind. In 2022, we will aspire to aim high with greater ambition, make every effort to fight with greater enthusiasm, reform and innovate with greater courage and create the future with greater value, offering satisfactory results to society and shareholders with targeted and untiring efforts.

We hope that shareholders and all parties and friends who have been paying long-term attention to the Company will continue to give us help and support!

MANAGEMENT DISCUSSION AND ANALYSIS (Report of the Board)



Sun Hongshui
Vice Chairman and
General Manager

I. DISCUSSION AND ANALYSIS ON OPERATIONS

In 2021, in the face of complex domestic and international situations, arduous development and reform tasks as well as unprecedented difficulties and challenges, the Company adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly followed up the spirit of meetings of the 19th Plenary Session of the 19th National Congress of the Communist Party of China, resolutely implemented the major decisions and deployments of the CPC Central Committee and the State Council, adhered to the general tone of seeking progress while maintaining stability, scientifically study and judge the domestic and international situations, upheld the improvement of quality and efficiency so as to promote high-quality development, strengthened the cultivation of new forces so as to promote transformation and upgrading, continue to deepen reform, strengthen management, and comprehensively promote epidemic prevention and control and business development. The Company focused on and implemented the objectives, and successfully completed the business objectives for the year, marked a great start of the “14th five-year plan”.

Management Discussion and Analysis (Report of the Board)

(I) Recording a further new high in main operation indicators.

During the Reporting Period, the Company made great efforts to explore the market, accelerate transformation and upgrading, and strive to improve quality and efficiency. The overall business performance of the Company showed a good trend of improving, accelerating and developing quantitatively and qualitatively. During the year, the newly signed contracts amounted to RMB872.61 billion, representing a year-on-year increase of 51%; the revenue amounted to RMB322.319 billion, representing a year-on-year increase of 19.23%; the total profit amounted to RMB13.050 billion, representing a year-on-year increase of 8.39%; and the net profit amounted to RMB9.598 billion, representing a year-on-year increase of 11.12%. In 2021, the comprehensive strength, influence and brand value of the Company increased significantly. Energy China Group, with the Company as the core asset, ranked 301st in the Global 500, up by 52 over last year. The Company ranked third in the ENR Top 150 Global Engineering Design Firms, up by 2 over last year, and ranked 27th in the Top 225 International Design Firms, and ranked 2nd among the Chinese enterprises which ranked in both lists. The Company ranked 13th and 21st in the Top 250 Global Contractors and Top 250 International Contractors, respectively.

(II) Igniting new vitality in green and low carbon development

During the Reporting Period, the Company promptly responded to the strategic decision-making deployment of carbon peaking and carbon neutrality of the State, studied, prepared and firstly released the Action Plan for Implementation of "30•60" Strategic Objectives by China Energy Engineering (White Paper) (hereinafter referred to as the "30•60" White Paper), put forward suggestions on the development path of energy and power industry under the background of dual carbon goals, and analyzed its own capacity and resources, proposed ten measures for China Energy Engineering to implement the "30•60" strategic objectives, which has drawn wide public concern. The Company developed new energy and other green and low-carbon businesses as the in-priority development industry, and studied and issued the "14th five-year" new energy industry plan to proactively promote the leapfrog and high-quality development of the new energy industry of the Company. During the Reporting Period, relying on the national energy tank, the Company studied the policies of "integration" of new energy and pumped storage planning in time, strengthened market research, and built a "Trinity" new energy development system relying on headquarters, regional headquarters and subsidiaries. The Company fully exerted the leading role of planning, design, consulting, actively provided solutions to local governments and enterprises for implementing the "30•60" strategic objectives and took the lead in the source market. The Company took every effort to develop the new energy investment, construction and operation integration project, and obtained the new energy investment and construction quota of 11.62 million KW, including Guangxi Chongzuo comprehensive energy base and Bingtuan Beijing Shihezi photovoltaic base. The Jiangsu Lianyungang wind power project, Hebei Nangong agricultural photovoltaic project, Heilongjiang Suihua Zhaodong biomass power generation project and other new energy projects invested and constructed by the Company have been put into operation for power generation, with an additional controlled installed capacity of new energy of 1.175 million KW. The Company vigorously expanded the market of new energy projects. The newly signed domestic contract amount was RMB146.06 billion, representing an increase of 110.2% year-on-year. A number of key projects were signed, such as Zhuhai Guishan offshore wind farm demonstration project, Ulanqab wind and photovoltaic storage

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project, Qinghai Haixizhou new energy contingency energy storage combined power station, etc. The Company has actively planned the “three-way and nine-direct” power transmission channel market, and made every effort to seize the market of channel engineering and source resources. The Company reached cooperation intention with local government of Xinchun, Hubei province, making every effort to seize the pumped storage market. Through the construction of a number of new energy demonstration projects such as the green data center, new energy micro grid of Zhangbei cloud computing base, the 200MWp ecological solar energy sand treatment power synthesis in Kubuqi Desert, Inner Mongolia, photovoltaic power generation in Yangquan coal mining subsidence area, Shanxi province, Guishan offshore wind farm in Zhuhai, Guangdong province and biomass cogeneration in Zhaodong, Guangdong province, the Company has mastered relevant core technologies of new energy such as solar energy, wind energy and biomass, laid a good foundation for the Company’s rapid development of new energy.

(III) Achieving new breakthroughs in domestic marketing.

During the Reporting Period, the Company proactively implemented the general ideology of “Group-leading, classification and grading, responsibility implementation, orderly coordination and distribution, and efficient integration”, reshaped and upgraded the domestic market development system, initiatively planned and implemented more than hundred of mutual visits of senior management, covering 45 provinces and municipalities such as Shanghai, Xinjiang, Sichuan, Shenzhen and Jinan, and 25 key enterprises in the industry including China Railway, State Grid, the Transport Planning and Research Institute under the Ministry of Transport. The Company successively entered into strategic cooperation agreements with 23 local governments and enterprises including Nanning city, Chongqing Economic and Technological Development Zone and CATL. The Company firmly implemented the national important strategies including Xiong’an New District, Great Protection of the Yangtze River, Guangdong-Hong Kong-Macau Greater Bay Area and Hainan Free Trade Zone. The Company aimed at carbon peaking and carbon neutrality, regional coordinated development, a nation with strong transit network, ecological civilization construction and other key projects in strategic fields, adhered to group marketing of strategic, integrated and important and ultra large projects, and achieved unprecedented results in domestic marketing. During the year, the domestic newly signed contract amount was RMB655.46 billion, representing a year-on-year increase of 64.2%, and both the contract amount and growth rate recorded a new high.

(IV) Forming a new layout in overseas operation.

During the Reporting Period, the Company vigorously implemented the development strategies of overseas businesses in priority, accelerated the process of collectivization and integration of international business, actively responded to overseas pandemic and social security risks, and made steady progress in overseas operation. During the year, the overseas newly signed contract amount was RMB217.15 billion, representing a year-on-year increase of 21.6%. It is at the leading position among Chinese enterprises of “going out”. The business layout has been gradually improved, six regional headquarters have been established, and the market ports have been moved forward in an all-around way. New breakthroughs have been made in the markets of Senegal, Morocco and Sierra Leone, covering more than 140 countries and regions. The Company attached great importance to new energy and non-power businesses, and entered into the 1,400MW gas-fired power station in Kenya, 300MW photovoltaic power station project in Malaga,

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Spain, BELA ANTA 250MW wind power project in Serbia and other projects. Remarkable achievements have been made in risk prevention and control, key procedures, key inputs and important contents have been highlighted, a number of guiding documents including international business templates, key points and lists have been issued, which effectively improved the risk control ability of overseas businesses.

(V) New breakthroughs were made in transformation and upgrading.

During the Reporting Period, the Company's expansion in key transformation fields achieved remarkable results, and the new energy and comprehensive smart energy businesses grew rapidly. The operating revenue for the year increased by approximately RMB21.70 billion or 42.16% year-on-year. The operating revenue of property business for the year amounted to RMB36.89 billion, representing a year-on-year increase of 56.90%. The operating revenue of municipal business for the year amounted to RMB16.19 billion, representing a year-on-year increase of 19.42%. The operating income of water conservancy business for the year amounted to RMB12.69 billion, representing a year-on-year increase of 35.24%. Results have been achieved in the development of international business, and the overseas operating revenue for the year amounted to RMB46.25 billion, representing a year-on-year increase of 48.4%. The development of new industries has been greatly promoted, and hydrogen energy companies, green building materials companies, prefabricated construction companies and rail transit companies have been incorporated. A number of scientific and technological innovation platforms including the Company's technology center, "30•60" research institute, civil explosion research institute and new energy storage research institute have been established. Centering on the "30•60" systematic solutions, "one center" and "two basis points" of storage energy and hydrogen energy, as well as digital transform, the Company approved 9 significant scientific technologies and 20 significant R&D projects, and the tackling of key core technologies in new industries has been accelerated. Core competencies such as qualifications and talents required for transformation and development have been strengthened. Throughout the year, there were 13 additional high-level qualifications, including 1 premium class qualification and 6 non-electric high-level qualifications.

(VI) Management improvement reached a new level.

During the Reporting Period, the management foundation of the Company was further consolidated, and a number of system files were released, including the Company's fundamental management Basic 334 Project action plan, sub-category work list and assessment work rules; and the Basic 334 Project construction has been fully started. The Company has also made every effort to promote the work of "abolishing and reforming" the system, established the "4633" Institutional Framework System, and initially formed an adaptive new organizational system. The project management capabilities of the Company have been steadily improved, the project management system has been systematically reconstructed, and the performance of major projects and key projects has been continuously improved. A number of major projects of the Company have been put into operation. All the units of Wudongde Hydropower Station and the first batch of units of Baihetan Hydropower Station were put into operation, Shaanxi extended to Huanglong expressway officially put into operation. The financial management of the Company continued to improve, and the system work plan of "two controls, two reductions, one governance and one fast" was put forward, the management and control index system was clarified, and a working mechanism of "systematic control and

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system control” was established. The risk management and control of the Company has been strengthened, and a comprehensive risk control system of “four in one” of law, compliance, internal control and risk management has been established, and the role of legal review in checking and supporting has been further highlighted. The Company has continuously deepened the QHSE management, fully implemented the “12 in place” safety production requirements. The Company has coordinated and promoted various work including the construction of the Safety Production “234” Project, and the safety production guarantee for the century of the founding of the Party. During the year, there was no major production safety accident. The Company has deepened the management and control of the three red lines of environmental protection, consolidated the main responsibility of environmental protection, and promoted the establishment of a long-term mechanism for ecological and environmental protection. The Company has gradually improved the internal coordination mechanism, revised the rules and regulations, including the assessment and implementation rules of collaborative operation, and the management measures for the performance of collaborative operation of engineering projects, and the Company improved our integrated coordination mechanism. The Company has also built an effective information communication model of the “Iron Triangle”, and established a linkage and collaborative working mechanism for tripartite consultation, mutual support, and co-creation of value. Besides, the Company has clarified the primary responsibilities, paths and measures for mutual support and linkage and collaboration. We have continued to optimize human resources management, vigorously implemented the strategy of “strengthening the enterprise with talents”, formulated management measures for the implementation of talent-based construction projects, and intensified the introduction of talents. During the year, the Company introduced more than 700 mature talents from both domestic and overseas, and achieved both the quality and quantity of graduate recruitment; formulated management regulations for job sequences, established an integrated job sequence system; and built a ladder and platform for employee growth. The Company also promoted the construction of training system and strengthened staff training.

II. INDUSTRY SITUATION OF THE COMPANY DURING THE REPORTING PERIOD

(1) Electric Power Industry

1. New energy and integrated smart energy

In 2021, the new energy and integrated smart energy industry in the PRC developed vigorously, and the carbon peaking and carbon neutrality strategy of the PRC was further advanced. Top-level design documents such as “Opinions on Completely, Accurately and Comprehensively Implementing the New Development Concept and Doing a Good Job in Carbon Peaking and Carbon Neutralization(《關於完整準確全面貫徹新發展理念做好碳達峰碳中和工作的意見》)”, “Carbon Peaking Action Plan before 2030(《2030年前碳達峰行動方案》)”, “Guiding Opinions on Promoting the Integration of Power Sources, Networks, Loads and Storage and the Development of Multi-energy Complementary Development”(《關於推進電力源網荷儲一體化和多能互補發展的指導意見》)” were released consecutively, and the first batch of large-scale wind power photovoltaic base projects in the PRC has started to construction. In 2021, the new installed capacity of wind power and solar power generation infrastructure nationwide was 47.57 million kilowatts and 54.93 million kilowatts, respectively.

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The Company is a pioneer and promoter of the development of new energy and integrated smart energy industry. In terms of the implementation of new energy projects for survey and design tasks and construction tasks, the Company's cumulative installed capacity exceeds 170 million kilowatts and 110 million kilowatts, respectively. Relying on the overall advantages of traditional power engineering and our accumulated capabilities and resources in power and power grid planning, the Company has unique competitive advantages in the field of new energy engineering.

2. *Traditional energy*

In 2021, the newly added power generation capacity of thermal power and hydropower infrastructure in the PRC was 46.28 million kilowatts and 23.49 million kilowatts respectively. The Company invested RMB67.2 billion, RMB53.8 billion and RMB98.8 billion in thermal power, nuclear power and hydropower respectively. The Company also invested RMB495.1 billion in power grid projects, representing a year-on-year increase of 1.1%.

The Company is the national team, leader and main force in traditional energy power construction. In the field of thermal power construction, the Company represents the highest level in the world. In the field of hydropower engineering, the Company's construction market share exceeded 30% (over 50% for large-scale hydropower). The Company has undertaken the survey and design of more than 90% of the conventional islands of nuclear power that has been put into operation in China, the construction of more than 66% of the conventional island projects, and the survey and design of almost all large-scale clean energy transmission channel projects.

(II) **Water Conservancy and Environmental Industries**

1. *Water conservancy*

In 2021, the construction of water conservancy infrastructure in the PRC was solidly advanced, and a number of major projects achieved important milestones; consolidated and expanded the effective connection between the achievements of water conservancy poverty alleviation and the rural revitalization water conservancy guarantee; the national investment in water conservancy construction was RMB757.6 billion.

The Company has rich experience in water conservancy construction and has the advanced general contracting qualification for survey, design and construction. In terms of water conservancy construction technology, the Company is in an international leading position.

2. *Eco-friendly*

In 2021, the ecological protection strategy of the PRC was steadily advanced. Policies such as the "Opinions on Encouraging and Supporting Social Capital's Participation in Ecological Protection and Restoration" have been issued successively, industry competition has intensified, and new business forms and new models have emerged; the central government has issued an ecological environment fund of RMB57.2 billion.

Eco-environmental protection is one of the industries in which the Company develops key layouts. The Company is committed to focusing on the comprehensive management of the water environment and actively grabbing the ecological and environmental protection market.

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(III) Transportation Industry

In 2021, the comprehensive three-dimensional transportation network in the PRC continued to improve, smart transportation and green transportation developed rapidly, and the construction of major projects was accelerated. In the whole year, more than 9,000 kilometers of expressways were newly built or rebuilt (expanded), and more than 160,000 kilometers of rural roads were newly built and rebuilt.

The Company is a new force in transportation, especially in the field of highways. We have contracted or invested in more than 40 highway projects of various grades, with a total mileage of more than 3,000 kilometers. Through the establishment of a rail transit company, the Company has accelerated the expansion of the transportation business.

(IV) Construction Industry

In 2021, the construction of new urbanization advanced rapidly. Green building and green construction have empowered the transformation of the construction industry. The total output value of the national construction industry was RMB29.3 trillion. The construction area of houses in the national construction industry was 15.75 billion square meters.

As the central state-owned enterprise in the construction industry, the Company has the comprehensive ability to integrate architectural design, construction, investment and operation. In recent years, the Company has been proactive in new urbanization, rural revitalization and other aspects, and actively contributed to the power of CEEC.

(V) Manufacturing

1. Building materials (Cement)

In 2021, due to a series of factors such as abnormal rainfall, repeated epidemics, and dual control of energy consumption, cement demand in China weakened. The national cement output was approximately 2.36 billion tons, a year-on-year decrease of 1.2%.

Cement business of the Company has a complete industrial chain, including sand and gravel aggregates, logistics and distribution, technical consultation, R&D and manufacturing. Through the establishment of a green building materials company, the Company accelerated the acquisition of resources to form production capacity.

2. Civil explosives

In 2021, the overall operation of the civil explosive industry in the PRC was stable, the industry integration entered a new historical stage, and the industry concentration continued to increase. The total sales value of civil explosive production enterprises was RMB33.97 billion, a year-on-year increase of 1.6%.

Gezhouba Explosive, a subsidiary of the Company, has integrated services for mixed explosives and independent research and development capabilities, and its market coverage, profitability, and integrated service capabilities are at the forefront of the industry. Through the establishment of the Civil Explosion Research Institute, the Company has vigorously promoted technological innovation in the field of civil explosives.

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3. Manufacturing of equipment

In 2021, the development trend of the equipment manufacturing industry in the PRC continued to improve, and the overall scale continued to expand; the added value of the equipment manufacturing industry increased by 12.9% year-on-year.

The Company has been deeply involved in the equipment manufacturing industry all the year round, and has achieved a number of domestic and international leading scientific and technological achievements and proprietary technologies in areas including power generation equipment and power grid equipment. The Company is also making every effort to expand our equipment manufacturing business in new energy area.

III. BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

(I) Survey, Design and Consulting Services Business

The survey, design and consulting services business of the Company mainly includes businesses such as planning and research, consulting, evaluation, engineering survey, design, supervision, project management, preparation of industry standard and specification in the field of energy and infrastructure. The Company commits to be an “industry-leading and world-class” energy integration solution provider. The Company is in a leading position in the survey and design technology of energy and power, and also has international leading advantages in the fields including research on industrial policies and development plans in the field of energy and power; the survey and design technology of million kilowatt-class ultra-supercritical units, third-generation nuclear power conventional island, clean coal-fired power generation, UHV AC and DC and GIL integrated pipe gallery power transmission and transformation, flexible AC and DC power transmission, offshore wind power and solar thermal power generation. The Company has continuously expanded and improved its cross-industry comprehensive design capabilities, actively entered into non-electrical businesses such as water conservancy, ecological environmental protection, comprehensive transportation, municipal administration, housing construction, etc. The Company has strengthened the traction role of design and consulting, and created higher value for customers with a full-process and high-quality design and consulting service model. The amount of newly signed contracts for the survey, design and consulting services business of the Company in 2021 was RMB11.91 billion, a year-on-year increase of 4.6%.

(II) Construction and Contracting Business

The construction and contracting business of the Company mainly includes domestic and overseas new energy and integrated smart energy, traditional energy, urban construction, integrated transportation and others. The amount of newly signed contracts for the construction and contracting business of the Company in 2021 was RMB800.89 billion, a year-on-year increase of 45.7%, in which:

Management Discussion and Analysis (Report of the Board)

1. *New energy and integrated smart energy*

The Company took new energy development as the most important work during the year, proactively seized the new energy market, vigorously developed the new energy and integrated smart energy engineering business. Domestically, the Company won the bid for and entered into of a number of new energy projects including the Guangdong Huadian Yangjiang Qingzhou I Offshore Wind Power Project, Photovoltaic Power Project of Tangshan Sanyou Chemical Source-Network-Load-Storage Integrated Green Energy Industrial Park, China Nuclear Yousai Datong Yungang Tuobo Hengtai 200MWH/400MWH Independent Storage Project (中核優賽大同雲岡拓博恒泰200MW/400MWH獨立儲能項目). In overseas, The Company has signed a number of new energy projects, including the 250MW wind power station in BELA ANTA, Serbia, the 100MW solar thermal power station in Loralai, Pakistan, and the 360MW photovoltaic power station in Lagos, Nigeria. The amount of newly signed contracts for new energy and integrated smart energy projects in 2021 was RMB192.77 billion, a year-on-year increase of 53.2%, accounting for 24.1%, an increase of 1.2 percentage points from last year. The Company has participated in the construction of many projects, including the Zhangbei Renewable Energy Flexible DC Grid Test Demonstration Project (張北可再生能源柔性直流電網試驗示範工程) and Fengning Pumped Storage Power Station Project (豐寧抽水蓄能電站), which have “packaged” renewable energy such as wind power and photovoltaic from Zhangjiakou and other regions to Beijing, and helped the Winter Olympics venues achieved 100% green power for the first time in history.

2. *Traditional energy*

The Company has given full play to a number of advantages, such as the overall coordination of the headquarters, planning and leadership, and market layout, achieved good results in traditional markets such as thermal power, hydropower, nuclear power, and power transmission and transformation. In terms of domestic projects, we have signed a number of large-scale traditional energy projects, including State Grid Energy Xinjiang Zhundong Coal and Electricity Project, Panjiang Xinguang 2×660MW Coal-fired Power Station, the Flood Discharge System Project of Rawa Hydropower Station in the upper reaches of Jinsha River, Power Supply Project of Shanxi Synthetic Biological Industry Ecological Park and Tianwan Nuclear Power Plant Conventional Island Project. In terms of overseas projects, we have signed a number of traditional energy representative projects, including Kaiba 400MW hydropower station in Uganda, and 330/132kV and 132/33kV substations in Nigeria. The amount of newly signed contracts for traditional energy projects in 2021 was RMB201.88 billion, a year-on-year increase of 21.7%, accounting for 25.2%.

3. *Urban construction*

The Company actively participated in comprehensive urban development, new urbanization and industrial park development, developed municipal and housing construction markets, and coordinated regional development. The Company adhered to the group marketing of strategic, integrated and major and large projects, constantly innovated business models, increased the traction of investment and financing. The urban construction field grew rapidly. The Company has successfully acquired the land plot No. 1 in Xiong'an, entered into a number of urban construction projects in China, such as the Boating Future Community Pilot Project in Yinzhou District, Ningbo City, Baoding Urban Village Reconstruction Project, Chuangzhi Center, Dinglian Park, Lanzhou High-tech Zone and Digital Economy Industrial Park Project in Luliang Economic and Technology Development District. The Company has successfully signed a number of urban construction projects overseas, such as the Durban Shaka Ridge Smart City, South Africa,

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Casablanca Conference Center in Morocco and 5,000 sets of teacher resettlement houses by Angola CPP. In 2021, the value of newly signed contracts of urban construction business was RMB145.17 billion, representing a year-on-year increase of 11.3%.

4. *Comprehensive transportation*

The Company coordinated multiple resources with elaborate organization and scientific planning, and achieved a number of milestone breakthroughs in the transportation business. In terms of railways, the Company successfully entered into the section 10 of the Ya'an to Linzhi section of the Sichuan-Tibet Railway, which fully reflected the high sense of mission and responsibility of the Company to resolutely implement national strategies; in terms of rail transportation, the Company successfully entered into the Shenzhen Airport – Daya Bay Intercity Rail Project, which has far-reaching significance for the Company to deeply cultivate the South China regional market and break through the “general contracting mode of construction of large sections” of domestic rail transit; in terms of highways, the Company successfully entered into the external backbone road grid in Xiong'an New District, Luzhai to Qinzhou Port Highway and Hengxian to Qinzhou Port Section PPP project. The Company innovatively proposed and actively promoted the solution of Energy China of integration of transportation and energy, focused on the development needs of the highway industry to accelerate the formation of green and low-carbon transportation methods, and proposed the integration of four dimensions including energy, facilities, information and industry. The Company launched the expressway pilot project for integration of transportation and energy, and formed integrated solutions and core technologies with characteristics of Energy China.

(III) *Industrial Manufacturing Business*

The industrial manufacturing business of the Company primarily includes building materials, civil explosives and equipment manufacturing businesses. The Company adheres to green development, vigorously promoted industrial energy conservation and emission reduction, and is committed to building a first-class provider of green building materials, industrial products and equipment.

1. *Building materials*

The building materials business of the Company fully implements the “environmental protection, relevance, high-end” strategy, and is equipped with a complete industrial chain covering research and development and manufacturing, new construction materials, environmental engineering, gravel aggregates, commercial concrete services, logistics and distribution, and technology consulting services. The subsidiary Cement Company is one of the 60 large-scale cement enterprises (groups) supported by the state and the first batch of pilot and demonstration companies of integration of informatization and industrialization for promoting energy-saving and emission reduction in China, and won the title of “Excellent Demonstration Enterprise in Green Development of China”. In 2021, the core market share of the cement business of the Company increased steadily, and the cement production was 25.27 million tonnes, up by 19.30% year-on-year; the clinker production was 20.33 million tonnes, up by 16.95% year-on-year; the production and sales of commercial concrete was 1.4 million cubic meters, up by 3.01% year-on-year; the production of gravel aggregates was 4.03 million tonnes, up by 50% year-on-year.

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2. *Civil explosives*

The civil explosives business of the Company has a strong strength that integrates a complete industrial chain of R&D of civil explosive products, production, sales, explosive services, general contracting of mining exploitation and construction, continuously promotes integrated civil explosive service mode to national key energy projects including large-scale water conservancy and hydropower, nuclear power, coal-fired power, national key infrastructure project including ports, wharves and airports and large-scale mine exploitation and other projects, has leading advantages in provision of systematic and customized services in terms of technology skill, equipment technology, explosive technology, construction management and operation mode. The industrial explosive production licensing capacity of the Company ranks among the top in the domestic industry. The Company owns leading integrated application technologies of on-site mixed explosives in the industry. The Company established the civil explosive institute, the first industrial explosive scientific research and experimental platform in China, built the core technology cluster centering on mixed explosives, electronic detonator, intelligent blasting and green mines. In 2021, the Company proactively promoted the green mine construction, advanced the clean and low carbon development of civil explosive industry, continuously consolidated the industry position of the Company. The value of newly signed contracts was RMB9.43 billion, a year-on-year increase of 25.29%. The revenue was RMB5.3 billion, a year-on-year increase of 8.45%. The sales of industrial explosives were 368,700 tonnes, a year-on-year increase of 2.42%. The Company seized opportunities to promote the reorganization of civil explosive business, and the development scale remained the industry leader.

3. *Manufacturing of equipment*

As for equipment manufacturing business, the Company focused on the “Made-in-China 2025” strategies, strengthened the connection with international well-known peers, closely followed the strategic emerging industries, relied on the technical background of the whole industrial chain, took the manufacturing of high-end professional products and R&D of proprietary technologies as the direction, cultivated the design and R&D of high-end professional product, system integration and processing and manufacturing capacities, and seized and layouted new industries and new fields, realized transformation and formed new economic growth points. The Company has a number of traditional products of power station pavers and power grids with certain technical and market advantages. In recent years, the Company has also developed core products such as UHV dry smoothing reactor, seawater filtration and cathodic protection, nuclear electric actuator, key equipment of fourth generation solar thermal power generation, etc. “1025 specialty” – the research and development project of 535kV hybrid DC circuit breaker has successfully passed the inspection of the SASAC of the State Council. Two demonstration projects namely the 10MW parachute ladder high-altitude wind power generation equipment set and 300MW compressed air energy storage demonstration and verification system have been completed. The Company conducted research on hydrogen production and energy storage equipment. In 2021, the market development capability of equipment manufacturing business of the Company will continue to increase, and the value of newly signed contracts was RMB12.5 billion, a year-on-year increase of 25.42%.

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(IV) Investment and Other Business

The investment and other business of the Company mainly includes traditional energy, new energy and integrated intelligent energy, water conservancy and water affairs, eco-environmental protection, comprehensive transportation, municipal administration, real estate (new urbanization), capital and financial service and other businesses. The Company is committed to creating a first-class energy integration solution provider, first-class infrastructure investor, first-class urban comprehensive development operator.

1. *New energy and integrated intelligent energy, and traditional energy*

The new energy and integrated intelligent energy, and traditional energy business of the Company closely focuses on the “30•60” carbon peak carbon neutral goal, and focuses on the field of clean energy. The Company adheres to the dual mode of developmental construction and independent development. The Company has developed and constructed a large number of clean energy projects in many places in China as well as in Vietnam and Pakistan. The scale, influence and competitiveness of clean energy business continue to improve. As of the end of 2021, the capacity of grid connection installed power units held by the Company was 4,633,000 kilowatts, including: thermal power of 1,254,700 kilowatts, hydropower of 779,600 kilowatts, wind power of 1,421,500 kilowatts, solar power of 953,000 kilowatts, and biomass power of 224,000 kilowatts.

2. *Water conservancy and water affairs, ecological environmental protection*

During the Reporting Period, the Company actively practiced Five Development Concepts, focused on water supply, sewage treatment, water environment treatment and other business fields. The Company has mastered a number of key technologies such as advanced sewage treatment, water environment restoration and smart water affairs, and has the ability to provide comprehensive solutions for eco-environment treatment and one-stop service. The Company is responsible for operating more than 70 water plants in more than ten provinces, municipalities and autonomous regions in China, with the designed water treatment scale of 629.26 million tons/day and water treatment capacity of 458.6118 million tons/year.

3. *Comprehensive transportation*

During the Reporting Period, the comprehensive transportation business of the Company followed the principle of integration of “investment, construction and operation”, and gave full play to its resource advantages. The Company took serving the regional economy as the main body and the gas station business as the core, innovated the business model, created new growth points, and promoted the effective integration of high derivation economy and principal businesses. During the Reporting Period, the Company independently developed and won the bid for the Jining section project of the Jishang Expressway, and cultivated the scale advantage of development of its own expressway connection in Shandong regional market. The total accumulative operating mileage of expressway held by the Company is 1,007.3 kilometers, and the newly added holding operating mileage is 232.2 kilometers.

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4. Real estate

During the Reporting Period, the real estate business of the Company adhered to high-quality positioning and differentiated development, targeted the green, healthy and technological residential market segments, promoted the innovation of land acquisition models, and focused on urban renewal. Leveraging the resources of the Group, the Company has successfully expanded the business of area development, primary and secondary linkages and shantytown renovation, and has implemented large-scale comprehensive projects such as Guangzhou Nansha Financial Island, Shandong Yantai and Xiong'an, opening up a new situation for urban comprehensive development and operation. During the Reporting Period, the new land reserves of real estate business of the Company was 799,100 square meters, the area of newly commenced work was 774,100 square meters, and the completed area was 2,562,400 square meters.

5. Capital and financial services

The capital and financial service business of the Company includes the financial business for financial companies etc., which provides strong support for the Company to strengthen centralized management of capital, develop main business projects of its subsidiaries, enrich financing strategies, and save financing costs.

(V) Other Businesses

The Company's other businesses include software and information services, logistics trade, leasing and business services, etc. During the Reporting Period, the logistics and trade business of the Company started steadily, and various operations and development work achieved positive results; the leasing and business service business of the Company, focusing on principal businesses, continued to promote the transformation of business model, and maintained a stable development; the software and information services of the Company are the main carriers supporting the Company's technological development and comprehensive digital transformation, providing strong support for the digital transformation of the Company.

IV. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Applicable Not Applicable

(I) Outstanding Integrated Development Capacity of New Energy

The Company relies on the national energy think tank, serves the national and local energy and power industry authorities for a long time, deeply participates in the preparation of national planning of new energy industry, formulation of industrial policies and the evaluation of national power demonstration projects and key projects, and thoroughly understands the national strategic layout in the planning and construction of long-distance power transmission accesses and clean energy bases. The subsidiaries of the Company cover all provinces, municipalities and districts across the country, and have established long-term and stable cooperative relations with local governments, power enterprises, power grid enterprises and financial institutions, and have the voice and government influence of regional integrated energy planning, keep understanding of the most updated information of new energy industrial policies and project development opportunities, and form an intensive market development network system. Relying

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on the national new energy consumption monitoring and early warning center, the Company has accumulated rich resources and capabilities in new energy power access and consumption. The “two integration” system solutions of power source, network, loads and storage and the multi-energy complementary development is at the leading level in China. The Company has a complete industrial chain integrating planning and consulting, evaluations and review, survey and design, construction and contracting and management, operational maintenance and investment operation, technical services, equipment manufacturing, and building materials, which has formed a strong full-process and full-life-cycle integrated service capability of investment, construction and operation.

(II) Leading Technology Research and Development Level and Innovation Capability

The Company has established a “1+N+X” innovation platform system led by the technology center and “integrated with divisions, with divisions and divisions”; and has also established a number of high-end R&D platforms such as the “30•60” Research Institute, the New Energy Storage Research Institute, and the Civil Explosion Research Institute. The Company has established a scientific and technological project establishment mechanism of “revealing the list and being in command”, and set up special funds for scientific research and development, leading and driving our subsidiaries to strengthen scientific research and development and increase investment in research and development. Focusing on the power Internet of Things, green and low-carbon energy, green and intelligent construction, water environmental protection, integrated pipe gallery, high-end equipment and other fields, the Company has carried out research and research and achieved a number of major scientific and technological achievements. Facing emerging strategic directions such as “30•60” system solutions, new power systems, new energy, energy storage, hydrogen energy, the integration of transportation, energy and construction, and the “East and West” project, the Company has laid out a number of low-carbon, zero-carbon and negative-carbon key core technologies and “stuck neck” technical research tasks, and has made every effort to create a source of original technology and a modern industrial chain, and firmly served the national dual-carbon strategy.

(III) Strong Planning and Consulting, Survey and Design Capabilities

The Company has a market share of more than 70% in the survey and design of domestic power planning consulting, thermal power generation, nuclear power conventional islands, backbone power grids and other industries, and has contributed to the survey and design standards for more than 90% of thermal power plants, nuclear power plant conventional islands and power grids in China. The Company enjoys a high industry leadership and right of speech, driving the development of engineering construction business.

(IV) Rich Engineering Achievements and Outstanding General Contracting Strength

The Company has rich engineering achievements in the full life cycle of energy and power engineering, especially in key areas such as water conservancy and hydropower, nuclear power plants, new energy, coal-fired power station upgrades and ultra-high voltage transmission line construction. Since the establishment, the Company has won 42 National Quality Engineering Gold Awards, 14 China Construction Engineering Luban Awards, 3 China Civil Engineering Zhan Tianyou Awards, 5 National Excellent Engineering Survey and Design Gold Awards, 10 National Excellent Engineering Consulting Achievement First Prizes and 4 Gold Key Awards for excellent general contracting projects in the national engineering survey and design industry. In recent years, the Company has vigorously expanded

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the general contracting market by developing new business models such as EPC, EPC+F, equity participation driving general contracting, PPP, BOT and integration of investment, construction and operation. The general contracting business in the field of non-power infrastructure has achieved fruitful results.

(V) Excellent Technical Level and Talent Team

The Company has occupied the world's construction technological commanding height in many fields such as river diversion and closure, damming, foundation treatment, deep water excavation, high-strength concrete, large underground caverns, blasting and installation of extra-large hydraulic turbine units, has cutting-edge technologies for survey, design and construction in the fields of nuclear power conventional islands, clean coal power generation, ultra-supercritical units at million kilowatts level, air-cooling units and ultra-high voltage AC power transmission, etc., which represents the world's leading level in new energy, hydropower, thermal power, nuclear power, power grid engineering planning, survey, design and construction.

The Company has gathered planning, survey, design and construction experts and professional and technical personnel representing the world and domestic advanced level in the field of energy power, and has many experts who enjoy the State Council governmental special subsidies, national engineering survey and design masters as well as national nuclear industry engineering survey and design masters.

V. MAJOR OPERATION DURING THE REPORTING PERIOD

(I) Analysis of Main Businesses

1. Analysis of changes of relevant items in income statement and statement of cash flows

Unit: '000 Currency: RMB

Item	Amount of this period	Amount for the same period of the previous year	Percentage of change (%)
Operating income	322,318,565	270,327,662	19.23
Operating cost	279,909,972	233,601,104	19.82
Sales expense	1,667,424	1,471,251	13.33
Management fee	12,746,643	11,555,336	10.31
Financial expense	3,672,626	3,792,584	(3.16)
Research and development expense	8,789,472	6,784,810	29.55
Net cash flow from operating activities	8,844,178	6,490,100	36.27
Net cash flow from investing activities	(18,653,107)	(20,191,787)	(7.62)
Net cash flow from financing activities	12,323,840	22,136,462	(44.33)

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Reasons for change in operating income: In 2021, the Company achieved operating income of RMB322.319 billion, a year-on-year increase of 19.23%. The increase was mainly attributable to the increase in the operating income of the engineering construction segment driven by the new energy general contracting and the general contracting of traditional energy power generation projects, and the increase in the operating income of the industrial manufacturing segment driven by the increase in the civil blasting and equipment manufacturing business.

Reasons for change in operating cost: In 2021, the Company incurred operating costs of RMB279.910 billion, a year-on-year increase of 19.82%. This increase was basically in line with the increase in income.

Detailed explanation of major changes in the business types, composition or sources of profit of the Company during the period.

Applicable Not Applicable

2. Analysis of Revenue and Cost

Applicable Not Applicable

(1). Main business by sector and by region

Unit: '000 Currency: RMB

Sector	Main businesses by sector			Change in operating income over the previous year (%)	Change in operating cost over the previous year (%)	Change in gross profit rate over the previous year
	Operating income	Operating cost	Gross profit rate (%)			
Survey, Design and Consulting Services Business	14,762,111	9,542,609	35.36	3.94	3.30	0.40
Construction and Contracting Business	263,919,931	241,495,727	8.50	24.45	24.84	-0.28
Industrial manufacturing	28,249,389	21,553,726	23.70	16.47	24.37	-4.85
Including: Construction materials	10,155,990	6,339,667	37.58	17.38	37.54	-9.15
Civil explosives	5,418,089	4,103,608	24.26	15.10	19.10	-2.54
Investment and other business	27,257,490	19,873,639	27.09	0.97	(7.80)	6.94
Including: New energy and integrated smart energy	1,252,447	545,733	56.43	-	86.13	0.04
Ecological environmental protection	1,399,164	1,431,167	(2.29)	(84.13)	(84.64)	3.39
Comprehensive transportation	1,864,784	544,328	70.81	31.79	70.75	-6.66
Real estate (new urbanization)	15,539,822	13,212,098	14.98	26.88	39.40	-7.64
Other businesses	6,354,755	5,068,961	20.23	9.45	19.42	-6.66
Inter-segment elimination	(18,225,111)	(17,624,692)	3.29	40.23	44.34	-2.76

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Main businesses by region						
Region	Operating income	Operating cost	Gross profit rate (%)	Change in operating income over the previous year (%)	Change in operating cost over the previous year (%)	Change in gross profit rate over the previous year
Domestic	276,065,344	237,246,814	14.06	15.91	15.62	0.22
Overseas	46,253,221	42,663,165	7.76	43.87	50.23	-3.91
Total	322,318,565	279,909,979	13.16	19.23	19.82	-0.43

Note: Due to the particularity of our business, the Group's main business by industry is analyzed by sector.

Main business by Sectors

① Survey, Design and Consulting Services Business

The operating income of the survey, design and consulting services business mainly comes from providing survey and design services for domestic and foreign thermal power, hydropower, nuclear power, wind power and solar power generation projects and power grid projects, and providing extensive consulting services for power industry policies and power project testing, evaluation and supervision services. In 2021, the Company overcame the adverse impact of the Covid-19 and actively resumed work and production. Our business achieved operating income of RMB14.762 billion, a year-on-year increase of 3.94%; gross profit margin was 35.36%, which remained stable year-on-year.

② Construction and Contracting Business

The operating income of the construction and contracting business mainly comes from providing construction services for engineering projects in the PRC and overseas. In 2021, the Company coordinated and promoted various work of epidemic prevention and control, production and operation. It has realized the expansion of business scale, the improvement of quality and efficiency. Revenues from new energy package and municipal business both increased significantly, achieved operating income of RMB263,920 million, a year-on-year increase of 24.45%; gross profit margin was 8.50%, which remained stable year-on-year.

③ Industrial Manufacturing Business

The operating income of the industrial manufacturing business mainly comes from the design, manufacture and sales of equipment used in various fields of the power industry, mainly including power station auxiliary equipment, power grid equipment, steel structure and energy saving and environmental protection equipment; and from the production and sales of civil blasting and cement products, Provide blasting services. In 2021, the Company actively seized strategic opportunities, optimized the industrial layout, and realized business expansion in this segment. The segment achieved operating income of RMB28.249 billion, a year-on-year increase of 16.47%; gross profit margin was 23.70%, a year-on-year decrease of 5 percentage points. The decrease was mainly due to the continued decline in the price of steel structure manufacturing orders due to the intensified market competition, as well as the significant increase in the cost of the industry due to the increase in the prices of raw materials and accessories and the increase in the cost of outsourced labor services.

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④ Investment and other business

The operating income of the investment and other business mainly comes from the investment and other business in traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation project and real estate (new urbanization) and financial services. The segment achieved operating income of RMB27.257 billion, a year-on-year increase of 0.97%, which remained stable; gross profit margin was 27.09%, a year-on-year increase of 7 percentage points.

⑤ Other business

The operating income mainly comes from other businesses including software and information services, logistics trade, leasing and business services. In 2021, the Company steadily implemented the limited related diversification strategy. The total revenue of the segment was RMB6.355 billion, a year-on-year increase of 9.45%; the gross profit margin was 20.23%, a year-on-year decrease of 7 percentage points.

(2). Analysis table of production and sales

Applicable Not Applicable

(3). Performance of major purchase contracts and major sales contracts

Applicable Not Applicable

(4). Analysis of cost

Unit: '000 Currency: RMB

Industry	Cost Component	By industry				Proportion of change in the amount of the current period compared with the same period of the previous year (%)	Description
		Amount of the current period	Amount of the current period as a percentage of the total cost (%)	Amount in the same period of the previous year	Amount in the same period of the previous year as a percentage of total cost (%)		
Survey, Design and Consulting Services Business	Labor and subcontracting fees and other fees	9,518,170	3.40	9,053,427	3.88	5.13	The increase in the business volume during the year resulted in an increase in costs during the year
Construction and Contracting Business	Labor and subcontracting fees, machinery usage fees, material fees, material fees and other fees	224,952,668	80.37	182,785,551	78.25	23.07	The increase in the business volume during the year resulted in an increase in costs during the year
Industrial Manufacturing Business	Labor fees, machinery usage fees, material fees and other fees	21,358,087	7.63	17,599,310	7.53	21.36	The increase in the business volume during the year resulted in an increase in costs during the year

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By industry							
Industry	Cost Component	Amount of the current period	Amount of the current period as a percentage of the total cost (%)	Amount in the same period of the previous year	Amount in the same period of the previous year as a percentage of total cost (%)	Proportion of change in the amount of the current period compared with the same period of the previous year (%)	Description
Investment and other business	Labor fees and other fees	19,195,587	6.86	20,063,713	8.59	(4.33)	The substantial decrease in the business volume of ecological environmental protection compared with last year resulted in a decrease in cost of investment and other business from last year
Other	Labor and subcontracting fees, machinery usage fees and other fees	4,885,467	1.75	4,099,103	1.75	19.18	The increase in the business volume during the year resulted in an increase in costs during the year
Total		279,909,979	100	233,601,104	100	19.82	

Description of Other Cases of Cost Analysis

(5). Changes in the scope of consolidation due to changes in the equity of major subsidiaries during the Reporting Period

Applicable Not Applicable

(6). Significant changes or adjustments to the Company's business, products or services during the Reporting Period

Applicable Not Applicable

(7). Major sales customers and major suppliers

A. Major sales customers of the Company

The sales to the top five customers were RMB10,228 million, accounting for 3.19% of the total annual sales; among the sales to the top five customers, the sales of related parties were RMB2,485 million, accounting for 0.77% of the total annual sales.

Situations of sales to a single customer exceeded 50% of the total, or new customers among the top 5 customers, or a heavy reliance on a small number of customers during the Reporting Period

Applicable Not Applicable

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B. Major suppliers of the Company

During the Reporting Period, the total purchase amount of the top five suppliers was less than 30% of the total purchase amount of the Group.

Situations of purchases from a single supplier exceeded 50% of the total, or new suppliers among the top 5 suppliers, or a heavy reliance on a small number of suppliers during the Reporting Period

Applicable Not Applicable

3. Fees

Applicable Not Applicable

In 2021, the Company incurred sales expenses of RMB1.667 billion, a year-on-year increase of 13.33%, mainly due to the expansion of business scale and the increase in related sales services.

In 2021, the Company incurred administrative expenses of RMB12.747 billion, a year-on-year increase of 10.31%, mainly due to the expansion of business scale, the increase in related office expenses and travel expenses, and the increase in employee compensation along with benefits.

In 2021, the Company incurred financial expenses of RMB3.673 billion, a year-on-year decrease of 3.16%, mainly due to the continued decline in the global economic situation in 2021 and the overall decline in interest rates, as well as the interest rates for new borrowings during the year were lower than those in previous years.

In 2021, the Company incurred research and development expenses of RMB8.789 billion, a year-on-year increase of 29.55%, mainly due to the Company's continued promotion of scientific research and technological innovation and further increased investment in research and development.

4. Research and Development Investment

(1). Table of research and development investment

Applicable Not Applicable

	<i>Unit: '000 Currency: RMB</i>
Expenses of research and development investment of current period	8,789,472
Capitalized research and development investment of current period	82,575
Total research and development investment	8,872,047
Percentage of research and development investment of operating income (%)	2.75
Percentage of capitalized research and development investment (%)	0.93

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(2). Table of research and development personnel

Applicable Not Applicable

Number of research and development personnel	20,139
Percentage of the number of research and development personnel to the total number of the Company (%)	17.46
Educational structure of research and development personnel	
Types of Academic Structures	Number of Academic Structures
PhD degree	312
Master's degree	5,919
Bachelor's degree	13,908
College graduates	
High school and below	
Age structure of research and development personnel	
Types of age structure	Number of age structure
Under 30 years old (excluding 30 years old)	3,219
30-40 years old (including 30 years old, excluding 40 years old)	8,680
40-50 years old (including 40 years old, excluding 50 years old)	5,205
50-60 years old (including 50 years old, excluding 60 years old)	3,014
60 years old and above	21

(3). Descriptions

Applicable Not Applicable

In 2021, the Company continued to increase investment in scientific research, and the research and development investment ratio reached 2.75%, an increase of 9.16% over last year. In the field of power Internet of Things, we have carried out research on the application of Internet of Things technology in new energy, smart power plants, and power grids; in the field of green and low-carbon energy, we have carried out technical research in the areas such as new energy power optimization, smart energy, energy management big data, high-altitude wind power generation, offshore wind power, key systems and equipment for solar thermal power generation, and efficient development and utilization of geothermal energy, 300MW compressed air energy storage, comprehensive utilization of hydrogen energy, clean and efficient utilization of coal, energy saving and energy efficiency improvement; in the field of green and intelligent construction, we have carried out technical research in the areas such as smart concrete construction, smart construction sites, dynamic design optimization and construction of large underground caverns, subway construction under complex geological conditions, and integration of green smart open-pit mine planning, mining, and restoration systems, cement smart factory; in the field of water affairs and environmental protection, we have

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carried out technical research on water environment treatment and soil remediation, co-processing of solid waste in cement kilns to produce high-performance cement, and thermal hydrolysis of excess sludge in sewage plants for denitrification and utilization of carbon sources; in the field of integrated pipe corridors, we have carried out research on the construction and operation and maintenance technology of urban underground integrated pipe corridors; in the field of high-end equipment, we have carried out research and development of key equipment for third-generation nuclear power projects, key equipment for flexible and direct power transmission, and core equipment for ice storage air conditioning systems. We have conquered and mastered a number of key core technologies with independent intellectual property rights, and won 189 provincial and ministerial and industry science and technology awards, among which, "Key Technology and Engineering Application of Large-scale High-efficiency Hydroelectric Generating Sets", "Key Technology of Building Indoor Air Quality Evaluation and Control" "Technology and Application", "Large-scale receiving-end power grid optimization planning and operation support key technology and its application" and "Wind power accommodation technology research and application based on thermo-electrolysis coupling" won the first prize of provincial and ministerial level scientific and technological progress awards. We have obtained 1,893 patent authorizations, including 210 invention patents; we have compiled and released 21 national standards and 67 industry standards. All of the above have effectively enhanced the Company's market competitiveness and provided technical support for business development in related fields.

(4). Reasons for major changes in the composition of research and development personnel and their impact on the future development of the Company

Applicable Not Applicable

5. Cash flow

Item	Unit: '000 Currency: RMB		
	2021	2020	Growth rate (%)
Net cash flows from operating activities	8,844,180	6,490,100	36.27
Net cash flows from investing activities	-18,653,107	-20,191,787	-7.62
Net cash flows from financing activities	12,323,837	22,136,462	-44.33

Applicable Not Applicable

In 2021, the net cash flow from operating activities of the Company was RMB8.844 billion, representing an increase in cash inflow of RMB2.354 billion year-on-year, mainly due to ① the expansion of the business scale in 2021 and the year-on-year increase in net profit; ② the active increase in operational efforts and the increase in advance receipts.

In 2021, the net cash flow from investing activities the Company was RMB -18.653 billion, representing a decrease in cash outflow of RMB1.539 billion year-on-year. This was mainly due to the increase in investment in infrastructure projects for concession projects such as expressways and water conservancy power plants.

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In 2021, the net cash flow from financing activities the Company was RMB12.324 billion, representing a decrease in cash inflow of RMB9.813 billion year-on-year, mainly due to the repayment of principal and interest to equity holders and perpetual capital instruments holders.

6. Capital expenditure

In the past, the Group incurred capital expenditures primarily for expenditures on fixed assets, construction in progress, as well as intangible assets (such as concession rights of toll roads). The following table sets forth the components of capital expenditures of the Group for the periods indicated:

	<i>Unit: '000 Currency: RMB</i>	
	2021	2020
Fixed assets	3,481,266	2,422,211
Construction in progress	7,374,728	16,446,410
Intangible assets	8,809,479	11,146,713
Total	19,665,473	30,015,334

7. Capital and financial policies

The Company expected to jointly finance its management capital and other capital needs from a variety of sources, including but not limited to internal financing and external financing at a reasonable market interest rate. The Group continued to focus on improving return on equity and assets while maintaining prudent capital and financial policies.

8. Other significant expenses

In 2021, the Company has no other significant expenses or income exceeding 25% of net profit.

(II) Explanation on Significant Changes in Profit Caused by Non-Main Business

Applicable Not Applicable

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(III) Analysis of Assets and Liabilities

✓ Applicable Not Applicable

1. Assets and liabilities

Unit: '000 Currency: RMB

Project name	Closing amount of the current period	Percentage of the closing amount of the current period to the total assets (%)	Closing amount of the previous period	Percentage of the closing amount of the previous period to the total assets (%)	Percentage of change in the closing amount of the current period compared to the closing amount of the previous period (%)	Description
Cash at bank and on hand	58,299,098	11.02	56,434,911	11.85	3.30	Increase in advance receipts for works
Accounts receivable	56,955,906	10.77	51,086,143	10.73	11.49	Increase in project receivables
Inventory	58,609,378	11.08	61,529,312	12.92	(4.75)	Increase in business scale, inventory consumption
Contract assets	64,953,377	12.28	48,237,627	10.13	34.65	Increase in business scale
Long-term equity investment	38,302,746	7.24	28,954,044	6.08	32.29	Increase in investment scale
Fixed assets	39,586,551	7.49	33,243,026	6.98	19.08	Increase in business scale and infrastructure
Intangible assets	68,110,054	12.88	61,598,646	12.94	8.15	Increase in franchise project assets
Trade payables	124,576,834	23.56	100,468,882	21.10	24.00	Business expansion
Contract liabilities	61,251,492	11.58	58,832,766	12.36	4.11	Increase in advance receipts for works
Long term loan	84,618,293	16.00	62,974,897	13.23	34.37	Increase in investment scale

Other explanation

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2. Overseas assets

Applicable Not Applicable

3. Restrictions on major assets as at the end of the Reporting Period

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Book value at the end of the Period	Reason for restriction
Cash	5,452,808	Issuing bank acceptance bills, guarantee deposits, etc.
Bill receivable	1,427,059	Loan pledge
Trade receivables	3,345,429	Loan pledge
Receivables Financing	3,895,169	Loan pledge
Inventory	10,662,147	Loan Mortgage/Litigation Seizures
Long-term receivables	7,694,640	Loan pledge
Fixed assets	1,365,894	Loan collateral
Intangible assets	33,493,550	Loan Collateral/Pledge

4. Debts and Contingent Liabilities

(1) Indebtedness

As at 31 December 2021, the Company's total liabilities amounted to RMB379.129 billion and total assets amounted to RMB528.861 billion, with a gearing ratio of 71.69%, representing an increase of 0.66 percentage points from 71.03% for last year. The Group's total indebtedness amounted to RMB120.179 billion. The following table sets forth the details of bank borrowings, other borrowings and corporate bonds of the Company as at the dates indicated:

Unit: '000 Currency: RMB

	2021	2020
Long-term		
Bank borrowings		
Unsecured	47,212,515	29,288,940
Secured	37,261,696	33,568,286
Other borrowings		
Secured	144,082	117,671
Corporate bonds (note)	11,292,484	9,995,381
Subtotal	95,910,777	72,970,278

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	2021	2020
Short-term		
Bank borrowings		
Unsecured	14,359,918	8,056,185
Secured	1,412,333	3,366,775
Customers deposits and deposits from banks and other financial institutions		
Unsecured	2,921,494	3,095,579
Corporate bonds (note)	1,957,056	9,024,438
Non-current liabilities within one year		
Unsecured	1,919,745	4,675,625
Secured	1,697,915	1,477,145
Subtotal	24,268,461	29,695,747
Total	120,179,238	102,666,025

Note: The corporate bonds of the Company are unsecured medium-term notes and corporate bonds.

5. Other explanation

Applicable Not Applicable

6. Significant intangible assets

The Group has entered into various service concession arrangements with government authorities in the PRC, Vietnam and Pakistan on a build-operate-transfer (BOT) basis for their toll road operations, sewage treatment plants, coal-fired power plants and hydropower plants (relevant assets). Pursuant to the Service Concession Arrangement Contract, the Group is (i) responsible for the construction of the relevant assets, and the purchase of the relevant facilities and equipment; (ii) is contractually obligated to maintain the service level of the infrastructure to a specified level and to deliver the infrastructure to the people have previously maintained their working conditions at acceptable levels; and (iii) have the right to operate the relevant assets by charging users for public services upon expiration of a paper-specific concession period (20 to 30 years). After the expiry of the concession period, the Group will no longer hold any interest in the relevant assets. Accordingly, the service franchise arrangement contract is accounted for as a service franchise arrangement and the intangible assets will be recognised at an amount equal to the fair value of the consideration for the provision of construction services on initial recognition. As at 31 December 2021, the Group recognized and presented under intangible assets the contract assets of the BOT project during the operation period of RMB56.617 billion (2020: RMB51.337 billion)

As of 31 December 2021, the aggregate carrying amount of the toll road and water facility concession revenue under the concession agreement was RMB33.494 billion (2020: RMB31.357 billion), and such interests have been pledged to obtain bank borrowings (see Intangible Assets in the Notes to the financial report for details).

7. Gearing ratio

As at 31 December 2021, the gearing ratio of the Company was 80.3%, representing a decrease of 4.7 percentage points as compared to 84.9% for the same period of 2020. Gearing ratio represents interest-bearing debts divided by total equity at the end of the period.

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(IV) Analysis of Industry Operating Information

Applicable Not Applicable

Analysis of construction industry

The industry of the listed company in which the Company operates is classified as construction industry. The Company's analysis of the business information required by the industry guidelines is as follows:

1. Qualifications of the Company

In 2021, among the subsidiaries of the Company, there was 1 newly-added special qualification and 1 general contracting first-class qualification, which were construction general contracting special qualification of China Gezhouba Group Construction Engineering Co., Ltd. (中國葛洲壩集團建設工程有限公司), Level 1 general contracting for power engineering construction of Northwest Electric Power Design Institute Co., Ltd. of China Power Engineering Consulting Group (中國電力工程顧問集團西北電力設計院有限公司). As at the end of the Reporting Period, the Company held a total of 12 special qualifications for general contracting of engineering construction (6 special qualifications for general contracting of water conservancy and hydropower projects, 2 special qualifications for general contracting of highway construction, 2 special qualifications for general contracting of power engineering construction, and 2 special-grade qualifications for general contracting of construction engineering), 8 comprehensive Grade-A qualifications for engineering design, 20 comprehensive Grade-A qualifications for engineering survey, 1 Grade-A qualification for marine engineering survey, 237 first-class qualifications for various types of engineering construction contracting (87 general contracting and 150 professional contracting). These qualifications cover the fields of water conservancy and hydropower, electricity, construction, municipal administration, highways, ports and waterways, mining, electromechanical, foundation, bridges, tunnels, steel structures, and environmental protection. The Company also has first-class qualifications for real estate development, financial licenses, cement product production licenses, civilian explosives production licenses, special equipment manufacturing licenses (pressure vessels, pressure pipelines) and others. In the coming year, there will be no problems with the renewal of the qualifications held by the Company after the expiry.

2. Completed and accepted projects

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Sector	House construction	Infrastructure Engineering	Professional Engineering	Building Decoration	Other	Total
Number of items (unit)	1	3	439	0	67	510
Total amount	133,500.00	55,277.83	1,250,354.32	0.00	35,787.91	1,474,920.06

Applicable Not Applicable

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Unit: '0,000 Currency: RMB

Area	Number of items(unit)	Total amount
Domestic	496	1,351,784.66
Overseas	14	123,135.4
Including:		
Asia	14	123,135.4
Total	510	1,474,920.06

Others

Applicable Not Applicable

3. Projects under construction during the Reporting Period

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Sector	House construction	Infrastructure Engineering	Professional Engineering	Building Decoration	Other	Total
Number of items (unit)	180	215	2,147	0	299	2,841
Total amount	13,209,331.47	21,583,908.56	73,727,505.98	0.00	12,048,374.08	120,569,120.09

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Area of the item	Number of items (unit)	Total amount
Domestic	2,471	80,901,978.09
Overseas	370	39,667,142.00
Including:		
Asia	248	24,790,850.00
Europe	12	2,035,785.00
Africa	81	7,222,478.00
America	25	5,550,333.00
Oceania	4	67,696.00
Total	2,841	120,569,120.09

4. Major projects under construction

Applicable Not Applicable

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5. Orders in hand at the end of the Reporting Period

Applicable Not Applicable

At the end of the Reporting Period, the total amount of orders in hand was RMB1,605,805,986,700. Among them, the amount of projects contracted but not commenced was RMB785,809,094,100, and amount of the projects under construction but not completed was RMB819,996,862,600.

6. Accumulated newly signed projects during the Reporting Period

Applicable Not Applicable

During the Reporting Period, the cumulative number of newly signed projects was 17,473, with an amount of RMB872,607,401,900.

7. Project revenue in the past three years

Applicable Not Applicable

(1) Operating income of engineering projects in the past three years disclosed by sector

Unit: '000 Currency: RMB

Item	2021	Proportion of operating income (%)	2020	Proportion of operating income (%)	2019	Proportion of operating income (%)
Traditional energy	112,775,654	42.73	95,343,548	44.96	104,839,853	55.05
New energy and integrated smart energy	69,828,004	26.46	49,135,842	23.17	34,205,333	17.96
Building construction	21,180,678	8.03	11,094,516	5.23	7,419,299	3.90
Infrastructure construction	28,285,543	10.72	31,415,242	14.81	19,456,358	10.22
Eco-environmental protection	4,877,133	1.85	3,773,864	1.78	3,544,505	1.86
Other	26,972,919	10.22	21,303,146	10.05	20,992,813	11.02

Note: The traditional energy, new energy, comprehensive smart energy and eco-environmental protection fall into the special project category.

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(2) Composition of operating cost of engineering projects in the past three years disclosed by sector

Unit: '000 Currency: RMB

Item	2021	Proportion of operating costs (%)	2020	Proportion of operating costs (%)	2019	Proportion of operating costs (%)
Traditional energy	102,560,463	42.47	87,682,891	45.33	92,610,637	54.36
New energy and integrated smart energy	66,680,602	27.61	46,672,026	24.13	32,029,065	18.80
Building construction	19,119,296	7.92	9,846,564	5.09	6,868,852	4.03
Infrastructure construction	24,078,525	9.97	27,159,111	14.04	17,544,279	10.30
Eco-friendly	4,361,016	1.81	3,333,737	1.72	3,132,092	1.84
Other	24,695,825	10.23	18,749,210	9.69	18,167,685	10.66

The cost of the Company's engineering projects has increased year by year, and its proportion of operating costs has increased year by year, which was consistent with the changes in engineering revenue.

8. Financing arrangements

During the Reporting Period, the Company's financing arrangements were able to meet the capital needs of project construction, company development and enhancement of core competitiveness. For the details of financing, please refer to the relevant debts in the chapter on assets and liabilities analysis in this section.

9. Quality control system, implementation standards, control measures and overall evaluation

The Company attaches great importance to quality development, conscientiously implements the spirit of the national quality development outline, strictly implements national and industry quality standards, and carries out quality improvement actions. During the year, we have achieved overall stable quality, and the goal of zero quality accident.

According to the requirements of quality control system GB/T19001-2016, the Company strictly implemented quality control, and our quality control system continued to operate effectively.

The implementation standards of the Company's quality work mainly include: the mandatory provisions of the engineering construction standards of the PRC, the quality control standards for engineering construction survey enterprises, the quality control standards for engineering construction and construction enterprises, the construction quality evaluation standards for construction projects, and the unified standards for acceptance of construction engineering construction quality, and others.

In 2021, the Company issued the annual quality control target, signed the annual quality work responsibility letter with the subsidiary companies, decomposed and implemented the quality responsibility, established a horizontal and vertical quality responsibility system, and formed a chain of responsibility for joint management, so that the responsibility system has been effectively implemented. The Company has also strengthened system capacity building and implemented the quality management requirements of "three basics and four modernizations". Through our integrated QHSE inspection and inspection, the Company has strengthened the quality supervision of projects under construction and increased the pursuit of quality responsibilities.

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In 2021, the Company has vigorously promoted the work of creating excellence in engineering, products and services, and won a total of 29 national high-quality engineering awards, including 10 gold awards, and the number of gold awards has reached a record high; 49 high-quality power projects in China; 25 national outstanding engineering consulting achievement awards; 2 excellence awards of FIDIC engineering items; and nearly 1,000 other provincial and ministerial-level quality awards, demonstrated our strong quality strength, and enhanced our brand influence.

10. Operation of the safety production system of the Company

The Company adheres to “safety management is the first productive force and first management”, and has built a safety production system that is deeply integrated with production and operation, which includes a production safety system with the entire staff safety production responsibility system as the core, a plan system composed of comprehensive and special emergency plans, and 1 prohibition and 3 hidden danger judgment standards.

In 2021, the Company has thoroughly implemented the new “Safety Production Law”, revised four regulations including the “Safety Production Management Regulations”, “Safety Production Responsibility System”, “Safety Risk Management Measures”, and “Management Methods for the Investigation and Management of Production Safety Accidents and Hidden Dangers”; and newly formulated “Measures for Safety Management of Engineering Project Process (Trial)”. For the first time in the system, the Company has clarified the rigid requirements of “12 in place” and “three basics and four modernizations”, and has introduced an integrated, all-inclusive, and penetrating management idea, which has comprehensively improved its intrinsic safety management capability.

In 2021, the Company strictly implemented various safety production and management systems. In accordance with the safety production requirements of “12 in place”, the Company has carried out various tasks in a coordinated manner, including the three-year special rectification action, and the investigation and management of risks related to stability. The Company also promoted the in-depth integration of production safety and production and operation, effectively solved the outstanding problems in the current production safety management, comprehensively improved the ability to prevent and respond to various emergencies, and our safety production management system has continued to operate effectively.

In 2021, the production safety system of the Company operated under a well condition, the production safety situation was stable, and no major production safety accidents occurred.

(V) Analysis of Investments

Overall analysis of external equity investments

Applicable Not Applicable

In 2021, the external investment of the Company amounted to RMB39.7 billion, of which the investment in new energy and integrated smart energy business was RMB7.9 billion, the investment in comprehensive transportation business was RMB4.4 billion, and the investment in real estate (new urbanization) business was RMB22.5 billion.

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1. Significant equity investment

Applicable Not Applicable

The Company has no major equity investment projects that exceed 10% of the Company's net assets in 2021.

2. Significant non-equity investments

Applicable Not Applicable

The Company has no major non-equity investment items that exceed 10% of the Company's net assets in 2021. The main operating real estate projects held as of 31 December 2021 are listed below.

Table of Situation of Operating Real Estate Projects							
No.	Name of project	Location	Land area (square meters)	GFA (square meters)	The Company's shareholding percentage	Percentage of completion	Note
1	Beijing China Residence	Beijing	104,578	347,037	100%	80.58%	
2	Beijing Zijun Orchid Court	Beijing	74,773	241,764	100%	97.03%	
3	Suzhou Zijun Orchid Court	Suzhou	74,775	263,160	22%	91.10%	Non-consolidated item
4	Nanjing China Reside	Nanjing	26,380	114,033	100%	96.25%	
5	Nanjing Zijun Orchid Court	Nanjing	143,744	559,642	35.70%	74.59%	
6	Nanjing G30 Project	Nanjing	42,783	232,925	33.90%	91.28%	Non-consolidated item
7	Nanjing G49 Project	Nanjing	43,708	173,306	100%	83.40%	
8	Hangzhou Jing Lin Longfor Mansi	Hangzhou	42,907	141,691	34%	99.26%	Non-consolidated item
9	Hangzhou China Reside	Hangzhou	56,755	229,319	70%	85.07%	
10	Wuhan International Plaza	Wuhan	42,570	364,000	50%	76.89%	Non-consolidated item
11	Wuhan Kunyu Residence	Wuhan	107,544	779,370	40%	84.53%	Non-consolidated item
12	Chongqing Expo City	Chongqing	618,622	1,615,764	49%	94.53%	Non-consolidated item
13	Chongqing European Garden	Chongqing	813,401	2,073,763	49%	76.86%	Non-consolidated item
14	Guangzhou Zijun Residence	Guangzhou	35,272	207,579	100%	92.96%	
15	Guangzhou Nansha Project	Guangzhou	342,754	1,048,426	61.82%	37.49%	
16	Hainan Haitang Blessed Ba	Sanya	374,200	298,617	100%	85.59%	
17	Xiong'an Zangang Hub Area No. 1	Xiong'an	294,420	841,073	100%	11.25%	
18	Nanjing G70 Project	Nanjing	42,308	165,800	100%	71.38%	

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3. Financial assets measured at fair value

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	31 December 2021			Total
	Level 1	Level 2	Level 3	
	Measurement of fair value	Measurement of fair value	Measurement of fair value	
Trading financial assets	54,088	–	2,966,626	3,020,714
Investment in other equity instruments	1,162,160	–	1,227,363	2,389,523
Other non-current financial assets	–	–	7,647,103	7,647,103
Receivables Financing	–	–	2,315,441	2,315,441
Total assets continuously measured at fair value	1,216,248	–	14,156,533	15,372,781

4. Details of progress of major asset restructuring and integration during the Reporting Period

Applicable Not Applicable

(VI) Sale of Major Assets and Equity

Applicable Not Applicable

During the reporting year, there was no major assets and equity disposals exceeding 10% of its net assets.

(VII) Analysis of Major Holding Companies

Applicable Not Applicable

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1. Major subsidiaries

During the Reporting Period, the main subsidiaries of the Company are as follows:

Unit: '000 Currency: RMB

Company Name	Business Nature	Registered Capital	Amount of Asset	Amount of Owner's Equity	Net profit attributable to owners of the Parent Company
China Gezhouba Group Co., Ltd.	Survey, design and consulting, engineering construction, civil blasting, cement sales and real estate development	RMB3,315,308,700	282,539,710	83,164,979	1,177,579
China Energy Engineering Group Planning and Engineering Co., Ltd.	Investment holding	RMB10,000,000,000	91,486,725	30,612,875	3,310,635
China Energy Engineering Group Equipment Co., Ltd.	Equipment manufacturing	RMB3,762,472,740	14,280,950	2,793,213	94,359
China Energy Engineering Group North Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	40,548,827	5,845,171	35,370
China Energy Engineering Group Eastern Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	40,339,749	7,174,444	181,897
China Energy Engineering Group Southern Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	33,509,810	6,099,589	247,192
China Energy Engineering Group Northwest Construction and Investment Co., Ltd.	Investment holding	RMB2,500,000,000	16,480,267	2,806,392	20,454

2. Main companies invested by the Company

For details of the companies invested by the Company, please refer to Note "Long-term Equity Investments" and "Interests in Joint Ventures and Associates" to the financial statements attached to the Report. These changes in the assets, operating results and other financial indexes of these companies invested by the Company have no material influence to the assets, operating results and other financial indexes of the Group for the current year and in future.

(VIII) Structured Entities Controlled by the Company

Applicable Not Applicable

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(IX) Summary of Five-year Consolidated Statement of Profit or Loss

Unit: RMB in million

	2021	2020	2019	2018	2017
Revenue:					
Survey, design and consulting services	14,762	14,202	13,154	12,216	13,283
Construction and contracting	263,920	212,066	185,425	163,295	168,752
Industrial manufacturing	28,249	24,254	23,711	21,820	19,959
Investment and operation	27,258	26,995	28,525	30,845	31,964
Other businesses	6,355	5,806	7,183	7,553	11,850
Inter-segment elimination and adjustment	(18,225)	(12,996)	(10,707)	(11,695)	(11,436)
Total	322,319	270,328	247,291	224,034	234,370
Gross profit	42,409	36,727	32,337	29,763	27,629
Profit before taxation	13,050	12,040	13,308	11,677	11,955
Net profit	9,598	8,637	9,600	8,552	9,064
Profit for the year attributable to equity holders of the Company	6,504	4,671	5,079	4,571	5,261
Basic and diluted earnings per share (RMB)	0.19	0.15	0.17	0.15	0.18

(X) Summary of Five-year Consolidated Statement of Financial Condition

Unit: RMB in million

	2021	2020	2019	2018	2017
Current assets	309,936	288,151	263,459	257,035	242,329
Non-current assets	218,927	187,901	158,212	132,351	101,558
Total assets	528,863	476,052	421,670	389,386	343,887
Current liabilities	270,522	253,102	224,937	226,313	204,337
Non-current liabilities	108,607	85,021	83,443	67,909	59,694
Total liabilities	379,129	338,123	308,380	294,222	264,031
Total equity	149,734	137,929	113,290	95,164	79,856
Total equity and liabilities	528,863	476,052	421,670	389,386	343,887

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VI. DISCUSSION AND ANALYSIS OF THE COMPANY'S FUTURE DEVELOPMENT

(I) Industry Pattern and Trends

Applicable Not Applicable

Today's world is going through great changes unseen in a century. The new round of scientific and technological revolution and industrial transformation is developing in depth, the impact of the COVID-19 pandemic has been extensive and far-reaching, and economic globalization has encountered adverse currents. Global social and political risks are growing. China has shifted from the high-speed development stage to high-quality development stage, and the construction of new development pattern is accelerating. According to the work report of the PRC government, China's economy will grow steadily in 2022, and the annual GDP growth rate is expected to be around 5.5%. During the "14th Five-Year Plan" period, China's economy will maintain a medium-high growth rate (expected to be 5% to 6%). Facing the new situation, new opportunities and new challenges, the Company will be based on the principal businesses, bravely explore new businesses, accelerate transformation, and achieve high-quality development.

1. Power industry

In the future, the power industry will maintain a relatively rapid development speed, and new energy will gradually become the main body of power generation installed capacity. International Energy Agency (IEA), from 2020 to 2025, the global installed power capacity will increase by approximately 1.9 billion kilowatts, of which wind power and solar power will account for 57%. During the "14th Five-Year Plan" period, the installed power capacity in China will increase by approximately 0.9 billion kilowatts, of which wind power and solar power will account for approximately 2/3. It is expected that the installed capacity of new energy will reach approximately 1.1 billion kilowatts in 2025 and approximately 1.7 billion kilowatts in 2030. During the "14th Five-Year Plan" period, the power grid will still maintain a certain scale of construction, and there will be still a large market in the construction of ultra-high voltage power transmission channels, main grids in various provinces and regions as well as distribution networks. It is expected that the average annual investment in the power grid is approximately RMB580 billion.

In 2022, China will accelerate energy green and low-carbon development, implement renewable energy alternative actions, promote the development and consumption of wind power and photovoltaics in the eastern, central and southern regions, actively promote the cluster development of offshore wind power and the development of wind power and photovoltaic bases in the "three northern" regions, focus on the construction of wind power and photovoltaic bases in deserts, gobi and wilderness, and launch the implementation of the "Wind Action in Thousands of Villages (千鄉萬村馭風行動)", "Thousands of Households Shine Photovoltaic Action (千家萬戶沐光行動)". With the advancement of construction of large-scale clean energy bases, the demand for power transmission across provinces and regions will increase, and ultra-high voltage will usher in a new round of construction climax. It is expected that the total investment in power sector in China will exceed RMB1 trillion in 2022.

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2. *Water conservancy and environmental industry*

2.1 **Water conservancy**

In the future, there will be still a large market space for water conservancy construction, and the construction of national water network backbone projects will focus on four aspects including flood control projects, water supply and water conservation, ecological restoration and smart water conservancy. According to the Implementation Plan for Major National Water Network Projects during the “14th Five-Year Plan” period, a number of national water network backbone projects will be constructed, the construction of water networks in provinces, cities and counties will be implemented in an orderly manner, and the construction of a number of major water diversion and key water sources projects will be completed by 2025. During the “14th Five-Year Plan” period, the national water conservancy investment scale is expected to reach more than RMB5 trillion. The Ministry of Transport has listed the implementation of major national water network projects as one of the key water conservancy tasks in 2022.

2.2 **Eco-environmental protection**

In the future, the market demand in the field of eco-environment protection will be huge. In terms of environmental governance, the length of the river that has not yet been treated is 7,200 kilometers. In terms of solid waste and garbage treatment, according to the World Bank, the municipal solid waste generation of the world will reach 2.2 billion tons in 2025, and the investment scale of the solid waste treatment industry is expected to further increase. During the “14th Five-Year Plan” period, China will intensify efforts to restore the ecological environment of the Yangtze River Basin and the ecological protection and high-quality development of the Yellow River Basin, and successively launches special actions for pollution prevention and control in key areas.

3. *Transportation industry*

In the future, there is still room for highway investment and construction, the scale of railway investment is expected to maintain a high level, and there are still certain market opportunities for investment and construction of ports and supporting facilities. During the “14th Five-Year Plan” period, China plans to newly build 3,000 kilometers of intercity railway and urban (suburban) railway operating mileage and 3,000 kilometers of urban rail transit operating mileage, rebuild 25,000 kilometers of expressway mileage. In 2022, China will complete the construction of the Jingbin Railway and the Jingtang Railway, accelerate the construction of interprovincial interconnection projects such as the Ninghuai Railway and the Sutai Expressway, promote the construction of the large inland open channel in the central region, and build one-hour transportation network for twin-city economic circle in Chengdu-Chongqing region.

4. *Construction industry (municipal, housing construction)*

In the future, the growth rate of construction industry will generally slow down. The construction of municipal public facilities is in the middle stage of rapid development, and there is still a large market space in municipal areas such as urban road network, urban rail transit, sponge city, comprehensive pipe gallery and sewage treatment. At present, there are approximately 60 cities in China in which the urban rail transit network planning has been approved and under construction. The construction of new urbanization has gradually become a national strategy, and there is

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still a lot of room for development. During the “14th Five-Year Plan” period, China plans to cultivate and develop a number of modern metropolitan areas, and carry out urban renewal. There is a large market space for the renovation of old urban communities and the construction of municipal pipeline networks, municipal transportation, charging piles, sewage and garbage treatment facilities, etc.

(II) Development Strategies of the Company

Applicable Not Applicable

The “14th Five-Year Plan” period is an important period of strategic opportunities of the Company, a window period for accelerating development, a critical period for business transformation and deepening reform, and a key period for cultivating industry competitiveness, enhancing industry influence and shaping industry leadership. Standing at a new historical starting point, the Company took the initiative to grasp the development trend of the times, and scientifically formulated the general outline “Certain Opinions” and “1466” Strategy for future development. The Company will closely focus on the new energy security strategy of “four revolutions and one cooperation”, based on the “one center” in the “30•60” system solution, the “two basic points” of energy storage and hydrogen energy, and fully integrate into green and low-carbon energy. The “three economic forms” of economy, digital economy and sharing economy. The Company will adhere to the “three major development goals” of high-quality development, integrated development, and integrated development, improve the “three new” energy levels of new infrastructure, new models, and new kinetic energy, and focus more on the integration of the “seven networks” of energy, transportation, digital, water conservancy, ecology, industry and culture, vigorously implements the “1466” development strategy, i.e. adhering to the strategic vision of becoming an industry leader and ranking top in the world, and building a world-class enterprise with global competitiveness. The Company strives to be at the forefront of implementing national strategies, energy revolution, high-quality development and building a better life, and is committed to building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment management provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment. The Company will make breakthroughs in promoting energy revolution and energy transformation, accelerating high-quality development, deepening system reform, comprehensively strengthening scientific management, and comprehensively improving the core competitiveness and organizational capacity of the Company. A new Energy China with high-quality development will be built in 2025. In 2035, the Company will be fully built into a world-class enterprise with global competitiveness.

(III) Business Plan

Applicable Not Applicable

In 2022, the planned value of newly signed contracts of the Company is RMB899.5 billion, the planned revenue is RMB342.2 billion, and the planned investment is RMB123.7 billion.

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The business plan, however, does not constitute the profit guarantee to investors of the Company, thus the investors shall keep sufficient risks awareness and understand the differences between the business plan and the performance commitment.

(IV) Potential Risks

Applicable Not Applicable

1. *Investment risk*

With the continuous expansion of the investment business, the continuous expansion of the scope, and the decentralization of investment authority, the investment scale may increase rapidly, and the Company's investment behavior may face the risk of scientific decision-making. The regional market research and judgment is not in-depth and in place, the project risk identification is not comprehensive and thorough, and the contract terms are set unreasonably; it is more difficult to implement project financing, which may lead to risks such as unrecoverable investment capital and failure to achieve investment purpose.

Countermeasures: The Company will strengthen investment policy research, optimize investment layout, and improve investment management system; scientifically formulate investment development plans and continuously optimize resource allocation; strengthen investment policy research, optimize investment layout, and improve investment management systems; strengthen investment risk identification, and improve risk closed-loop management mechanisms; accelerate investment management informatization construction.

2. *International operation risk*

Affected by sharp drop in international trade and international investment and soaring commodity prices the difficulty in developing overseas markets and cost of fulfilling contracts have increased. The international security situation has become more unstable, regional armed conflicts have occurred frequently, and political instability, terrorism and religious extremism have risen in some countries, which have a certain adverse impact on the personal safety of employees, market development and project performance. The overseas epidemic has not been alleviated for a long time, and overseas personnel Personal health and life safety are threatened. Affected by the debt ceiling, carbon peak, carbon neutralization and de-coal strategy, some countries are lack of funds, which has a great adverse impact on the entry into force of stock contracts, market development and project performance.

Countermeasures: The Company will further establish and improve the international business risk control and compliance system; strengthen the front-end screening of projects, conduct feasibility studies and legal compliance reviews, and strengthen project performance risk prevention and control; continue to carry out policy research and explore investment and financing new mode; strengthen epidemic and safety management, and enhance overseas security of employees.

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3. Cash flow risk

Certain subsidiaries have poor awareness of financial risk management and control; their ability to generate revenue, revenue, and profit from operations is not strong, some structured financing projects are due and consolidated, and the degree of debt management is relatively high, which may lead to insufficient cash flow and bring certain adverse effects to financing. The “two funds” of certain subsidiaries have poor pressure reduction effect and insufficient capital return, which may lead to insufficient funds to repay the debt when it is due, or repayment with high-cost financing, or even default risk.

Countermeasures: The Company will strengthen financial management, do a good job in dynamic measurement of financial bearing capacity, and establish an integrated financial information system; strengthen guarantee and structured financing management, improve the guarantee management system and financing business risk prevention and control system, refine the cash budget management; reduce the “two funds”; strengthen project process control, improve project management level and profitability.

4. Engineering project management risk

Certain subsidiaries did not establish a correct development concept, and ignored the quality of the project bid and the risk of contract performance in order to blindly pursue the scale of operation, which may lead to risks such as project losses. Subcontracting management and control were not standardized, the subcontracting tender was not strict, and subcontracting contracts were signed non-standard, subcontracting performance management and control are not in place, which may lead to risks such as project losses and owner complaints. The ability and quality of project management personnel do not match the job requirements, and supervision and inspection are not in place, which may lead to project losses, safety, quality and environmental incidents and other negative consequences.

Countermeasures: The Company will comprehensively strengthen the construction of the project management system and consolidate the foundation of project management; strengthen the collaborative management of project bidding to improve the quality of winning bids; innovate project supervision methods to systematically prevent project implementation risks; strengthen the supervision and management of the construction projects in progress and the whole process of subcontracting, and promote the smooth performance of the projects.

5. Market competition risk

The new energy and infrastructure sector faces challenges such as intensified competition in infrastructure market, rising investment and construction costs, and further reduction in returns. The core competitive advantages of new energy of the Company have not yet been fully formed; problems such as transformation and development of individual enterprises and lack of qualifications remain to be solved; business development capabilities need to be further improved.

Countermeasures: The Company will strengthen market analysis, research and judgment, and grasp the business initiative; improve the high-quality project database, control the project evaluation, improve the reward and punishment mechanism, and improve the market development and project quality.

(V) Others

Applicable Not Applicable

VII. DESCRIPTION ABOUT THE SITUATION AND THE CAUSE FOR THE COMPANY'S NOT DISCLOSING PURSUANT TO RELEVANT RULES DUE TO NON-APPLICABLE OR SPECIAL REASONS

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

VIII. REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Personnel	Basic salaries, housing allowance and other allowance (RMB)	Provision of housing funds (RMB)	Contribution to retirement benefit scheme (RMB)	Discretionary bonus (RMB)	Sub-total (RMB)	Remarks
Directors:						
SONG Hailiang	224,499.96	40,326.00	52,571.52	372,799.96	690,197.44	
SUN Hongshui	224,499.96	40,326.00	52,571.52	469,299.96	786,697.44	
MA Mingwei	202,050.00	40,326.00	52,571.52	571,570.00	866,517.52	
LI Shulei	-	-	-	-	-	
LIU Xueshi	-	-	-	-	-	Appointed in February 2021
SI Xinbo	-	-	-	-	-	
ZHAO Lixin	70,000.00	-	-	-	70,000.00	
CHENG Niangao	70,000.00	-	-	-	70,000.00	
CHEUNG Yuk Ming	6,667.00	-	-	7,000.00	13,667.00	
NGAI Wai Fung	73,337.00	-	-	41,000.00	114,337.00	Resigned in February 2021
Supervisors:						
WANG Zengyong	67,929.20	6,668.00	8,493.12	78,149.49	161,239.81	Resigned in February 2021
HE Jiansheng	333,866.20	33,658.00	44,078.40	438,978.00	850,580.60	Appointed in February 2021
LI Fangyi	144,649.90	16,670.00	21,232.80	261,208.99	443,761.69	Resigned in May 2021
WU Daozhuan	232,534.54	23,656.00	31,338.72	204,854.09	492,383.35	Appointed in May 2021
KAN Zhen	385,120.66	40,326.00	52,571.52	501,981.62	979,999.80	
FU Dexiang	6,750.00	-	-	-	6,750.00	Resigned in February 2021
WEI Zhongxin	6,750.00	-	-	-	6,750.00	Resigned in February 2021
MAO Fengfu	-	-	-	-	-	Appointed in February 2021
LV Shisen	-	-	-	-	-	Appointed in February 2021
Senior Management:						
SUN Hongshui	-	-	-	-	-	
WU Chunli	202,050.00	40,326.00	52,571.52	555,870.00	850,817.52	
YU Gang	132,720.00	26,778.00	34,510.08	482,960.00	676,968.08	Resigned in August 2021
ZHOU Hougui	202,050.00	40,326.00	52,571.52	554,270.00	849,217.52	
WU Yun	199,805.04	40,326.00	52,571.52	549,627.04	842,329.60	
CHEN Xiaohua	84,965.35	16,935.00	22,576.80	88,881.35	213,358.50	Appointed in August 2021
CHEN Guanzhong	132,720.00	26,778.00	34,510.08	480,760.00	674,768.08	Resigned in October 2021
LI Lai Nar	17,384.67	3,387.00	4,515.36	17,384.67	42,671.70	Appointed in November 2021
DUAN Qirong	269,492.96	26,778.00	34,510.08	254,474.34	585,255.38	Resigned in August 2021
QIN Tianming	141,394.16	13,548.00	18,061.44	127,789.48	300,793.08	Appointed in August 2021

Management Discussion and Analysis (Report of the Board)

VIII. OTHER DISCLOSURE

(I) Business Review

The performance and business of the Company in 2021, future development and prospects, potential risks and relationship with major customers and suppliers are set out in this section, and the Company has carried out analysis on the financial and operating conditions of the Company.

Details of the Company's staff and compliance with relevant laws and regulations that have a significant impact on the Company in 2021 are set out in the "Corporate Governance" of this report.

Details of dividend distribution and policies of the Company are set out in the "Significant Events" and "Corporate Governance" in this report. The social responsibility and environmental protection of the Company in 2021 are set out in the "Environmental and Social Responsibilities" in this report. Further details of the environmental policies, social responsibilities and its performance of the Company will be set out in the Environmental, Social and Governance Report published by the Company after the date of 2021 annual report of the Company.

Details of the events that have a significant impact on the Company and other disclosable matters in 2021 are set out in the "Significant Events" in this report.

(II) Future Investment Plan

The Company will adhere to the concept of "value investment, full life cycle investment, rational investment and high-quality investment", focus on three major industrial sectors including new energy (including hydrogen energy and energy storage), comprehensive transportation and other infrastructure and comprehensive urban development, and speed up the transformation from focusing on project investment to industry investment and to the entire investment chain that can invest and sell. The Company will insist on the strategic layout of "promoting advantages, supplementing deficiencies, optimizing stock and improving quality" and "adjusting structure, changing modes, expanding increments and opening up a new situation" with energy first and integrated development. The Company will consolidate and expand the development advantages in the fields of energy power, building materials, civil explosives and related infrastructure construction with high quality and high efficiency, and expand and enhance the value of investment business of the Company with the "energy power +" integrated development model.

(III) Subsequent Events

The COVID-19 pandemic since the beginning of 2020 and heightened geopolitical tension arising from recent events have continued to bring uncertainty to the Group's operating environment and may affect the results of operation results and financial condition of the Group.

Although the COVID-19 pandemic in Mainland China has gradually eased, there are still various travel restrictions and other pandemic prevention measures to avoid widespread spread of COVID-19 variants. In addition, geopolitical tensions have increased due to recent events around the world, and the development of these events has brought more uncertainty for the world economy. The Group will continue to pay close attention to possible impact of above situation on the Group's business, and actively take various countermeasures, including but not limited to continuous monitoring and analysis of domestic and foreign anti-pandemic policies, consultation with project owners and clients on project progress and delivery schedules, assessment of sustainability of existing subcontractors and suppliers, and assessment of major projects in progress.

Management Discussion and Analysis (Report of the Board)

As for the Group's business, precautionary measures related to the COVID-19 pandemic and heightened geopolitical tensions may affect the progress of the Group's construction projects in relevant countries and regions, settlement with project owners and customers, repayment ability of relevant accounts receivable corresponding to owners and customers, and possibility of future execution of existing reserve contracts in relevant countries and regions, which in turn affects profitability of the Group in relevant countries and regions, and results in potential impairment risks to relevant assets.

References are made to the announcements of the Company dated 19 October 2021 and 2 November 2021, in relation to that Nanling Industry Explosive intends to acquire 100% of the shares of Gezhouba Explosive, a subsidiary of the Company, by the way of issuance of shares and/or payment in cash. As at the Latest Practicable Date, relevant details of the transaction are yet to be further confirmed, and there are no significant developments requiring further announcement. The Company does not guarantee that the transaction will proceed or when it will proceed, and will make further announcement(s) on the progress of the transaction in due course.

By order of the Board

Song Hailiang

Chairman

29 March 2022

Corporate Governance (Corporate Governance Report)

I. BASIC INFORMATION OF CORPORATE GOVERNANCE OF THE COMPANY

✓ Applicable Not Applicable

After listing on both A-share market and H-share market, the Company is subject to the Company Law, the Securities Law, the Corporate Governance Guidelines for Listed Companies, the Hong Kong Listing Rules, the SFO and other related laws and regulations domestically and internationally. The Company has implemented internal control to ensure its compliance with such laws and regulations. To the best of the Company's knowledge, there are no legal issues that may, in the opinion of the Directors, have material adverse effects on the corporate business, financial condition, business performance or prospects as of the end of the Reporting Period.

During the Reporting Period, the Company improved its corporate governance systems such as the Articles of Association, the rules of procedure for the general meeting of shareholders, the rules of procedure for the board of directors, and the work rules for independent non-executive directors, and built a more complete corporate governance system. The Company strengthened the construction of corporate governance of its affiliated enterprises, improved the "Administrative Measures for the Performance of External Directors of Directly Affiliated Enterprises" and the "Measures for the Performance Evaluation of External Directors of Directly Affiliated Enterprises", and allocated the strengthened the members of the Board to achieve the majority of external Directors in the Board, and standardized the operating mechanism of the board of directors of subsidiaries.

The Company has set up an internal governance structure composed of the general meeting, the Board of Directors and its special committees, the Board of Supervisors and the Senior Management, clarifying the work mechanism of the Company's party committee conducting pre-researches and debates on major issues and the special committees under the Board of Directors listening to work reports on a regular basis. The system framework and managing mechanism is optimized with clear procedures and sufficient information communications. During the Reporting Period, each internal governance department was operated independently and effectively with their respective duties and obligations being fully fulfilled.

(I) Rights of Shareholders

According to the Articles of Association, the shareholders of the Company have the following rights:

1. Convening an Extraordinary General Meeting. Shareholders individually or collectively holding 10% (including 10%) or more of the shares with voting rights at the proposed meeting may sign one or more written requests in the same format and content and deliver to the Board for calling an extraordinary general meeting or a class meeting, stating the subjects of the meeting. The Board shall call an extraordinary general meeting or a class meeting as soon as possible after receiving the aforementioned written requests.
2. Making Inquiries to the Board. To inquire about matters related to the Company with the Board of Directors, shareholders can email us at: dongban3996@ceec.net.cn.
3. Putting Forward Proposals at the General Meeting. The Company convenes a general meeting, at which shareholders individually or collectively holding 3% or more of the shares of the Company are entitled for proposing resolutions to the Company. Shareholders individually or collectively holding 3% or more of the shares of the Company are entitled for proposing extraordinary resolutions and submitting the same in writing to the convener 10 days before the convening of the general meeting. The convener shall issue a supplemental

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notice of the general meeting to announce the content of the extraordinary resolutions within 2 days after receiving the proposal.

(II) The Board and the Management

The Company adopts the practice of holding regular Board meetings and extraordinary Board meetings, at least four regular meetings annually and at approximately quarterly intervals. Notices are given not less than fourteen days in advance for all regular Board meetings to provide all Directors with an opportunity to attend and include related matters in the agenda for a regular meeting.

For extraordinary meetings of the Board and meetings of the special committees of the Board, reasonable notice is generally given. The agenda and accompanying meeting papers of extraordinary meetings of the Board and meetings of the special committees of the Board are dispatched to the Directors or members of the relevant special committees of the Board at least five days and three days, respectively, before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings.

The chairman of the Board and the general manager of the Company are held by different persons. The Board and the management respectively perform their own duties and take their own responsibilities. The division of duty is in strict compliance with the requirements under the Articles of Association, Rules of Procedure of the Board of China Energy Engineering Corporation Limited (《中國能源建設股份有限公司董事會議事規則》), By-laws for General Manager of China Energy Engineering Corporation Limited (《中國能源建設股份有限公司總經理工作細則》) and relevant laws and regulations.

1. Board of Directors

Major duties of the Board are as follows:

Convening the general meetings and reporting its work to the general meetings; implementing resolutions of the general meeting; deciding the business plans and investment plans of the Company; formulating the plans for annual financial budgets and final accounts of the Company; formulating the plans for profit distribution and making up losses of the Company; formulating proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing plan of the Company; formulating plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company; deciding on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, debt financing, entrusted wealth management and connected transactions, except those which shall be approved by the general meeting of the Company as prescribed by laws, regulations, departmental regulations or the Articles of Association; deciding the establishment of the internal management organization of the Company; appointing or removing the general manager and secretary to the Board of the Company; appointing or removing deputy general managers and other senior management of the Company pursuant to the nominations of the general manager and deciding on their remuneration as well as reward and punishment; formulating the basic management system of the Company; preparing plans for amendments to the Articles of Association; managing information disclosure matters of the Company; proposing to the general meetings as to the appointment or change of the accounting firm for the auditing of the Company; receiving the work reports of the general manager of the Company and reviewing the work of the general manager; deciding the establishment of special committees of the Board and their compositions; and exercising other functions and powers specified by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, and conferred by general meetings and the Articles of Association.

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2. Management

The Company has one general manager, who is responsible for and reports works to the Board, and has several deputy general managers and a chief accountant to assist with the work of the general manager.

The general manager primarily performs the following duties: being in charge of the production, operation and management of the Company, organizing and implementing resolutions of the Board and reporting to the Board; organizing and implementing the annual business plans and investment plans of the Company; drafting the plan for establishment of the internal management structure of the Company; drafting the general management system of the Company; formulating the detailed rules and regulations of the Company; proposing to the Board the appointment or removal of the deputy general managers and chief accountant of the Company; appointing or removing management personnel other than those required to be appointed or removed by the Board of Directors; and exercising other functions and powers conferred by the Articles of Association or the Board. At the request of the Board, the general manager timely provides important information relating to the Company's production and operation, entering into and performance of material contracts, capital and asset operation, profit or loss, etc. to the Board, regularly reports to the Board on his work, and ensures the truthfulness, objectiveness and completeness of such reports.

(III) Board Diversity Policy

1. Purpose

With a view to achieving a sustainable and balanced development, the Company views the increasing diversity of the Board level as an essential element in supporting the attainment of its strategic objectives, enhancing the level of corporate governance, improving the efficiency of the Board, reducing management and control risk and maintaining its sustainable development. In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All appointments of the Board will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

2. Measurable Objectives

Candidates of the Board of the Company will be selected based on a range of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will contribute to the Board. The Board's composition (including gender and age) will be disclosed in the annual report of the Company annually.

3. Monitoring and Reporting

The Nomination Committee of the Company will review annually the Board's composition under diversity perspectives, and monitor the implementation of the Board diversity policy.

(IV) Director Nomination Policy and Procedures

The Director Nomination Policy is formulated in accordance with the Corporate Governance Code and relevant provisions of the Listing Rules, in which set out the selection criteria and nomination procedure of newly appointed Director(s).

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Selection Criteria:

- (1) Impact on the Board's composition and the Board diversity, including but not limited to gender, age, cultural and educational background, area, professional experience, skills, knowledge and length of service of the candidate
- (2) The commitment of the candidate putting in sufficient time involvement and effective discharge of duties
- (3) The independence of the candidate
- (4) The potential or actual conflict of interest with the candidate as a result of the selection
- (5) The length of the service of the independent non-executive Directors proposed to be re-appointed
- (6) The candidate submits the required personal information and letter of consent in prescribed format, agrees to be appointed as a non-executive Director, and agrees to publicly disclose the personal information on any documents or relevant websites in relation to the matters about the election of non-executive Director or anything related
- (7) If the Nomination Committee thinks as necessary, it can request the candidate to provide additional information and documents
- (8) Making recommendation to the Board in relation to the succession planning of Director(s)

Nomination Procedure:

- (1) The Nomination Committee searches and selects the candidate in accordance with the selection criteria of the Nomination Policy
- (2) If necessary, the Nomination Committee assesses the candidate, including but not limited to the personal interview and background check, etc.
- (3) The Nomination Committee convenes the meeting of the Nomination Committee to consider the matters regarding nomination of the candidate, and forms a resolution
- (4) The Nomination Committee proposes to convene the general meeting and the Board meeting to consider the matters regarding nomination of the candidate, and forms a resolution
- (5) Appointing the Director(s) in accordance with the resolutions of the general meeting and the Board

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Supervision and Review:

The Nomination Committee of the Company is responsible for the monitoring of the execution of the Nomination Policy and re-examining the Nomination Policy when appropriate. The Nomination Committee shall discuss the amendments which have to be made and make recommendation to the Board and the revised Nomination Policy shall be implemented upon the approval of the Board.

(V) Corporate Governance Functions

The Board recognizes that corporate governance shall be the collective responsibility of Directors, and the corporate governance functions include the followings:

- (1) Developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- (2) Reviewing and monitoring the training and continuous professional development of the Directors and senior management;
- (3) Reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (4) Developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors;
- (5) Reviewing the Company's compliance with the Listing Rules and disclosures in the Corporate Governance Report.

The corporate governance has any discrepancies with laws, administrative regulations and regulations of the CSRC on the governance of listed companies. If yes, please explain the reasons.

Applicable Not Applicable

II. SPECIFIC MEASURES FOR THE CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER OF THE COMPANY TO ENSURE INDEPENDENCE IN TERMS OF ASSETS, PERSONNEL, FINANCE, ORGANIZATION, BUSINESS OF THE COMPANY, AND SOLUTIONS, WORK PROGRESS AND FOLLOW-UP WORK PLANS THAT AFFECT THE INDEPENDENCE OF THE COMPANY

Applicable Not Applicable

The Company is independent from the controlling shareholder, de facto controller and other enterprises controlled by them in terms of assets, personnel, finance, organization and business, etc. It has a complete business system and has independent management capability to directly face the market.

Corporate Governance (Corporate Governance Report)

(I) Assets Integrity

The Company legally owns the ownership or the right to use of major assets such as related equipment, real estate, qualifications, licenses and intellectual property rights required for its principal businesses. Such assets are independent of the controlling shareholder, de facto controller and other enterprises controlled by them. The Company does not use the assets to provide security for the violations of the controlling shareholder, de facto controller and other enterprises controlled by it, nor the assets or funds be illegally occupied by the controlling shareholder, de facto controller and other enterprises controlled by them which seriously harms the interests of the Company.

(II) Staff Independence

The Company has established an independent personnel system and an independent wage management system, and is independent of the controlling shareholder and other enterprises controlled by it in terms of labor, personnel and wage management. Except for Mr. Sun Hongshui, the general manager of the Company, who also holds the position of general manager in Energy China Group, other senior management personnel of the Company do not hold any positions other than Directors and supervisors in the controlling shareholder and other enterprises controlled by it, and do not receive remuneration from the controlling shareholder and other enterprises controlled by it.

Mr. Sun Hongshui devoted most of his energy to the Company, performed his duties diligently, and gave priority to the performance of the Company's related responsibilities. The aforementioned part-time job does not have a material adverse impact on the staff independence of the Company.

(III) Financial Independence

The Company has established an independent financial accounting system, can make financial decisions independently, and has a standardized financial accounting system and financial personnel. The Company has independent bank accounts according to the law, and does not share bank accounts with the controlling shareholder and other enterprises controlled by it. The Company handles tax registration and pays taxes independently. The finance of the Company is independent from the controlling shareholder and other enterprises controlled by it.

(IV) Organizational Independence

The Company has established an independent and sound internal operation and management organization in accordance with the law, and established a complete and independent corporate governance structure and remained standardized operation. The Company has set up functional organizations for operation and management that meets the needs of its own development and market competition, and each organization exercises its powers independently. There is no institution confusion between the Company and the controlling shareholder and other enterprises controlled by it.

The Company has management, market development, quality and environmental protection, safety supervision and other business operation departments independently from principal businesses, and has the ability to conduct business operations independently. The Company does not depend on the controlling shareholder and other enterprises controlled by it.

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Same or similar businesses as the Company engaged by the controlling shareholder, de facto controller and other enterprises controlled by them, the impact of horizontal competitions or major changes in horizontal competitions on the Company, resolution measures that have been taken, resolution progress and follow-up resolution plans.

Applicable Not Applicable

Same or similar business as the Company engaged by subsidiaries of Energy China Group are as follows:

1. *Shanxi Power Construction No. 2*

Shanxi Power Construction No. 2 is mainly engaged in construction of power engineering projects and general contracting business of housing construction, etc., which overlaps with the principal businesses of the Company. Shanxi Power Construction No. 2 has completely stopped production and operation activities, and formally submitted legal bankruptcy application to its local court in December 2019. The bankruptcy procedure is in progress. As Shanxi Power Construction No. 2 has ceased actual operation, there is no horizontal competition problem with the Company.

2. *Beijing Power Construction*

Energy China Group holds 100% equity in Beijing Power Construction through its subsidiary Asset Management Company. Beijing Power Construction is engaged in the general contracting business of electric power, housing construction and municipal public works construction, which overlaps with the principal businesses of the Company. In order to avoid potential competition from Energy China Group and safeguard the rights and interests of the Company and its shareholders, the Company has entered into the Entrusted Operation Management Agreement with Energy China Group and Beijing Power Construction, which clearly stipulates that the basic business positioning of Beijing Power Construction is to operate and maintain existing businesses; without prior written consent of the Company, and except for continuing to perform existing business contracts, Beijing Power Construction (and procuring its subordinate enterprises) will not engage in any businesses involving horizontal competition, including but not limited to signing contracts for engaging in competing businesses and participating in project bidding. During the entrustment period, Energy China Group entrusted CGGC to exercise certain management rights or powers over Beijing Power Construction, including but not limited to the formulation and supervision of implementation of annual business plan, formulation and supervision of implementation of annual financial budget plan, decision-making and implementation of bidding projects, major loans, major external guarantees as well as decision-making and implementation of major litigation and arbitration matters.

In conclusion, considering that Energy China Group has entrusted Beijing Power Construction to the subordinate enterprises of the Company for management, and the Company exercises management function over the existing businesses of Beijing Power Construction through CGGC, there is currently no substantial horizontal competition between Beijing Power Construction and the Company and its subordinate enterprises.

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III. BRIEF INTRODUCTION OF GENERAL MEETINGS

Session of the meeting	Date	Inquiry index at designated website for which the resolutions were published	Disclosure date of the resolutions published	Resolution at the meeting
First Extraordinary General Meeting of 2021	5 February 2021	N/A	N/A	N/A
First Extraordinary Domestic Shareholders' Meeting of 2021	5 February 2021	N/A	N/A	N/A
First Extraordinary H Shareholders' Meeting of 2021	5 February 2021	N/A	N/A	N/A
Second Extraordinary General Meeting of 2021	9 April 2021	N/A	N/A	N/A
Second Extraordinary Domestic Shareholders' Meeting of 2021	9 April 2021	N/A	N/A	N/A
Second Extraordinary H Shareholders' Meeting of 2021	9 April 2021	N/A	N/A	N/A
Annual General Meeting of 2021	8 June 2021	N/A	N/A	N/A
Third Extraordinary General Meeting of 2021	23 July 2021	N/A	N/A	N/A
Fourth Extraordinary General Meeting of 2021	8 December 2021	The website of the Shanghai Stock Exchange (www.sse.com.cn)	9 December 2021	For details, please refer to the "Announcement on Resolutions at the Fourth Extraordinary General Meeting of China Energy Engineering Co., Ltd. in 2021" (Gong Gao Lin 2021-024)

Preference shareholders with voting right restored making a request to the Board to convene an extraordinary general meeting

Applicable Not Applicable

Explanation for general meeting

Applicable Not Applicable

During the Reporting Period, the Company held 9 general meetings, including 1 annual general meeting and 8 extraordinary general meetings. As the Company has not issued A shares and listed on the SSE before the fourth extraordinary general meeting of 2021, the relevant announcement on the general meetings has not officially disclosed.

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IV. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(I) Profile of Incumbent Directors, Supervisors and Senior Management

1 Board of Directors

1.1 Executive Directors

Mr. Song Hailiang, born in July 1965, chief senior engineer. He graduated from Wuhan Institute of Water Transportation Engineering with a major in port machinery design and manufacture and obtained an on-job postgraduate and a doctor's degree in management. He joined the Group in 2020 and is currently an executive Director, the chairman of the Board, the chairman of the strategy committee and the chairman of the nomination committee of the Board of the Company, he is also the chairman of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Song commenced his career in 1987 and successively served as the deputy officer, officer of Division II of Water Transport Planning and Design Institute of Ministry of Transport, the assistant to president, vice president, president of CCCC Water Transportation Consultants, the chairman and general manager of CCCC Water Transportation Consultants Co., Ltd., the chairman of Shanghai Zhenhua Heavy Industries Co., Ltd. (listed on the Shanghai Stock Exchange, Stock Code: 600320), the assistant to general manager and the general manager of the marine heavy equipment manufacturing division of China Communications Construction Company Limited (listed on the Shanghai Stock Exchange, Stock Code: 601800; and listed on the Hong Kong Stock Exchange, Stock Code: 1800), deputy general manager, executive director, general manager of China Communications Construction Company Limited, and the director and general manager of China Communications Construction Group Limited.

Mr. Sun Hongshui, born in January 1962, chief senior engineer. He graduated from Dalian University of Technology with a major in water conservancy and hydropower engineering and construction and obtained a bachelor's degree. Mr. Sun joined the Group in 2020, and is currently an executive Director, the vice chairman of the Board, the general manager, member of the strategy committee of the Board, he is also the director and the general manager of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Sun started his career in 1984, and has successively served as the head of Sinohydro Bureau 6, the deputy general manager of Sinohydro Corporation, the general manager of Sinohydro Group Ltd., a director and the general manager of Power Construction Corporation of China, and the vice chairman and general manager of Power Construction Corporation of China, Ltd. (listed on the Shanghai Stock Exchange, stock code: 601669).

Mr. Ma Mingwei, born in June 1964, senior economist. He graduated from Nankai University with a major in world history and obtained a degree in history and an on-job master's degree in management. He joined the Group in 2019, and is currently an executive Director of the Company, he is also the chairman of the labor union of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Ma has successively served as a deputy director-level cadre of the China Institute of Workers' Movement* (中國工運學院); an assistant researcher of the National Federation of Trade Unions, a deputy director-level researcher of the Fifth Bureau of the Cadre of the Organization Department of the CPC Central Committee, a deputy director-level cadre, deputy director of Division II, researcher and director of Division I (Talents Division), director of Division III, director of Division IV of the First Bureau of Management of Enterprise Leaders of the SASAC, and the deputy secretary of the Disciplinary Committee of the SASAC, deputy secretary of the party committee of the SASAC, deputy secretary of the party committee and secretary of the Disciplinary Committee of the SASAC.

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1.2 Non-executive Directors

Mr. Li Shulei, born in February 1964, with a postgraduate degree. He joined the Group in 2021, and is currently a non-executive Director, the member of the Strategy Committee and the Audit Committee of the Company, and concurrently an external Director of China State Shipbuilding Group Co., Ltd. and GRINM Group Corporation Limited. Mr. Li successively served as deputy general manager and general manager of Anhui Huainan Pingwei Electric Power Generating Company Limited, deputy general manager and general manager of Northwest Branch of China Power Investment Corporation, deputy general manager, general manager and chairman of Huanghe Company, director of human resources department and assistant to general manager of China Power Investment Corporation, assistant to general manager and general manager of hydropower and new energy department of State Power Investment Corporation, assistant to general manager of State Power Investment Corporation.

Mr. Liu Xueshi, born in July 1965, obtained a bachelor's degree in economics, majoring in industrial economy from Dongbei University of Finance & Economics. He joined the Group in 2017 and is currently a non-executive Director, member of the Remuneration and Assessment Committee of the Board of the Company and he is also the chief accountant of the China Reform Holdings Corporation Ltd.(中國國新控股有限責任公司). Mr. Liu started his career in 1988 and has successively worked as the director of the No.1 Assessment, the director of the System Division, the deputy director-level cadre of the Department of Corporation of the Ministry of Finance (財政部企業司), the deputy head of the Service Administration Bureau (the Administration Bureau of the Former and Retired Staff) under the SASAC.

Mr. Si Xinbo, born in December 1967, is a senior accountant and obtained master's degree in business administration from Tsinghua University. He joined the Group in 2017 and is currently a non-executive Director and member of the Strategy Committee of the Board of the Company. He also currently serves as a deputy general manager of Silk Road Fund Co., Ltd. (絲路基金有限責任公司). Mr. Si started his career in 1990 and has successively served as deputy director of the Asset Restructuring Department of the Asset Restructuring and Preservation Bureau of China Development Bank (國家開發銀行), director of the No. 4 and No. 3 Audit Divisions of the Audit Appraisal Bureau and director of the Department of Audit Affairs Management of China Development Bank, and vice president of Qinghai Branch of China Development Bank.

1.3 Independent Non-executive Directors

Mr. Zhao Lixin, born in December 1954, holds a bachelor's degree. He joined the Group in 2020 and is currently an independent non-executive Director, the chairman of the Audit Committee and member of the Nomination Committee of the Board of the Company, and concurrently serves as an independent non-executive Director of China Railway Construction Corporation Limited. He has successively served as the deputy chief designer of the Design and Research Institute, the deputy head of the Chief Engineer Office, the head of the Chief Engineer Office, the deputy chief engineer, the deputy chief engineer and the chief production officer, the deputy secretary of the party committee, the secretary of the party committee and the deputy general manager of China First Heavy Industries Group Co., Ltd.* (中國第一重型機械集團公司), and the external director of China Grain Reserves Group Company Ltd.* (中國儲備糧管理集團有限公司).

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Mr. Cheng Niangao, born in September 1956, holds a master's degree of business administration from Tsinghua University. He joined the Group in 2020. He is currently an independent non-executive Director, the chairman of the Remuneration and Assessment Committee and member of the Nomination Committee of the Board of the Company, and concurrently serves as the external director of China National Building Materials Group Co., Ltd.* (中國建材集團有限公司). Mr. Cheng has successively served as the director of the Hydropower Bureau of the Planning Department of Ministry of Electric Industry* (電力工業部規劃計劃司水電處), the assistant to general manager and the head of the Planning Management Department of State Power Grid Development Company* (國家電網建設有限公司), the deputy director of the Planning Department of Ministry of Electric Industry* (電力工業部規劃計劃司), the deputy head of the Planning and Investment Department of the State Power Corporation (國家電力公司), the president and the secretary of the party group of China Renewable Energy Engineering Institute* (中國水電水利規劃設計總院), the chairman of the Board of Directors, the general manager and the secretary of the party group of China Hydropower and Renewable Energy Engineering Consulting Group Co., Ltd.* (中國水電水利及新能源發電工程顧問有限公司), the head of the Comprehensive Planning & Financing Department of the State Power Corporation, and a member of the party group, the deputy general manager, the deputy secretary of the party group, a director and the general manager of China Huadian Corporation* (中國華電集團公司).

Mr. Ngai Wai Fung, born in January 1962, has obtained a Ph.D. degree. He joined the Group in 2021, and is currently an independent non-executive Director, the member of the Remuneration and Appraisal Committee and the Audit Committee of the Company, and concurrently is a director and the group chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. Dr. Ngai is currently a member of the General Committee and the Chairman of Membership Services of Sub-Committees of the Chamber of Hong Kong Listed Companies. He was the president of The Hong Kong Institute of Chartered Secretaries (now known as The Hong Kong Chartered Governance Institute) (2014-2015), a non-official member of the Working Group on Professional Services under the Economic Development Commission of the Hong Kong Special Administrative Region (2013-2018), a member of the Qualification and Examination Board of the Hong Kong Institute of Certified Public Accountants (2013-2018) and one of the first batch of accounting consulting experts of the Ministry of Finance of China (2016-2021). Dr. Ngai is a fellow of The Association of Chartered Certified Accountants in the United Kingdom, a member of The Hong Kong Institute of Certified Public Accountants, a fellow of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators), a fellow of The Hong Kong Chartered Governance Institute, a fellow of The Hong Kong Institute of Directors, a member of The Hong Kong Securities and Investment Institute and a member of The Chartered Institute of Arbitrators. Dr. Ngai obtained a Doctoral Degree in Finance at Shanghai University of Finance and Economics, a Master's Degree in Corporate Finance from Hong Kong Polytechnic University, a Master's Degree in Business Administration from Andrews University of Michigan and a Bachelor's Degree in Law at University of Wolverhampton. Dr. Ngai is currently the independent non-executive director of the following companies, namely Bosideng International Holdings Limited (Stock Exchange, Stock Code: 03998), Powerlong Real Estate Holdings Limited (Stock Exchange, Stock Code: 01238), BaWang International (Group) Holding Limited (Stock Exchange, Stock Code: 01338), Beijing Capital Grand Limited (Stock Exchange, Stock Code: 01329), and TravelSky Technology Limited (Stock Exchange, Stock Code: 00696). Dr. Ngai is also the independent director of SPI Energy Co., Ltd. (Nasdaq: SPI). Dr. Ngai was the independent non-executive director of China Coal Energy Company Limited from December 2010 to June 2017, China Railway Group Limited from June 2014 to June 2017, Renco Holdings Group Limited from March 2016 to April 2018, Yangtze Optical Fibre and Cable Joint Stock Limited Company from September 2014 to January 2020, Health and Happiness (H&H) International Holdings Limited from July 2010 to May 2020, SITC International Holdings Company Limited from September 2010 to October 2020, BBMG Corporation (English

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translation denotes for identification purposes only) from November 2015 to May 2021, and China Communications Construction Company Limited from November 2017 to February 2022. He was the independent director of LDK Solar Co., Limited (“LDK”) from July 2011 to April 2020. The Grand Court of the Cayman Islands appointed joint official liquidators to wind up LDK’s affairs for liquidation on 6 April 2016.

2 Supervisory Committee

Mr. He Jiansheng, born in February 1964, is a professorate senior engineer, and a postgraduate of Huazhong University of Science and Technology majoring in economic law. He joined the Group in 1983, and is currently the chairman of the Supervisory Committee of the Company. Mr. He started his career in 1983, and successively served as the deputy head and the head of the quality and security division of China Gezhouba Water Conservancy and Hydropower Engineering Group No. 5 Company* (中國葛洲壩水利水電工程集團五公司), the manager of Three Gorges Construction Company* (三峽建設公司), the vice general manager of China Gezhouba Group No. 5 Company* (中國葛洲壩集團五公司), the chairman and general manager of China Gezhouba Group No. 4 Engineering Co., Ltd.* (中國葛洲壩集團第四工程有限公司), the chairman and general manager of China Gezhouba Group No. 1 Engineering Co., Ltd.* (中國葛洲壩集團第一工程有限公司), the vice general manager, general manager, director of China Gezhouba Group Stock Company Limited, the chief engineer of China Energy Engineering Group Co., Ltd., and the chief engineer of the Company.

Mr. Wu Daozhan, born in December 1965, is a senior economist with professional qualifications, and a master of business administration graduated from Zhongnan University of Economics and Law majoring in business administration. He joined the Group in 1986, and is currently the general manager of the Supervisory Committee office and the audit centre under the audit department of the Company. Mr. Wu started his career in 1986, and served successively as the chief of the planning section, the chief of the contract management section, the deputy head of the production and operation department and the head of the production and operation department of the engineering management department of China Gezhouba Water Conservancy and Hydropower Engineering Group Co., Ltd.* (中國葛洲壩水利水電工程集團公司), the deputy general manager of the construction project department of Laxiwa Hydropower Station of China Gezhouba Group Company Limited* (中國葛洲壩集團有限公司), the director of the production and operation department of China Gezhouba Group Stock Company Limited* (中國葛洲壩集團股份有限公司); the deputy director of the investment department, the director of construction business department and the director of the legal affairs department of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), and the director of the legal affairs department and the director of the enterprise management department of China Energy Engineering Corporation Limited.

Mr. Kan Zhen, born in September 1963, is a professor-level senior economist. He joined the Group in 1983, and is currently the employee representative supervisor, the head of the party-masses work department (propaganda department of party committee, united front work department of party committee, mass organization office, party committee, party construction research institute of state-owned enterprise) of the Company. Mr. Kan started his career in 1983, and served as the assistant to the president and the head of the general office of Bureau of Industry and Tertiary Industry (工業三產業局) of CGGC Group, the head of Beijing office of CGGC Group, the head of the labor union department of China Energy Engineering Group Co., Ltd., and the general manager of the asset management center of Energy China Group.

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Mr. Mao Fengfu, born in April 1964, is a senior economist, and an engineering postgraduate of School of Mechanical Science and Engineering of Huazhong University of Science and Technology majoring in machinery engineering. He joined the Group in 1987, and is currently a supervisor of the Company and concurrently a dispatched director of the Company (China Energy Engineering Group Northwest Construction and Investment Co., Ltd.* (中國能源建設集團西北建設投資有限公司)) and a dispatched supervisor of the Company (China Energy Engineering Group Planning and Engineering Co., Ltd.* (中國能源建設集團規劃設計有限公司)). Mr. Mao started his career in 1987, and successively served as the deputy chief of general manager office, head of corporate management office, vice president and president of Beijing General Power Equipment Plant* (北京電力設備總廠), the head of construction business department of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司), the director, general manager and chairman of China Energy Engineering Group Equipment Co., Ltd.* (中國能建集團裝備有限公司), and the chairman (executive director) of China Energy Engineering Group Asset Management Co., Ltd. (中國能源建設集團資產管理有限公司).

Mr. Lv Shisen, born in November 1968, is a professorate senior engineer, and a postgraduate of School of Economics and Management of Tsinghua University majoring in business management. He joined the Group in 1989, and is currently a supervisor of the Company and concurrently the deputy secretary of party committee and secretary of discipline inspection committee of EPPE Company. Mr. Lv started his career in July 1989, and successively served as deputy head, head of technology and economy center of China Power Engineering Consulting Group Corporation (中國電力工程顧問集團公司), the assistant to general manager and the head of human resources department of Electric Power Planning & Engineering Institute Co., Ltd., the vice general manager of Electric Power & Planning Engineering Institute Co., Ltd.

3 Senior Management

Mr. Sun Hongshui, born in January 1962, professorate senior engineer, holds a bachelor's degree in water conservancy and hydropower engineering and construction and a bachelor's degree in management in capital construction management and engineering (international engineering management). Mr. Sun joined the Group in 2020, and is currently an executive Director, the vice chairman of the Board, the general manager, member of the strategy committee of the Board, he is also the director and the general manager of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Sun started his career in 1984, and has successively served as the head of Sinohydro Bureau 6, the deputy general manager of Sinohydro Corporation, the general manager of Sinohydro Group Ltd., a director and the general manager of Power Construction Corporation of China, and the vice chairman and general manager of Power Construction Corporation of China, Ltd. (listed on the Shanghai Stock Exchange, stock code: 601669).

Mr. Wu Chunli, born in March 1963, is a professorate senior engineer and obtained a bachelor's degree in hydrogeology. He joined the Group in 1985, and is currently the deputy general manager of the Company. Mr. Wu started his career in 1985, and served as the deputy director, assistant to the chairman and the director of the Human Resources Department, and the vice president of Exchange Service Center of Electric Power Planning & Engineering Institute (電力規劃設計總院人才交流服務中心), the deputy general manager of China Power Engineering Consulting Corporation (中國電力建設工程諮詢公司), the deputy general manager, general manager and the executive director of China Power Engineering Consulting Group Corporation (中國電力工程顧問集團公司).

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Mr. Zhou Hougui, born in November 1962, is a professorate senior engineer and holds a doctor's degree in engineering, majoring in water structural engineering. He joined the Group in 1982, and is currently the deputy general manager of the Company. Mr. Zhou started his career in 1982, and served as the chief engineer of Gezhouba Engineering Bureau Three Gorges Headquarter (葛洲壩工程局三峽指揮部), the deputy general manager of China Gezhouba Water Conservancy and Hydropower Engineering Group Co., Ltd. (中國葛洲壩水利水電工程集團有限公司), the deputy general manager and the chief engineer of CGGC Group, the deputy general manager and chief engineer of CGGC, the deputy general manager and chief engineer of China Energy Engineering Group Co., Ltd., and the president of the Engineering Institute of Energy China Group.

Mr. Wu Yun, born in August 1964, is a professorate senior engineer and holds a bachelor's degree in engineering, majoring in electric power system and automation. He joined the Group in 1986, and is currently the deputy general manager of the Company. Mr. Wu started his career in 1986 and served as the head and deputy chief engineer of the planning division, director and assistant to general manager of the planning and research department and director of the planning and research center of China Power Engineering Consulting Group Co., Ltd (中國電力工程顧問(集團)有限公司) and the chief engineer of China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司), the chief engineer and chief information officer of both China Energy Engineering Group Co., Ltd. and China Energy Engineering Corporation Limited.

Mr. Chen Xiaohua, born in August 1974, is a professorate senior engineer and holds a master's degree in project management. He joined the Group in 1996, and is currently the deputy general manager of the Company. He successively served as the director of the Marketing Department and assistant to general manager of China Gezhouba Group No. 1 Engineering Co., Ltd.* (中國葛洲壩集團第一工程有限公司), chairman and secretary of the Party Committee of China Gezhouba Group International Engineering Co., Ltd., assistant to general manager, a member of the Standing Committee of the Party Committee and deputy general manager of China Gezhouba Group Stock Company Limited, chairman (executive director) and general manager of China Gezhouba Group Company Limited, and secretary of the Party Committee and chairman of China Gezhouba Group Stock Company Limited.

Ms. Li Lai Nar, born in August 1970, is a senior accountant and a certified public accountant, and holds a master's degree in management and executive master of business administration. She joined the Group in 2021, and is currently the chief accountant of the Company. She has served as cashier of the Finance Department and accountant of the First Manager Department of The Third Construction Co., Ltd. of China Construction First Group (中建一局三公司); manager of the Finance Department in Jinghai Branch of China Construction First Group Corporation Limited (中建一局集團公司京海分公司); deputy manager of the Accounting Department, manager of the Accounting Department, deputy chief accountant and chief financial officer of Zhongjian Yiju Huazhong Construction Company Ltd. (中建一局華中公司); deputy manager of the Financial Management Department, manager of Financial Management Department, deputy chief accountant and chief accountant of China Construction First Group Corporation Limited (中建一局); director, chief accountant, and a member of the Standing Committee of the Party Committee of China Construction First Group Corporation Limited (中建一局); and deputy general manager (deputy director) and general manager (director) of the Audit Department (Office of the Board of Supervisors) of China State Construction Engineering Corporation Limited (中國建築集團有限公司).

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Mr. Qin Tianming, born in February 1967, is a senior economist with professional qualifications, and holds a master's degree in business administration. He joined the Group in July 1990, and is currently the secretary to the Board of the Company. Mr. Qin successively served as the secretary, secretary section chief and deputy officer of the office of general manager of China Gezhouba Water Conservancy and Hydropower Engineering Group Co., Ltd.*, the director of the human resources department and director of external affairs office of China Gezhouba Group Stock Company Limited* (中國葛洲壩集團(股份)有限公司), the director of the human resources department and director of the human resources department of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), and the director of the human resources department and the deputy chief economist of China Energy Engineering Corporation Limited (中國能源建設股份有限公司).

(II) Changes in Shareholding and Remuneration of Current and Resigned Directors, Supervisors and Senior Management during the Reporting Period

✓ Applicable Not Applicable

Unit: share

Name	Position (Note)	Gender	Age	Start date of the term	Closing date of the term	Shares held at the beginning of the year	Number of shares held at end of year	Amount of increase or decrease of shares within the year	Reasons for the changes	Total remuneration before tax received from the Company during the Reporting Period (RMB '0,000)	Whether receive remuneration from related parties of the Company
SONG Hailiang	Chairman of the Board and Executive Director	Male	56	27 October 2020	4 February 2024					79.04	No
SUN Hongshui	Vice Chairman of the Board and Executive Director	Male	59	30 June 2020	4 February 2024					88.37	No
	General Manager			26 May 2020	4 February 2024						
MA Mingwei	Executive Director	Male	57	30 June 2020	4 February 2024					94.68	No
LI Shulei	Non-executive Director	Male	57	5 February 2021	4 February 2024					0.00	No
LIU Xueshi	Non-executive Director	Male	56	28 December 2017	4 February 2024					0.00	No
SI Xinbo	Non-executive Director	Male	54	28 December 2017	4 February 2024					0.00	No
ZHAO Lixin	Independent Non-executive Director	Male	67	30 June 2020	4 February 2024					7.00	No
CHENG Niangao	Independent Non-executive Director	Male	65	30 June 2020	4 February 2024					7.00	No
CHEUNG Yuk Ming	Independent Non-executive Director	Male	68	28 December 2017	5 February 2021					1.37	No
NGAI Wai Fung	Independent Non-executive Director	Male	59	5 February 2021	4 February 2024					11.43	No
WANG Zengyong	Chairman of the Supervisory Committee	Male	60	28 December 2017	5 February 2021					17.95	No
HE Jiansheng	Chairman of the Supervisory Committee	Male	57	5 February 2021	4 February 2024	266,022	266,022	0		94.87	No
LI Fangyi	Employee Representative Supervisor	Male	57	14 June 2018	26 May 2021					48.50	No
WU Daozhuan	Employee Representative Supervisor	Male	56	26 May 2021	4 February 2024			0		56.11	No

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Name	Position (Note)	Gender	Age	Start date of the term	Closing date of the term	Shares held at the beginning of the year	Number of shares held at end of year	Amount of increase or decrease of shares within the year	Reasons for the changes	Total remuneration before tax received from the Company during the Reporting Period (RMB '0,000)	Whether receive remuneration from related parties of the Company
KAN Zhen	Employee Representative Supervisor	Male	58	28 December 2017	4 February 2024					109.12	No
FU Dexiang	Supervisor	Male	71	28 December 2017	5 February 2021					0.68	No
WEI Zhongxin	Supervisor	Male	68	28 December 2017	5 February 2021					0.68	No
MAO Fengfu	Supervisor	Male	57	5 February 2021	4 February 2024						No
LV Shisen	Supervisor	Male	53	5 February 2021	4 February 2024						No
WU Chunli	Deputy General Manager	Male	58	28 December 2017	4 February 2024					94.01	No
YU Gang	Deputy General Manager	Male	60	28 December 2017	27 August 2021					73.66	No
ZHOU Hougui	Deputy General Manager	Male	59	28 December 2017	4 February 2024					93.86	No
WU Yun	Deputy General Manager	Male	57	28 December 2017	4 February 2024					93.15	No
CHEN Xiaohua	Deputy General Manager	Male	47	27 August 2021	4 February 2024	443,370	443,370	0		26.38	No
CHEN Guanzhong	Chief Accountant	Male	52	28 December 2017	15 October 2021					73.47	No
LI Lai Nar	Chief Accountant	Female	51	26 November 2021	4 February 2024					5.22	No
DUAN Qiurong	Secretary to the Board and the Joint Company Secretary	Male	60	28 December 2017	27 August 2021	52,318	52,318	0		66.03	No
QIN Tianming	Secretary to the Board	Male	54	27 August 2021	4 February 2024			0		34.23	No
Total	/	/	/	/	/	761,710	761,710		/	1,176.80	/

Please refer to the Note “Related Party Transactions” to the financial statements for the breakdown of the remuneration information of current and resigned Directors, supervisors and senior management during the Reporting Period.

- At the beginning of 2021, He Jiansheng, Wu Daozhan, Chen Xiaohua, Duan Qiurong and Qin Tianming held 264,000, 214,000, 230,000, 264,000 and 214,000 H shares of the Company, respectively, which remained unchanged by the end of the year.
- The Company completed the absorption and merger of CGGC through share swap on 17 September 2021. The above table discloses the number of shares held at the beginning of the period as the number of shares held on 17 September.

Explanation of other matters

Applicable Not Applicable

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(III) Occupations of Incumbent and Resigned Directors, Supervisors and Senior Management during the Reporting Period

1. Occupations in shareholder entities

Applicable Not Applicable

Name of the employee	Name of shareholder entities	Positions in shareholder entities	Commencement date	Expiration date
Song Hailiang	China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司)	Chairman	2020.8.26	
Sun Hongshui	China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司)	General manager and director	2020.5.8	
Description on the position in shareholder entity				

2. Occupations in other entities

Applicable Not Applicable

Name of the employee	Name of other entities	Positions in other entities	Commencement date	Expiration date
Li Shulei	China State Shipbuilding Group Co., Ltd.	External director	December 2020	
Li Shulei	GRINM Group Corporation Limited	External director	January 2021	
Liu Xueshi	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	Chief accountant	July 2015	
Si Xinbo	Silk Road Fund Co., Ltd. (絲路基金有限責任公司)	Deputy general manager	August 2015	
Zhao Lixin	China Railway Construction Corporation Limited	Independent non-executive director	December 2021	
Cheng Niangao	China National Building Materials Group Co., Ltd.* (中國建材集團有限公司)	External director	January 2021	
Ngai Wai Fung	Bosideng International Holdings Limited	Independent non-executive director	September 2007	
Ngai Wai Fung	Powerlong Real Estate Holdings Limited	Independent non-executive director	June 2008	
Ngai Wai Fung	BaWang International (Group) Holding Limited	Independent non-executive director	December 2008	
Ngai Wai Fung	Beijing Capital Grand Limited	Independent non-executive director	December 2013	
Ngai Wai Fung	TravelSky Technology Limited	Independent non-executive director	January 2016	
Ngai Wai Fung	SPI Energy Co., Ltd.	Independent director	May 2016	
Ngai Wai Fung	SWCS Corporate Services Group (Hong Kong) Limited	Director and Chief Executive Officer of the group	May 2011	
Description on position in other entities				

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(IV) Remuneration of Directors, Supervisors and Senior Management

Applicable Not Applicable

Decision-making procedures for remuneration of Directors, supervisors and senior management	<p>Decision-making procedures for remuneration of Directors: the Remuneration and Assessment Committee of the Company proposed the remuneration for the Directors, which would be put forward for approval at the general meeting upon consideration by the Board of Directors.</p> <p>Decision-making procedures for remuneration of supervisors: it would be put forward for approval at the general meeting upon consideration by the Supervisory Committee.</p> <p>Decision-making procedures for remuneration of senior management: the Remuneration and Assessment Committee of the Company proposed the remuneration for the senior management, which would be put forward for approval by the Board of Directors.</p>
Determination basis for remuneration of Directors, supervisors and senior management	It was determined in accordance with the requirements of the Provisional Administrative Measures for the Remuneration of the Persons-in-charge of the State-owned Enterprises, the Provisional Administrative Measures for the Remuneration of External Directors of the State-owned Enterprises, the Company Law, the Articles of Association, the Provisional Administrative Measures for Performance Assessment and Emoluments Distribution of the Senior Management of China Energy Engineering Corporation Limited, the Administrative Measures for Performance of the Headquarters, Departments and Employees of China Energy Engineering Corporation Limited and other laws, regulations, policies and documents.
Particulars of remuneration paid for the remuneration of Directors, supervisors and senior management	The remuneration payable to the Directors, supervisors and senior management as referred in this report refers to the remuneration before taxation paid as at 31 December 2021.
Total of actual remuneration received by Directors, supervisors and senior management at the end of the Reporting Period	RMB11,768,000

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(V) Changes of Directors, Supervisors and Senior Management of the Company

Applicable Not Applicable

Name	Position held	Information on the change	Reason for change
Cheung Yuk Ming	Independent non-executive Director	Resigned	Expired
Wang Zengyong	Chairman of the Supervisory Committee	Resigned	Expired
Fu Dexiang	Supervisor	Resigned	Expired
Wei Zhongxin	Supervisor	Resigned	Expired
Duan Qiurong	Secretary to the Board	Resigned	Age
Chen Guanzhong	Chief accountant	Resigned	Work arrangement
Li Shulei	Executive Director	Engaged	Elected
Ngai Wai Fung	Independent non-executive Director	Engaged	Elected
He Jiansheng	Chairman of the Supervisory Committee	Engaged	Elected
Mao Fengfu	Supervisor	Engaged	Engaged
Lv Shisen	Supervisor	Engaged	Engaged
Wu Daozhuan	Supervisor	Engaged	Engaged
Qin Tianming	Secretary to the Board	Engaged	Engaged
Li Lai Nar	Chief accountant	Engaged	Engaged

(VI) Punishment Imposed by Securities Regulatory Description in Recent Three Years

Applicable Not Applicable

(VII) Others

Applicable Not Applicable

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V. MEETINGS OF THE BOARD HELD DURING THE REPORTING PERIOD

(I) Meetings of the Board

Session No.	Date of meeting	Resolutions
26th meeting of the second session of the Board	12 January 2021	Not Applicable
1st meeting of the third session of the Board	5 February 2021	Not Applicable
2nd meeting of the third session of the Board	19 March 2021	Not Applicable
3rd meeting of the third session of the Board	18 June 2021	Not Applicable
4th meeting of the third session of the Board	23 July 2021	Not Applicable
5th meeting of the third session of the Board	27 August 2021	Not Applicable
6th meeting of the third session of the Board	15 October 2021	Announcement on the Resolutions of the sixth meeting of the third session of the Board of Directors of the Company (Lin2021-002)
7th meeting of the third session of the Board	28 October 2021	Announcement on the Resolutions of the seventh meeting of the third session of the Board of Directors of the Company (Lin2021-009)
8th meeting of the third session of the Board	2 November 2021	Announcement on the Resolutions of the eighth meeting of the third session of the Board of Directors of the Company (Lin2021-012)
9th meeting of the third session of the Board	26 November 2021	Announcement on the Resolutions of the ninth meeting of the third session of the Board of Directors of the Company (Lin2021-017)
10th meeting of the third session of the Board	28 December 2021	Announcement on the Resolutions of the tenth meeting of the third session of the Board of Directors of the Company (Lin2021-025)

In 2021, a total of 11 Board meetings were held by the Company and 91 resolutions including the Production and Operation Plan of the Company in 2021 and the work report of the Board. Prior to the sixth meeting of the third session of the Board, the Company didn't issue A shares, thus the full context of the resolutions of the meeting was not officially disclosed to the public.

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VI. PERFORMANCE OF DUTIES OF DIRECTORS

(I) Directors' Attendance at the Board Meetings and General Meetings

Name of Directors	Independent Director or not	Required attendance for the year	Attendance at the Board meetings				Attendance at the general meetings	
			Attendance in person	Attendance by communication	Attendance by proxy	Absence	Two consecutive absences from the Board meeting	Number of attendance
Song Hailiang	No	11	7	4	0	0	No	8
Sun Hongshui	No	11	5	4	2	0	No	3
Ma Mingwei	No	11	6	4	1	0	No	7
Liu Xueshi	No	11	4	4	3	0	No	3
Si Xinbo	No	11	6	4	1	0	No	7
Li Shulei	No	10	6	4	0	0	No	6
Zhao Lixin	Yes	11	7	4	0	0	No	9
Cheng Niangao	Yes	11	7	4	0	0	No	9
Ngai Wai Fung	Yes	10	6	4	0	0	No	6
Cheung Yuk Ming	Yes	2	2	0	0	0	No	3

1. Mr. Song Hailiang was unable to attend the Fourth Extraordinary General Meeting of 2021 of the Company held on 8 December 2021 due to other work engagements.
2. Mr. Sun Hongshui was unable to attend the Second Extraordinary General Meeting of 2021 (Including class meeting of shareholders) held on 9 April 2021, the 2021 Annual General Meeting held on 8 June 2021, the Third Extraordinary General Meeting of 2021 held on 23 July 2021, the Fourth Extraordinary General Meeting of 2021 held on 8 December 2021 of the Company due to other work engagements; Mr. Sun Hongshui was unable to attend the fourth meeting of the third session of the Board of the Company held on 23 July 2021 due to other work engagements, and designated Mr. Song Hailiang as proxy to attend the meeting; and Mr. Sun Hongshui was unable to attend the 10th meeting of the third session of the Board of the Company held on 8 December 2021 due to other work engagements, and designated Mr. Song Hailiang as proxy to attend the meeting.

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3. Mr. Ma Mingwei was unable to attend the 2021 Annual General Meeting held on 8 June 2021 and the Third Extraordinary General Meeting of 2021 (Including class meeting of shareholders) held on 23 July 2021 of the Company due to other work engagements; and Mr. Ma Mingwei was unable to attend the fourth meeting of the third session of the Board of the Company held on 23 July 2021 due to other work engagements, and designated Mr. Song Hailiang as proxy to attend the meeting.
4. Mr. Liu Xueshi was unable to attend the Second Extraordinary General Meeting of 2021 (Including class meeting of shareholders) held on 9 April 2021, the 2021 Annual General Meeting held on 8 June 2021, the Third Extraordinary General Meeting of 2021 held on 23 July 2021, the Fourth Extraordinary General Meeting of 2021 held on 8 December 2021 of the Company due to other work engagements; Mr. Liu Xueshi was unable to attend the 26th meeting of the second session of the Board of the Company held on 12 January 2021 due to other work engagements, and designated Mr. Cheng Niangao as proxy to attend the meeting; Mr. Liu Xueshi was unable to attend the second meeting of the third session of the Board of the Company held on 19 March 2021 due to other work engagements, and designated Mr. Si Xinbo as proxy to attend the meeting. and Mr. Liu Xueshi was unable to attend the 5th meeting of the third session of the Board of the Company held on 27 August 2021 due to other work engagements, and designated Mr. Cheng Niangao as proxy to attend the meeting.
5. Mr. Si Xinbo was unable to attend the 2021 Annual General Meeting held on 8 June 2021 and the Fourth Extraordinary General Meeting of 2021 held on 8 December 2021 of the Company due to other work engagements; and Mr. Si Xinbo was unable to attend the 26th meeting of the second session of the Board of the Company held on 27 August 2021 due to other work engagements, and designated Mr. Cheng Niangao as proxy to attend the meeting.
6. Mr. Cheung Yuk Ming resigned on 5 February 2021.
7. The attendance rate of the Director attending the Board meetings is calculated by dividing the total number of Board meetings attended by the Director in person and by communication by the number of required attendance for the year, and the attendance rate of the Director attending the general meetings is calculated by dividing the number of general meetings attended by the director by the number of general meeting held. Please refer to the section headed "Brief introduction of general meetings" for number of general meetings held.

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Explanation of two consecutive absences from the Board meeting

Applicable Not Applicable

Number of the Board meetings held during the year	11
Among which: Number of meetings held on site	
Number of meetings held by communication	4
Number of meetings held on site in combination with communication	7

(II) Directors' Objection to Any Matters Related to the Company

Applicable Not Applicable

(III) Others

Applicable Not Applicable

The Company regularly arranges seminars and training for Directors to provide Directors latest development and updated information of changes in the Listing Rules and other relevant laws and regulatory provisions. Training of Directors during the year is as follows:

No.	Date	Training course	Duration of course	Directors attended the training
1	February 5	Training for Directors, Supervisors and senior management of A-share Listed Companies	2 hours	Song Hailiang, Sun Hongshui, Ma Mingwei, Liu Xueshi, Si Xinbo, Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
2	September 8 to 10	58 Session Joint Training of Directors and Secretaries to the Board of Directors of The Hong Kong Chartered Governance Institute	3 days	Si Xinbo, Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
3	September 13	Compliance training of A+H-share listed companies	4 hours	Song Hailiang, Sun Hongshui, Ma Mingwei, Liu Xueshi, Si Xinbo, Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung

VII. SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

Applicable Not Applicable

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(1) Composition of special committees under the Board of Directors

Type of special committee	Name of member
Audit Committee	Zhao Lixin (Chairperson of the Audit Committee and independent non-executive Director), Li Shulei (member of the Audit Committee and non-executive Director), Ngai Wai Fung (member of the Audit Committee and independent non-executive Director), Cheng Niangao (note) and Cheung Yuk Ming (note)
Nomination Committee	Song Hailiang (Chairperson of the Nomination Committee and executive Director), Zhao Lixin (member of the Nomination Committee and independent non-executive Director), Cheng Niangao (member of the Nomination Committee and independent non-executive Director (note)) and Cheung Yuk Ming (note)
Remuneration and Assessment Committee	Cheng Niangao (Chairperson of the Remuneration and Assessment Committee and independent non-executive Director), Liu Xueshi (member of the Remuneration and Assessment Committee and non-executive Director) and Ngai Wai Fung (member of the Remuneration and Assessment Committee and independent non-executive Director)
Strategy Committee	Song Hailiang (Chairperson of the Strategy Committee and executive Director), Sun Hongshui (member of the Strategy Committee and executive Director), Li Shulei (member of the Strategy Committee and non-executive Director) and Si Xinbo (member of the Strategy Committee and non-executive Director)

Note: Mr. Cheng Niangao ceased to serve as the member of the Audit Committee of the Board on 5 February 2021 due to adjustment of work division of the Board; and Mr. Cheung Yuk Ming ceased to serve as the member of the Audit Committee and the Nomination Committee of the Board on 5 February 2021 due to expiration of term of office. Mr. Cheng Niangao was appointed as the member of the Nomination Committee on 5 February 2021.

(2) The Strategy Committee held three meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
March 19	First meeting of the Strategy Committee	To consider and approve the Proposal regarding the Investment Plans of the Company in 2021	
October 28	Second meeting of the Strategy Committee	To consider and approve the Proposal regarding the Overall Development Plan of the Company during the "14th Five-Year" and the Proposal regarding the Overall Plan and Several Special Plans for the Layout Optimization and Adjustment and the Reorganization and Integration of the Organizational Structure of the Company	
December 28	Third meeting of the Strategy Committee	To consider and approve the Proposal regarding the Development Plan of the Company during the "14th Five-Year"	

During the Reporting Period, Mr. Song Hailiang should attend 3 meetings of the Strategy Committee, and attended 3 meetings in person; Mr. Sun Hongshui should attend 3 meetings of the Strategy Committee, and attended 2 meetings in person and 1 meeting by proxy; Mr. Li Shulei should attend 3 meetings of the Strategy Committee, and attended 3 meetings in person; and Mr. Si Xinbo should attend 3 meetings of the Strategy Committee, and attended 3 meetings in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

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The Audit Committee held eight meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
March 2	First meeting of the Audit Committee	To consider and approve the Work Plan of the Audit Committee of the Third Session of the Board of the Company in 2021	To listen to the Report of Production and Operation, Financial Condition and Major Investments and Financings of China Energy Engineering Corporation Limited In 2020, the Report of Connected Transaction Management of the Company and the Report of Audit Progress of the Annual Report of the Company
March 18	Second meeting of the Audit Committee	To consider and approve 13 proposals including the Proposal regarding 2020 Annual Report and Result Announcement of Company and the Proposal regarding 2020 Annual Financial Statement Report of the Company.	To listen to the Report of Operation of the Internal Control System and the Audit Report of the Annual Report
June 18	Third meeting of the Audit Committee	To consider and approve the Proposal regarding the One-off Connected Transaction for Transfer of 35% Equity Interests in Financial Leasing Company	
August 27	Fourth meeting of the Audit Committee	To consider and approve the Proposal regarding the 2021 Interim Report and Result Announcement of the Company	To listen to the Report of KPMG regarding the 2021 Interim Review Report, the Special Report regarding Progress of Ratification of Major Issues Identified in the Audit of Annual Report and the Special Report regarding Measures Adopted against Overseas Pandemic and Overseas Work Arrangement of the Company in 2021
October 15	Fifth meeting of the Audit Committee	To consider and approve the Proposal regarding Entering into of the 2021-2023 Private Fund Service Continuing Connected Transactions Framework Agreement and the Proposal regarding Connected Transactions for Subscription of Private Fund Units by Investment Company	
October 28	Sixth meeting of the Audit Committee	To consider and approve the Proposal regarding the Third Quarterly Report of the Company of 2021 and the Proposal regarding Engagement of the A-share Auditor of 2021	
November 23	Seventh meeting of the Audit Committee	To consider and approve the Proposal regarding the Audit Work Arrangement of Annual Report and Internal Control and the Work Progress of 2021	To listen to the Special Report regarding Conduction of PPP Project Investment Business of the Company
December 28	Eighth meeting of the Audit Committee	To consider and approve the Proposal regarding One-off Connected Transaction for Acquisition of Creditors' Rights of Financial Leasing Company by Agreement and the Proposal regarding One-off Connected Transaction for Transfer of Partial Equity Interests in Gezhouba Financial Leasing Company	

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During the Reporting Period, Mr. Zhao Lixin should attend 8 meetings of the Audit Committee, and attended 8 meeting in person; Mr. Li Shulei should attend 8 meetings of the Audit Committee, and attended 8 meeting in person; and Mr. Ngai Wai Fung should attend 8 meetings of the Audit Committee, and attended 8 meeting in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

The Nomination Committee held four meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
January 12	Sixth meeting of the Nomination Committee of the second session of the Board	To consider and approve the Proposal regarding Determination of the Candidates of Directors of the Third Session of the Board of China Energy Engineering Corporation Limited	
August 27	First meeting of the Nomination Committee of the third session of the Board	To consider and approve the Proposal regarding Adjustment of Deputy General Manager of China Energy Engineering Corporation Limited and the Proposal regarding Adjustment of Secretary to the Board of China Energy Engineering Corporation Limited	
October 15	Second meeting of the Nomination Committee of the third session of the Board	To consider and approve the Proposal regarding Mr. Chen Guanzhong Ceased to Serve as the Chief Accountant of China Energy Engineering Corporation Limited	
November 26	Third meeting of the Nomination Committee of the third session of the Board	To consider and approve the Proposal regarding Appointment of Ms. Li Lai Nar as the Chief Accountant of China Energy Engineering Corporation Limited	

During the Reporting Period, Mr. Song Hailiang should attend 4 meetings of the Nomination Committee, and attended 4 meeting in person; Mr. Zhao Lixin should attend 4 meetings of the Nomination Committee, and attended 4 meeting in person; and Mr. Cheng Niangao should attend 3 meetings of the Nomination Committee, and attended 3 meeting in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

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The Remuneration and Assessment Committee held two meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
March 18	First meeting of the Remuneration and Assessment Committee of the third session of the Board	To consider and approve the Proposal regarding the Remuneration of Directors of the Company in 2021 and the Proposal regarding the Remuneration of Senior Management of the Company in 2021	
December 27	Second meeting of the Remuneration and Assessment Committee of the third session of the Board	To consider and approve the Standard on Remuneration Payment of the Directors of the Company for the Year 2020, the Standard on Remuneration Payment of Senior Management of the Company for the Year 2020, the Proposal regarding the Remuneration of Directors of the Company in 2022 and the Proposal regarding the Remuneration of Senior Management of the Company in 2022	

During the Reporting Period, Mr. Cheng Niangao should attend 2 meetings of the Remuneration and Assessment Committee, and attended 2 meeting in person; Mr. Liu Xueshi should attend 2 meetings of the Remuneration and Assessment Committee, and attended 2 meeting in person; and Mr. Ngai Wai Fung should attend 2 meetings of the Remuneration and Assessment Committee, and attended 2 meeting in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

Major duties of the Strategy Committee are: studying on the Company's medium and long-term development strategies, industrial restructuring, major organizational restructuring, major business restructuring plans, major investment and financing plans, major capital operation, asset management projects, and proposing recommendations on aforementioned matters to the Board of Directors.

Major duties of the Audit Committee are: conducting independent assessment and supervision on the compliance, legality and efficiency of the Company's operation activities on behalf of the Board, particularly including: making proposals to the Board regarding appointment, re-appointment, change and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor, and handling any queries of its resignation or dismissal; and monitor and assess whether the external auditor is of due diligence. Reviewing and monitoring the external auditor's independence, objectivity and profession and the effectiveness of the audit process in accordance with applicable accounting standards; developing and implementing policy on engaging an external auditor to provide non-audit services; guiding the internal audit work of the Company; monitoring the truthfulness, completeness and accuracy of the annual reports and accounts, interim reports and quarterly reports of the Company, and reviewing significant financial reporting opinions contained therein; examining the Company's financial controls, internal control and risk management systems; discussing the internal control system with management to ensure that management has fulfilled its responsibilities to establish an effective internal control system; evaluating the effectiveness of internal control; considering major investigation findings on risk management and internal control matters on its own initiative or as delegated by the Board and the management's response to such findings; being

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responsible for the communication between the management, internal audit departments, relevant departments and external auditors; reviewing the financial and accounting policies and practices of the Company; considering the Company's risk management strategies and significant risk management resolutions; being responsible for the confirmation of the list of related parties/connected persons of the Company, the general audit of related party/connected transactions and regular review of the overall related party/connected transactions of the Company; serving as the primary representative between the Company and external auditor and being responsible for monitoring the relations between them; and other matters conferred by the Board of the Company and other matters involved in according to relevant laws and regulations.

Major duties of the Nomination Committee are: formulating criteria, procedures and methods for selection of Directors and senior management of the Company and submitting them to the Board of Directors for consideration; regularly reviewing the structure, size, composition and related qualifications of the Board of Directors, reviewing the composition of Board of Directors at diversified levels and overseeing the execution of the Board diversity policy annually; reviewing the independence of independent non-executive Directors; proposing human resources retention scheme and suggestions to the Company; proposing suggestions to the Board of Directors regarding appointment or re-appointment or Directors and succession planning of Directors.

Major duties of the Remuneration and Assessment Committee are: proposing recommendations to the Board of Directors regarding the overall remuneration policies and structures of Directors and senior management of the Company; formulating the specific compensation packages for all executive Directors and senior management, and proposing recommendations to the Board of Directors regarding the remuneration of non-executive Directors; reviewing the job fulfillment of and carrying out annual performance assessment for related Directors and senior management; studying the Company's wages, benefits, reward and punishment policies and schemes, and proposing recommendations to the Board of Directors and overseeing its execution.

(3) Details of objection matters

Applicable Not Applicable

VIII. EXPLANATION ON THE SUPERVISORY COMMITTEE FINDING RISKS IN THE COMPANY

Applicable Not Applicable

The Board of Supervisors of the Company is responsible for supervising the legality of the performance of duties by the Directors and senior management of the Company, so as to protect the overall benefits of the Company and shareholders. The Board of Supervisors of the Company had no objection to the supervision matters during the Reporting Period.

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IX. EMPLOYEES OF THE PARENT AND THE MAJOR SUBSIDIARIES

(I) Employees

Number of existing employees of the parent	284
Number of existing employees of major subsidiaries	115,041
Total number of existing employees	115,325
Number of the resigned and retired staff in the parent company and its major subsidiaries	117,547
Professional composition	
Category of professionals	Number of employees
Technicians	22,789
Engineering technicians	39,690
Management	38,254
Service personnel	3,572
Others	11,020
Total	115,325
Educational level	
Category of educational level	Number (person)
Doctoral degree	343
Master degree	13,205
Bachelor degree	46,785
College degree	23,453
Junior college degree or below	31,539
Total	115,325

(II) Remuneration Policy

Applicable Not Applicable

The Company comprehensively established a scientific, reasonable, open and fair, standardized and orderly remuneration management system. With emphasis on incentives and constraints, and adhering to the efficiency-oriented principle, the Company continued to achieve economic growth while achieving staffs' income growth. The Company established a sound system for determining the total amount of wages and mechanism for the regular wage increases for employees, whereby corporate efficiency varies with the salary and wages in the same direction. The Company has implemented the employees' basic salary system based on the performance of positions as the main remuneration policy, in which the salary and wages of employees are closely aligned with the respective position and actual contribution of individual employee according to the "position-based and performance-linked" policy, highlighting performance and contribution, which promotes more reasonable distribution of income.

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Pursuant to the requirements of the relevant policy of the SASAC under the State Council, the Company determined the remuneration of the Directors based on the remuneration standard of the listed state-owned peers in the industry. Among which, the remuneration of the chairman of the Board of the Company is based on the remuneration standard stipulated by the SASAC under the State Council, the remuneration of the executive Directors who are also senior management is based on the results of their performance appraisal and the relevant regulatory requirements on remuneration.

(III) Training Plan

Applicable Not Applicable

The Company attaches great importance to staff education and training. With the purpose of serving enterprises and employees for common development, focusing on the construction of a high-quality talent team and employee capacity building, the Company made full use of internal and external training resources and conducted training activities by hierarchy and class by means of multiple forms and channels, thereby the expertise and comprehensive quality of the employees improved as a whole, providing intelligent support and talent guarantee for accelerating the realization of development goal of “building a world-class enterprise with global competitiveness”. In 2021, the Company further enhanced the design and coordinated building of the training work at the top level. Firstly, the Company has set up the training center as the main training body of the Company; secondly, the Company has prepared the “14th Five-Year” Training Plan, perfected the mega training system and building the mega training layout; thirdly, the Company has formed the “1+N” training policies and system, promoting the implementation of various training work; and fourthly, the Company has dedicated to establish the online study platform with coverage of all employees for responding to the changing environment. Meanwhile, the Company has proactively overcome the impact of the pandemic, intensified the online training and increased investment in training, with total training of 780,000 person-time during the year.

(IV) Labor Outsourcing

Applicable Not Applicable

(V) Staff Retirement Benefits

Details of the Company’s staff retirement benefits are set out in the Note “Employee Benefits Payable” to the consolidated financial statements.

X. PROFIT DISTRIBUTION OF ORDINARY SHARES AND CONVERSION PLAN OF CAPITAL RESERVES INTO SHARE CAPITAL

(I) Formulation, Implementation or Adjustment of the Cash Dividend Policy

Applicable Not Applicable

In accordance with the requirements of relevant laws and regulations and the Articles of Association, the profit distribution policy of the Company shall pay attention to the reasonable investment return expectations of shareholders, and fully consider the needs of sustainable and stable development of the Company.

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The Company's dividend policy is as follows: when distributing after-tax profits of relevant fiscal year, the Company shall use after-tax profits in the financial statements prepared in accordance with PRC accounting standards and regulations and the financial statements prepared in accordance with international or overseas listing accounting standards, whichever is less. According to the resolution of the general meeting, the Company may distribute interim cash dividends in the form of cash or shares.

As audited by KPMG, the net profit attributable to the shareholders of the Company for 2021 amounted to RMB6,504,101,030.48. After deducting statutory surplus reserve accrued according to regulations of RMB1,102,161,256.99 and payment of interests of RMB365,309,064.01 for perpetual bonds, distributable profit was RMB5,036,630,709.48. Based on the total share capital on the equity registration date when the Company implements distribution plan in the future, such distributable profit shall be distributed in cash at RMB2.25 cents (tax inclusive) per share to the shareholders registered on the equity registration date with total amount of RMB938,051,181.81 (tax inclusive), accounting for 15.28% of net profit attributable to ordinary shareholders of the listed company in the consolidated statement of the year.

The Board of Directors of the Company proposes to distribute a final dividend to shareholders according to the above proposal, subject to the consideration and approval of the shareholders at the 2021 annual general meeting. The Company will announce the date of the 2021 annual general meeting and the time of closure of register for determining the list of shareholders who are entitled to attend and vote at the 2021 annual general meeting. The aforementioned profit distribution proposal, upon consideration and approval at the 2021 annual general meeting, is expected to be implemented within two months from the date of 2021 annual general meeting.

(II) Specific Particulars of Cash Dividend Policy

Applicable Not Applicable

Whether the policy complied with the provisions of the Articles of Association or the requirements of the resolutions of the Shareholders' general meeting	Yes
Whether the standard and proportion of dividend distribution were definite and clear	Yes
Whether the relevant decision-making procedure and mechanism were well-established	Yes
Whether the independent Directors performed their duties and responsibilities and played their roles properly	Yes
Whether minority shareholders had sufficient opportunity to express their opinions and requests, whether their legitimate interests were sufficiently protected	Yes

(III) Profits are made during the Reporting Period and the parent company's profits distributed to ordinary shareholders are positive. However, if the proposal on distribution of cash profit of ordinary shares is unavailable, the Company shall disclose in detail the causes thereof as well as purpose and use plan of the undistributed profit

Applicable Not Applicable

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XI. INFORMATION ABOUT THE COMPANY'S SHARE INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACTS

(I) Related incentive disclosure which were disclosed in the temporary announcements and the consecutive operation without progress or change

Applicable Not Applicable

The Company comprehensively established a scientific, reasonable, open and fair, standardized and orderly remuneration management system. With emphasis on incentives and constraints, and adhering to the efficiency oriented principle, the Company continued to achieve economic growth while achieving staffs' income growth. The Company established a sound system for determining the total amount of wages and mechanism for the regular wage increases for employees, whereby corporate efficiency varies with the salary and wages in the same direction. The salary and wages of employees are closely aligned with the respective position and actual contribution of individual employee according to the "position-based and performance-linked" policy, highlighting performance and contribution, which promotes more reasonable distribution of income.

Pursuant to the requirements of the relevant policy of the SASAC under the State Council, the Company determined the remuneration of the Directors based on the remuneration standard of the listed state-owned peers in the industry. Among which, the remuneration of the chairman of the Board of the Company is based on the remuneration standard stipulated by the SASAC under the State Council, the remuneration of the executive Directors who are also senior management is based on the results of their performance appraisal and the relevant regulatory requirements on remuneration.

On 21 November 2016, the Company reviewed and approved the initial grant of the restricted share incentive proposal pursuant to the restricted share incentive scheme at its 2016 first extraordinary general meeting. According to the resolution of the Board on 22 November 2018, 83.994 million restricted shares of 481 participants met the unlocking conditions of the first unlocking period and were allowed to be unlocked; on 21 November 2019, the Board resolved that the restricted shares under the second unlocking period were not allowed to be unlocked due to failure to satisfy the unlocking conditions. On 30 June 2020, the Board resolved that due to the Company's failure to meet the performance appraisal conditions for the third phase of unlocking in 2019, the Company transferred the restricted shares of the Company that are held by participants of incentive scheme and should be unlocked for the third phase of unlocking of incentive scheme back to the entrusted management agency at the grant price.

Save as disclosed above, as of December 31, 2021, according to the restricted share incentive scheme, no restricted share has been granted, lapsed or cancelled. Pursuant to Chapter 17 of the Listing Rules, the restricted share incentive scheme does not constitute a share option scheme but constitutes a discretionary plan of the Company.

(II) Incentives which were not disclosed in the temporary announcements or with subsequent progress

Information on share incentive

Applicable Not Applicable

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Other explanation

Applicable Not Applicable

Information on employee stock ownership plan

Applicable Not Applicable

Other incentive measures

Applicable Not Applicable

(III) Equity incentives granted to the Directors and senior management during the Reporting Period

Applicable Not Applicable

(IV) Establishment and Implementation of the Evaluation Mechanism and Incentive Mechanism for Senior Management Members during the Reporting Period

Applicable Not Applicable

The performance appraisal and remuneration distribution of senior management are implemented in accordance with relevant requirements of the provisional administrative measures for performance appraisal and remuneration of senior management, and the performance appraisal and remuneration distribution of secretary to the Board are implemented in accordance with relevant requirements of the performance appraisal and remuneration management of employees at the headquarter.

XII. ESTABLISHMENT AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD

Applicable Not Applicable

Under the requirements of the Basic Principles for Internal Control of Enterprises (《企業內部控制基本規範》) and its supporting guideline, and the Corporate Governance Code, and combined with its actual situation, the Company has built a “four-in-one” risk control pattern of law, compliance, internal control and risk management. The Company has established a rules and regulations system based on functional modules and centered on management matters.

The Board is responsible for the internal control and risk management system and the review on its effectiveness. The Board is responsible for setting up and maintaining the well-developed system of internal control and risk management. The Audit Committee is set up under the Board to oversee the formulation and implementation of the internal control and risk management system and evaluate the effectiveness of the risk management system of the Company annually. The management of the Company has established the Internal Control, Compliance and Risk Management Committee and set the mutually independent system construction management and appraisal departments. Various departments and subsidiaries of the Company carried out annual identification and analysis of major risks, to evaluate major risks in respect of occurrence probability and impact and formulate and implement response measures to strictly prevent the occurrence of major risk events. The Company carries out internal control

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and assessment every year on a regular basis involving all the business segments, key enterprises and business aspects to identify and urge the rectification of internal control defects, constantly improve the internal control system and keep risks within acceptable levels.

In conclusion, the Board of Directors has assessed the internal control and risk management system in 2021, reviewed the Company's financial reporting system, the internal control and risk management system and the adequacy and effectiveness of related procedures, including the adequacy of the Company in respect of the resources, employee qualifications and experience in accounting and financial reporting functions as well as training programmes and budgets. Upon the assessment, the Board and the Audit Committee are of the opinion that the Company's internal control was well established and effectively operated during the Reporting Period, and achieved the internal control goal of the Company without significant defects.

The Board of Directors also acknowledged that such systems aim at managing, instead of eliminating, the risks of failure to achieve the business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Please refer to the Self-assessment Report on Internal Control of China Energy Engineering Corporation Limited in 2021 published by the Company at the website of the Shanghai Stock Exchange (www.sse.com.cn) on 30 March 2022 for details.

Description on significant defects of the internal control during the Reporting Period

Applicable Not Applicable

XIII. MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

Applicable Not Applicable

XIV. RELEVANT ISSUE ON AUDIT REPORT ON INTERNAL CONTROL

Applicable Not Applicable

As approved at the shareholders' general meeting of the Company, ShineWing Certified Public Accountants (Special General Partnership) was appointed by the Company to audit the effectiveness of internal control of the Company relevant to financial report for the year 2021, and issued an internal audit report with an unqualified audit opinion.

Please refer to the Audit Report on Internal Control of China Energy Engineering Corporation Limited in 2021 published by the Company at the website of the Shanghai Stock Exchange (www.sse.com.cn) on 30 March 2022 for details.

Audit Report on Internal Control disclosed: Yes

Type of opinion on the audit report on internal control: Standard unqualified opinion

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XV. RECTIFICATION OF SELF-INSPECTION ISSUES FOR SPECIAL GOVERNANCE ACTIONS OF THE COMPANY

Applicable Not Applicable

XVI. OTHERS

Applicable Not Applicable

(I) Joint Company Secretaries

Ms. Leung Suet Wing, the joint company secretary and agent of TMF Hong Kong Limited tendered a resignation as the joint company secretary due to work adjustment. According to the provisions of the Listing Rules, TMF Hong Kong Limited proposed to appoint Ms. Leung Shui Bing as the joint company secretary in replacement of Ms. Leung Suet Wing. Mr. Qin Tianming, the joint company secretary and the authorized representative of the Company, is the primary internal contact person between Ms. Leung Shui Bing and the Company. Mr. Qin Tianming and Ms. Leung Shui Bing fully complied with the requirements under Rule 3.29 of the Listing Rules, and received not less than 15 hours of continuous professional training during the Reporting Period.

(II) Information Disclosure

The chairman of the Board of the Company is the first responsible person for the disclosure and management of the Company's information, and the secretary to the Board is responsible for the detailed coordination. During the Reporting Period, the Company has fulfilled the information disclosure obligations in a continuous and standard way and made timely, effective, complete and legally appropriate disclosure to the discloseable information and voluntary disclosures in strict compliance with the requirements of the Listing Rules, and further intensified the Company's promotion in the capital market to constantly enhance the image as a listed company. The Company places great emphasis on the management of inside information, strictly controls the scope of insiders and the confidentiality management of inside information vehicles. The Company earnestly commences the registration of insiders with strengthened registration and filing of material matters. With prudent judgment of information which might constitute to the inside information of the Company, the Company will disclose the discloseable inside information pursuant to the requirements as soon as reasonably practicable to further protect the legitimate rights of shareholders, creditors and other interest-related parties.

(III) Accountability of the Directors in relation to Financial Statements

The Directors of the Company confirm their related responsibilities for the preparation of the financial statements of the Company and make sure the preparation of the financial statements of the Company conforms to relevant laws and regulations and applicable accounting standards, and ensure the timely publication of the financial statements of the Company. The Company is not exposed to material uncertainties or circumstances which may result in substantial doubts over the Company's ability to continue as a going concern.

Corporate Governance (Corporate Governance Report)

(IV) Investor Relations

The Company attaches great attention to providing accurate, timely and as comprehensive information as possible to investors, and procures to maintain communication with shareholders and investors through effective channels, thus reinforcing knowledge of each other and improving the transparency of its information disclosure. The chairman, general managers, chief accountant, secretary to the Board and other management of the Company attach importance to and directly participate in communication with investors, conduct investor relations management work in accordance with the Management Code and Measures on Investor Relations of China Energy Engineering Corporation Limited and Notice of Relevant Works on the Further Clarification of Voluntary Information Disclosure, with an aim to allow investors to further understand the information of the Company. In addition, the Company has set up a centralized department for investor relations, which is responsible for reception of investors' calls, visits and on-site inspections, and coordinating for the investors to attend investors' annual meetings, investment strategy meetings and domestic and overseas road shows. The Company will publish the Company's information in due course. The latest development, announcements and press in relation to the Company are available on the website designated by the two stock exchanges of A-share and H-share and the Company's website (www.ceec.net.cn) for investors. Investors could also contact the Company via its hotline (+86 (10) 59098818) or email (zgnj3996@ceec.net.cn).

(V) Articles of Association and Its Amendments

During the Reporting Period, the Company amended the Articles of Association at (1) the first extraordinary general meeting of 2021 held on 5 February 2021 and (2) the second extraordinary general meeting of 2021, the second domestic shareholders' class meeting of 2021 and the second H shareholders' class meeting of 2021 held on 9 April 2021. The revised version will continue to be valid on the date of this report. For details of amendments to the Articles of Association, please refer to the circulars of the Company dated 21 January 2021 and 25 March 2021.

(VI) Compliance with Model Code by the Directors and Supervisors

The Company has formulated and implemented internal conduct code which is no less than the Model Code as the code of conduct regarding securities transaction by the Directors and supervisors. Having made specific enquiry of all Directors and supervisors, the Company confirms that all Directors or supervisors of the Company have complied with the required standards set out in the Model Code during the Reporting Period.

Environmental and Social Responsibilities

I. ENVIRONMENTAL INFORMATION

(I) Explanation on the Environment Protection by the Key Pollutant Discharging Companies and Their Significant Subsidiaries as Announced by the Environmental Protection Department

Applicable Not Applicable

During the course of production and operation, the key pollutant discharging subsidiaries of the Company adopt scientific and effective management means to minimize the adverse impact on the environment in the process of production and operation, and actively carry out the prevention and control of dust, noise, waste residue, domestic sewage and other pollutants. Nine kiln units of Cement Company, a subsidiary of the Company, including Dangyang, Xingshan, Laohekou, Yicheng, Zhongxiang, Jingmen and Songzi, have been listed in the key waste gas discharging units by provincial ecological environment departments where the unit is located. 60 sewage treatment plants of Hydropower Company including Xuanhua, Dingzhou, Laiwu, Huantai, Qinyang, Lingbao, Danjiangkou and Huanggang have been listed in the key pollutant discharging entities of water environment by provincial ecological environment departments where the unit is located. In 2021, pollutant discharging entities strengthened the management of environmental protection and energy conservation and emission reduction, and there were no environmental responsibility events, violations of laws or regulations on environmental protection and energy conservation and emission reduction; and the operation rate of pollution control facilities reached 100%, and the main pollutants were standardized discharge.

1. Information on emission of pollutants

Applicable Not Applicable

Relevant subsidiaries of the Company disclosed the emission information in strict accordance with the requirements of local governments at all levels. Among them, the chimney discharge outlets of kiln tail and kiln head of rotary kilns of 9 kiln units of Cement Company, the key pollutant discharging entity, are included in the important monitoring discharging points, and the main pollutants are sulfur dioxide, nitrogen oxide and PM, The emission concentration meets the restrictive requirements specified in the Standard for Emission of Air Pollutants in Cement Industry. The sewage outlets of 60 key sewage discharging entities of Hydropower Company are included in the important monitoring discharging points. The main pollutants are ammonia nitrogen, total phosphorus and total nitrogen. The concentration and total amount of discharged pollutants meet the restrictive requirement specified in the entrusted operation agreement entered into with the government. In 2021, there was no excessive discharge of pollutants.

2. Construction and operation of pollution prevention & treatment facilities

Applicable Not Applicable

The Company strengthens the management of environmental protection equipment and facilities in strict accordance with the requirements of "three simultaneities". All subsidiaries of Cement Company have installed pollution prevention and control facilities such as low nitrogen staged combustion + SNCR flue gas denitration system, sack-duster or electrostatic precipitator. The operation rate of environmental protection facilities is 100%, and the main pollutants are standardized discharged. The operation rate of environmental protection facilities such as sewage treatment, odor treatment and sludge drying of subsidiaries of Hydropower Company is 100%, and the main pollutants are standardized discharged.

Environmental and Social Responsibilities

3. *Environmental impact assessment of construction project and other administrative licenses regarding environmental protection*

✓ Applicable Not Applicable

The Company strengthened the compliance management of environmental protection procedures of construction projects, focusing on the inspection of the preparation, application, approval, filing of environmental assessment documents and the implementation of other environmental protection administrative licenses. Construction of projects without legal approval or approval is prohibited to commence, and issues including “construction before approval” and “construction beyond reporting scope” is put to an end. All key pollutant discharging subsidiaries of the Company strictly implemented the requirements of environmental impact assessment documents and approval, environmental protection acceptance approval of completed project and other requirements, and applied pollutant discharge permits as required.

4. *Contingency plan for environmental emergencies*

✓ Applicable Not Applicable

The Company and its subsidiaries have formulated the Contingency Plan for Environmental Emergencies, regularly carried out emergency drills, summarized and evaluated the pertinence and operability of the contingency plan after the drills, formulated and perfected the revised plan, and formed a fully functional, coordinated, orderly and efficient contingency management mechanism.

5. *Environmental emergency response plan*

✓ Applicable Not Applicable

The Company has strictly implemented the requirements of laws and regulations including the Environmental Protection Law. In order to comprehensively and accurately grasp the pollutant discharge, the Company formulated the Environmental Monitoring Plan, clarifying the distribution of pollution sources, types of pollutants, risk size, impact scope, etc. All key pollutant discharging entities of Cement Company have formulated environmental self-monitoring plans, and installed pollutant on-line monitoring facilities at the kiln tail and kiln head chimneys of the kiln line to monitor PM, sulfur dioxide, nitrogen oxides and other pollutants in real time. All key pollutant discharging entities of Hydropower Company have formulated environmental self-monitoring plans, installed pollutant on-line monitoring facilities at the inlets and outlets for monitoring chemical oxygen demand, ammonia nitrogen and other pollutants in real time, and entrusted professional monitoring institutions to monitor water samples, issued environmental monitoring reports and reported to competent departments of local government for filing.

6. *Any administrative penalties caused by environmental issues during the Reporting Period*

✓ Applicable Not Applicable

During the Reporting Period, two subsidiaries indirectly controlled by the Company were subject to administrative punishment for environmental non-compliances, with an amount totaled RMB710,000. The Company will strengthen the supervision of the environmental protection work of its subsidiaries to ensure that the production and operation activities related to the environment are in compliance with the laws and regulations.

Environmental and Social Responsibilities

7. Other disclosable environmental information

Applicable Not Applicable

The subsidiaries of the Company have disclosed environmental information in strict accordance with laws and regulations and the requirements of local governments at all levels. The on-line monitoring and other information of key pollutant discharging entities were released to the society through the website of the monitoring information disclosure platform of pollutant sources of entities.

(II) Description on the Environment Protection of the Companies other than Those Falling under Key Sewage Emission Entities

Applicable Not Applicable

(III) Relevant Information Conducive to Ecological Protection, Pollution Prevention and Control and Performance of Environmental Responsibilities

Applicable Not Applicable

The Company upholds the red line of environmental protection, implements green construction, optimizes the construction plan, and achieves remarkable results in the treatment of dust, noise, waste residue and sewage. The Company carries out green construction planning, formulates green construction measures, and integrates the requirements of energy conservation and energy utilization, material conservation and material utilization, water conservation and water resource utilization, land conservation and construction land protection, environmental protection and others into the construction organization and design. The Company conducts process management and supervision, takes effective measures to control construction dust, noise, light pollution, water pollution, soil pollution and construction waste, protect cultural relics and resources, regularly reviews the implementation and effect of measures and rectifies in time.

The Company adheres to the development of green industry and carries out environmental protection business in the segmentation of renewable resource utilization, water environment treatment, sewage and sludge treatment, new road materials and solid waste treatment. The renewable resource utilization business ranks in the forefront of the industry.

The Company proactively participates in the land greening action, consolidates the ecological and environmental protection green industry into the Company's principal businesses, and actively participates in the construction of water environment treatment, soil remediation, sewage and sludge treatment and rural greening, so as to contribute to beautiful environment protection and the broadening of source of revenue.

(IV) Measures and Effects Adopted to Minimize Carbon Emissions during the Reporting Period

Applicable Not Applicable

The Company fully exerts the advantages of think tank consultation, scientific and technological innovation, engineering services, industrial investment and other fields, strives to be the pioneer and main force to promote the green and low-carbon transformation of energy, contributes to achievement of the goal of dual carbon as scheduled with its wisdom, action and strength and explores the green development path with specific actions.

Environmental and Social Responsibilities

In 2021, the Company issued the “30•60” White Paper, clarifying the timetable and road map for implementing the national dual carbon goal. The Company and its subsidiaries strengthened carbon emission management. Industrial manufacturing units focused on reducing energy consumption, and controlled energy consumption from the source and reduce carbon dioxide emissions by establishing a scientific energy management and control system, technological innovation, R&D and utilization of energy-saving equipment, boiler transformation, renewable resource substitution, waste heat power generation and others. Engineering construction units focused on energy conservation and emission reduction, and reduced energy consumption and carbon dioxide emissions by purchasing low energy consumption and low emission equipment and electric machinery equipment. Investment and operation units strengthened the control of energy consumption and carbon dioxide emissions through green design, green procurement, application of four new technologies, and evaluation of consumption and emission reduction.

Baihetan Hydropower Station built by the subsidiary of the Company is the largest hydropower project under construction in the world. The first batch of units was put into power generation in June 2021. The average annual power generation of the power station will reach 62.443 billion KWh, which could save approximately 25 million tonnes of standard coal and reduce approximately 65 million tonnes of carbon dioxide. Cement Company, the subsidiary of the Company, has constantly promoted the transformation of environmental protection technology, eliminated 4.25 million tonnes of backward production capacity, achieved ultra-low dust emission and effectively controlled nitrogen oxide and sulfur dioxide. In the past five years, the total nitrogen oxide emission has decreased by 5.3%.

II. SOCIAL RESPONSIBILITIES

Applicable Not Applicable

The Company adheres to the starting point and foothold of “energy cohesion for better society (初心聚能·美好共建)”, “dedicating high-quality products for benefiting society (奉獻精品·造福人類)”, “share the same homeland and build a beautiful home together (同在一方熱土·共建美好家園)” and “building the world with energy (聚天下之能·建世界之基)”, and follows the concept of social responsibility of “independent innovation, contributing to the society, scientific development and building harmony society”, upholds the organizational mission of “Bringing the Energy to the World” and the strategic vision of “industry-leading and world-class”, constantly improves the social responsibility management system and policies of the Company, integrates social responsibility into the tasks of the Company, effectively manages the impact of the Company’s operation on society and environment, and promotes the virtuous cycle of the Company’s development and responsibility performance, striving to become an example of fulfilling social responsibility. The 2020 social responsibility report of the Company won the Grade AAA honor of “1,000 Excellent Corporate Social Responsibility Reports” granted by the Ministry of Industry and Information Technology and Golden Bee 2021 Excellent Corporate Social Responsibility Report; and some cases were selected into the Blue Paper on Overseas Corporate Social Responsibility of Central Enterprises (2021) (中央企業海外社會責任藍皮書(2021)) and the Collection of Excellent Cases of Corporate Social Responsibility in Power Industry in 2021 (2021年度電力行業企業社會責任優秀案例集).

In 2021, the Company attached great importance to and earnestly implemented the protection of rights and interests of shareholders and creditors, employees, suppliers and customers, environmental protection and sustainable development, public relations, social welfare and other social responsibility work. Please refer to the 2021 social responsibility report (ESG report) disclosed by the Company for specific measures and achievements.

Environmental and Social Responsibilities

III. DETAILED WORK FOR CONSOLIDATING AND EXPANDING POVERTY ALLEVIATION RESULTS AND RURAL REVITALIZATION

Applicable Not Applicable

In 2021, the Company earnestly implemented the decisions and arrangements of the CPC Central Committee and the State Council. Under the leadership of the National Rural Revitalization Administration and the SASAC of the State Council, the Company gave full play to its own advantages, actively innovated assistance measures, accurately matched local needs, comprehensively completed various tasks of annual targeted assistance, and performing the responsibilities as a state-owned enterprise in the great vision of consolidating and expanding the achievements of poverty alleviation, and comprehensively promoting rural revitalization. In 2021, the Company allocated RMB14.4 million of targeted assistance funds to Zhenba and Xilin counties at nil consideration; the Company has invested RMB8.36 billion and introduced assistance funds of RMB542,800 for the first expressway in Xilin County (Tianlin-Xilin expressway project) invested and constructed by the Company; purchased agricultural products from poverty-stricken areas of RMB25.909 million (including procurement from targeted assistance counties of RMB24.393 million), and external marketing of RMB496,000; trained 31 grassroots cadres, 42 rural revitalization leaders and 100 professional and technical talents; led more than 3,700 individuals to participate in employment; and supported 177 college students with financial difficulties.

In 2021, the Company adheres to the “five boosts” to promote rural revitalization in an all-round way. **Boost industrial revitalization.** Through capital investment and introduction of projects, the Company vigorously supported the development of characteristic industries and promoted the employment of personnel out-of-poverty. The Company invested more than RMB7.8 million and introduced investment of RMB12 million, and guided more than 3,700 personnel to participate in employment; the subsidiaries of the Company directly recruited 5 personnel out-of-poverty and helped 263 migrant workers. **Boost talent revitalization.** The Company carried out a series of trainings regarding operation and management, practical technology, occupational skills with local labour departments, with a total of 31 county and rural grass-roots cadres, 42 rural revitalization leaders and 100 professional and technical talents trained; the Company invested RMB500,000 to set up the “Special Fund for Education Assistance in Zhenba County”, subsidized 177 college students with financial difficulties, and donated 50 computers to remote schools. **Boost cultural revitalization.** Enrich cultural life of communities and promote the construction of civilized rural customs. The Company donated more than RMB900,000 to build cultural activity square, eco-agricultural tourism expansion training base and other projects; and carried out the theme activity of “advocating and establishing changing and civilized rural customs”. **Boost ecological revitalization.** The Company focused on the construction of beautiful villages and invested more than RMB3.4 million to improve the rural living environment. The Company donated 3.5km of water pipe network for agricultural production to help solve the domestic and industrial water for 265 individuals in 92 households; conducted the construction of housing facade transformation, livestock and poultry centralized breeding shed and other projects, as well as the supporting construction of drainage and sewage treatment facilities, benefiting 30 households of farmers. **Boost organizational revitalization.** The subsidiaries of the Company actively carried out one-to-one and joint construction activities with the party organizations at all levels of the targeted assistance counties. The Company carried out computer donation activities; signed the joint construction agreement of Party branches and carried out the party day activity with the theme of “consumption assistance”; Party members and cadres of the Company donated RMB61,000 to fund campus construction.

Significant Events

I. FULFILLMENT OF COMMITMENTS

(I) Undertakings During or Continued to the Reporting Period by Ultimate Beneficial Owner, Shareholders, Related Parties, Acquirers the Company and Other Relevant Parties

Applicable Not Applicable

Undertaking background	Undertaking category	Undertaken by	Undertaking Contents	Time and term of undertakings	Is there a term for fulfillment	Is there timely and strict fulfillment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
Undertakings in relation to material asset reorganization	Share price stabilization measures	China Energy Engineering Corporation Limited	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: 27 September 2024	Yes	Yes		
	Share price stabilization measures	Directors, supervisors and senior management of China Energy Engineering Corporation Limited	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: 27 September 2024	Yes	Yes		
	Undertakings in relation to the remedial measures for dilution of immediate returns by the Merger	All current Directors, supervisors and senior management of China Energy Engineering Corporation Limited	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings in relation to the lock-up period	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	27 October 2020 Estimated completion time of fulfillment: 27 September 2024	Yes	Yes		
	Undertakings to regulate and reduce related party transactions	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings to avoid peer competition	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Supplemental undertakings to avoid peer competition	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	23 July 2021 Estimated completion time of fulfillment: 31 December 2023	Yes	Yes		
	Undertakings to maintain the independence of China Energy Engineering Corporation Limited	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		

Significant Events

Undertaking background	Undertaking category	Undertaken by	Undertaking Contents	Time and term of undertakings	Is there a term for fulfillment	Is there timely and strict fulfillment	If the undertaking fails to be fulfilled in due time, please explain the specific reasons for the failure	If the undertaking fails to be fulfilled in due time, please state the plan in the next step
	Undertakings to avoid capital occupation	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	2 July and 26 July 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings in relation to A share price stabilization measures	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: 27 September 2024	Yes	Yes		
	Undertakings in relation to shareholding intention and shareholding reduction intention	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings in relation to the remedial measures for dilution of immediate returns by the Merger	Energy China Group	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings in relation to the lock-up period	EPPE Company	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	27 October 2020 Estimated completion time of fulfillment: 27 September 2024	Yes	Yes		
	Undertakings in relation to the lock-up period	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	23 October 2020 Estimated completion time of fulfillment: 27 September 2022	Yes	Yes		
	Undertakings in relation to shareholding intention and shareholding reduction intention	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	19 March 2021 Estimated completion time of fulfillment: Long-term	Yes	Yes		
	Undertakings in relation to the lock-up period	Beijing Chengtong Financial Control Investment Co., Ltd. (北京誠通金融投資有限公司)	For details, please refer to the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by the Company and Related Transactions	22 October 2020 Estimated completion time of fulfillment: 27 September 2022	Yes	Yes		

Significant Events

(II) Where the Company has Profit Forecasts on Assets or Projects, and the Reporting Period was Within the Term of Profit Forecasts, the Company has to State Whether Such Profit Forecasts on Assets or Projects are Fulfilled and the Reasons Therefor

Achieved Not Achieved Not Applicable

(III) Fulfillment of Performance Undertaking and Impact on Goodwill Impairment Test

Applicable Not Applicable

(IV) COMPLIANCE WITH OFAC UNDERTAKINGS

The Overseas Risk Management Committee of the Company will be specifically assigned to supervise the projects that will be conducted in sanctioned countries or those persons or entities who will be sanctioned by OFAC, the United Nations and other agencies. The Company has requested its subsidiaries to conduct international business in accordance with the Detailed Rules on the Work of the Overseas Risk Management Committee of China Energy Engineering Corporation Limited. According to the legal advice provided by professional lawyers, the Company has not received any inquiries from any relevant institutions in the US, as overseas projects of the Company did not involve the target behaviors indicated in the OFAC guidelines.

II. MISAPPROPRIATION OF FUNDS BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES FOR NON-OPERATING PURPOSES DURING THE REPORTING PERIOD

Applicable Not Applicable

III. ILLEGAL GUARANTEES

Applicable Not Applicable

IV. EXPLANATION FROM THE BOARD OF THE COMPANY ON THE “NON-STANDARD OPINIONS AUDIT REPORT” OF ACCOUNTING FIRM

Applicable Not Applicable

Significant Events

V. ANALYSIS AND EXPLANATION FROM THE COMPANY ON THE REASONS AND IMPACT OF THE CHANGE OF ACCOUNTING POLICIES, ACCOUNTING ESTIMATES OR CORRECTION ON SIGNIFICANT ACCOUNTING ERRORS

(I) Analysis and Explanation from the Company on the Reasons and Impact of the Change of Accounting Policies or Accounting Estimates

Applicable Not Applicable

In 2021, the Group implemented the Q&A and cases on the implementation of the Accounting Standards for Business Enterprises issued by the Ministry of Finance in 2021, mainly including:

- Interpretation of Accounting Standards for Business Enterprises No. 14 (Cai Kuai [2021] No. 1) (the “Interpretation No. 14”)
- Notice on Adjusting the Application Scope of the Provisions on Accounting Treatment of Relevant Rent Reduction due to the Outbreak of COVID-19 (Cai Kuai [2021] No. 9)
- Interpretation of Accounting Standards for Business Enterprises No. 15 (Cai Kuai [2021] No. 35)

The Group made retrospective adjustments to the relevant PPP project contracts that have been implemented before 31 December 2020 and have not been completed until the implementation date as well as newly added PPP project contracts from 1 January 2021 to the implementation date. The cumulative impact is adjusted to the retained earnings at the beginning of 2021 and other related items amounts in the financial statements, and no adjustment is made to the information for the comparable period.

The changes in accounting policies and format adjustment of corporate financial statements have no material impact on the financial position, operating results, cash flows and future operating results of the Group. For details, please refer to Note V “Changes in Significant Accounting Policies and Accounting Estimates” to the financial statements of the annual report.

(II) Analysis and Explanation from the Company on the Reasons and Impact of the Correction on Significant Accounting Errors

Applicable Not Applicable

(III) Communication with Former Auditor

Applicable Not Applicable

Significant Events

(IV) Other Explanation

Applicable Not Applicable

VI. APPOINTMENT AND REMOVAL OF AUDITORS

Unit: Yuan Currency: RMB

Existing Auditors	
Name of domestic auditor	KPMG Huazhen LLP
Remuneration of domestic auditor	8,800,000
Term of audit services of domestic auditor	1

	Name	Compensation
Audit remuneration of domestic auditor	Da Hua CPAs (Special General Partnership)	8,040,000
Remuneration of auditor of internal control	ShineWing Certified Public Accountants (Special General Partnership)	1,342,600

Changes in accounting standards and explanation on appointment and removal of auditors

Applicable Not Applicable

- The Company appointed BDO China Shu Lun Pan Certified Public Accountants as the domestic auditor of the Company from 2017 to 2019, and made a resolution at the annual general meeting held on 30 June 2020 to approve the appointment of Dahua Certified Public Accountants as the domestic auditor of the Company. The Company has engaged KPMG as the Company's international auditor since 2017.
- Pursuant to relevant requirements of the Ministry of Finance of the PRC, the CSRC and the Listing Rules of the Stock Exchange, a company incorporated in Mainland China and listed on the Hong Kong Stock Exchange is permitted to adopt the PRC GAAP Standards to prepare its financial statements and to engage a domestic accounting firm recognized by the Ministry of Finance and the CSRC to provide relevant services according to the PRC auditing standards since 15 December 2010. Therefore, considering that the Company has achieved the listing of A+H shares, the Company appointed only one auditor as its external auditor (no division of domestic and overseas) each year since FY2021. Starting from the Company's annual report for the year ended 31 December 2021, the Company uniformly adopts the China Accounting Standards for Business Enterprise to prepare its financial reports. The financial position and operating performance of the Company will not be materially affected by the uniform adoption and disclosure of financial accounting reports prepared in accordance with the China Accounting Standards for Business Enterprise.

Significant Events

3. On 8 December 2021, as considered and approved at the fourth extraordinary general meeting of 2021 of the Company, the Company appoint KPMG Huazhen LLP as the auditor for A Shares financial report of the Company for the year 2021, and appoint ShineWing Certified Public Accountants LLP as the auditor for internal control of the Company for the year 2021. Based on the uniform adoption of the Chinese Accounting Standards for Business Enterprises by the Company in preparing the financial and accounting report, KPMG resigned as the international auditor of the Company with effect from 17 January 2022. KPMG has confirmed that there are no matters relating to its resignation that need to be brought to the attention of the shareholders of the Company. The Board of the Company confirmed that the Company has no disagreement or unresolved matters with KPMG, and are not aware of any matters relating to the resignation of international auditor that need to be brought to the attention of the shareholders of the Company.
4. In accordance with Article 20ZT of the Hong Kong Financial Reporting Council Ordinance (Cap. 588), KPMG Huazhen LLP is an eligible external auditor.
5. For the year ended 31 December 2021, the remuneration paid by the Company to KPMG Huazhen LLP for the annual audit services provided was RMB8.80 million, the remuneration paid for interim report review business was RMB4.50 million, and the remuneration paid for other non-audit services was RMB2.735 million.
6. KPMG Huazhen LLP is the annual auditor of consolidated financial report of the Company, and Dahua Certified Public Accountants is the individual financial report auditor of the Company.

Explanations on replacement of auditors during the audit period

Applicable Not Applicable

VII. RISK OF DELISTING

(I) Reasons for Delisting Risk Warning

Applicable Not Applicable

(II) Measures to be taken by the Company

Applicable Not Applicable

(III) Situation of and Reasons for Termination of Listing

Applicable Not Applicable

Significant Events

VIII. MATTERS RELATING TO INSOLVENCY OR RESTRUCTURING

Applicable Not Applicable

IX. MATERIAL LITIGATION AND ARBITRATION

There existed material litigation and arbitration during the Reporting Period

No material litigation and arbitration occurred during the Reporting Period

For the information on pending litigations of the Company, please refer to the Note “Other Current Liabilities and Contingencies” to the financial statements of the Company.

X. SUSPECTED VIOLATION OF LAWS AND REGULATIONS BY, PUNISHMENT ON AND RECTIFICATION OF THE LISTED COMPANY AND ITS DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

Applicable Not Applicable

XI. EXPLANATION ON THE CREDIT CONDITIONS OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS DURING THE REPORTING PERIOD

Applicable Not Applicable

XII. MATERIAL RELATED PARTY TRANSACTIONS

During the Reporting Period, Energy China Group was the controlling shareholder of the Company, and Asset Company, Financial Leasing Company, Nengjian Fund Company and EPPE Company were the subsidiaries of the controlling shareholder, all of which are connected persons under Chapter 14A of the Hong Kong Listing Rules and the SSE Listing Rules. Hubei Provincial Communications Investment Group is the substantial shareholder of the Company’s significant subsidiaries, and Ping An Fund is owned as to more than 30% by Energy Group, both of which are only connected persons under Chapter 14A of the Hong Kong Listing Rules. Except for the connected transactions with the aforesaid connected persons described in this section, there are no other connected transactions that need to be disclosed in accordance with the requirements of the Hong Kong Listing Rules and the SSE Listing Rules. The management of connected transactions of the Company during the Reporting Period complies with regulatory requirements of both A share market and H share market.

Significant Events

During the Reporting Period, the Company also conducted statistics on related party transactions under the accounting standards. For details, please refer to Note “Related Parties and Related Party Transactions” to the financial statements. Among them, the statistics on the transactions with the controlling shareholder and fellow subsidiaries include the connected transactions between the Company and the controlling shareholder and its associates under the Hong Kong Listing Rules and the SSE Listing Rules. Save for the connected transactions described in this chapter, there are no other related party transactions that constitute connected transactions under the Hong Kong Listing Rules and the SSE Listing Rules. The connected transactions conducted by the Company under the Hong Kong Listing Rules and the SSE Listing Rules complies with the relevant disclosure requirements.

Continuing connected transactions under the regulatory requirements of two places during the Reporting Period

- 1. Continuing connected transactions of daily production and operation services with Energy China Group.** In order to improve the operation efficiency and reduce the operation costs and risks of the Company, and enable the Group to conduct its business more extensively and fully master the industry development information, as considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, the Company and Energy China Group entered into the Daily Production and Operation Framework Agreement 2021-2023 on 27 October 2020, and made an announcement on the Hong Kong Stock Exchange on the same day. Pursuant to the agreement, the Group and Energy China Group and its subsidiaries will provide each other with daily production and operation services, including project survey and design, planning and consulting, labor services, integrated information services, construction, installation and other daily services related to the principal businesses from 2021 to 2023. The annual cap of fee for services provided to the Group by Energy China Group and its subsidiaries is RMB1.5 billion; the annual cap of fee for services provided to Energy China Group and its subsidiaries by the Group is RMB1.5 billion. The relevant service charges shall be based on the relevant quota standards of China and the industry, as well as the relevant fees charged by independent third-party manufacturers.

In 2021, the total fee for services provided to the Group by Energy China Group and its subsidiaries was RMB14 million; the total fee for services provided to Energy China Group and its subsidiaries by the Group was RMB65 million.

- 2. Continuing connected transactions of property lease.** In order to ensure the smooth operation and save costs, as considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, the Company and Energy China Group entered into the Property Lease Framework Agreement 2021-2023 on 27 October 2020, and made an announcement on the Hong Kong Stock Exchange on the same day. Pursuant to the agreement, the Group leased relevant properties from Energy China Group and its subsidiaries from 2021 to 2023 and the annual cap for lease amounts is RMB500 million. The relevant rental pricing shall be determined fairly and reasonably with reference to the relevant laws and regulations and local market value, as well as historical rental.

In 2021, the actual rents of the Group’s leased properties from Energy China Group and its subsidiaries amounted to RMB164 million.

Significant Events

3. **Continuing connected transactions of provision of financial services.** In order to further improve the profitability of the Group as a whole, expedite the monitoring of the use and application of funds within the Group and provide the Group with higher bargaining power, as considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, Finance Company, a subsidiary of the Company and Energy China Group entered into the Financial Services Framework Agreement 2021-2023 on 27 October 2020, and made an announcement on the Hong Kong Stock Exchange on the same day. The agreement became effective after the approval at the second extraordinary general meeting of 2020 of the Company on 29 December 2020. Pursuant to the agreement, Finance Company will provide deposit and credit guarantee financial services to Energy China Group and its subsidiaries from 2021 to 2023. Among them, the maximum daily credit balance limit provided by Finance Company to Energy China Group and its subsidiaries is RMB4.0 billion (inclusive); and the maximum charge for other financial services provided by Finance Company to Energy China Group and its subsidiaries is no more than RMB30 million. Among them, the interest rates and rates for the comprehensive credit services shall be determined in accordance with the floating range of loan interest rates with the same type and term stipulated by PBOC with reference to the interest rates of major domestic commercial banks for the loans with the same type and term, and shall be no less favorable than the interest rate and rate of similar credit services offered by Finance Company to the Group under the same conditions;

In 2021, the maximum daily credit balance provided by Finance Company to Energy China Group and its subsidiaries was RMB3,607 million; Finance Company charged RMB16,700 for other financial services provided to Energy China Group and its subsidiaries.

4. **Continuing connected transactions of accepting financial leasing services.** In order to satisfy the financing needs, optimise finance business management, improve capital utilisation efficiency, reduce investment costs and investment risk, as considered and approved at the fifth meeting of the third session of the Board of the Company, the Company and Financial Leasing Company entered into the Financial Leasing Service Framework Agreement 2021-2023 on 27 August 2021, and made an announcement on the Hong Kong Stock Exchange. Pursuant to the agreement, from 2021 to 2023, the additional direct lease services provided by Financial Leasing Company to the Company will amount to RMB1.25 billion each year, and the caps of annual balance of sale and leaseback services will be RMB1.25 billion. The interest of the lease is mainly determined comprehensively with reference to the Loan Prime Rate (LPR), the cost of Financial Leasing Company and the cost of independent third-party financial leasing companies for providing similar services.

During the agreement period in 2021, the additional direct lease services of the Group amounted to RMB54 million, and the balance of annual balance of sale and leaseback services was RM120 million.

Significant Events

- 5. Continuing connected transactions of accepting private fund subscription services.** In order to optimise finance business management, improve capital utilisation efficiency, reduce investment costs and investment risk and maximize the benefit of investing and financing, as considered and approved at the sixth meeting of the third session of the Board of the Company, the Company entered into the Private Fund Service Continuing Connected Transaction Framework Agreement with Nengjian Ping An Fund and Zhongnengjian Ping An (Tianjin) Equity Investment Fund Management Co., Ltd. (中能建平安(天津)股權投資基金管理有限公同) on 15 October 2021, and made an announcement simultaneously on the Hong Kong Stock Exchange and the SSE on the same day. The agreement became effective after the approval at the fourth extraordinary general meeting of 2021 of the Company on 8 December 2021. Pursuant to the agreement, the Group will accept private fund subscription services. The annual caps of the fund units subscribed by the Company from 2021 to 2023 were RMB15 billion, RMB18 billion and RMB20 billion, respectively. The Company subscribed fund units without paying subscription fees. In the process of investment and operation of private funds, the management fees shall be deducted from the operation according to specific agreements, and the related management fees refer to the range of fee charged by the fund industry and are not higher than the fees charged by independent third-party fund management companies for the same project.

During the agreement period in 2021, the fund units subscribed by the Group amounted to RMB515 million.

- 6. Continuing connected transactions of daily production and operation services with Hubei Provincial Communications Investment Group.** In order to enable the Group to conduct its business more broadly and grasp industry development information more comprehensively, as considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, the Company and Hubei Provincial Communications Investment Group entered into the Daily Production and Operation Service Framework Agreement 2021-2023 on 27 October 2020, and made an announcement on the Hong Kong Stock Exchange. Pursuant to the agreement, from 2021 to 2023, the Group will provide construction and labour services and sell related goods to Hubei Provincial Communications Investment Group and its subsidiaries, with the annual cap for services provided of RMB2 billion and the annual cap for sales of related goods of RMB1 billion. The relevant service charges shall be based on the relevant quota standards of China and the industry, as well as the relevant fees charged by independent third-party manufacturers.

In 2021, the total fee for services provided to the Hubei Provincial Communications Investment Group and its subsidiaries by the Group was RMB117 million; the total fee for related goods sold to Hubei Provincial Communications Investment Group and its subsidiaries by the Group was RMB224 million.

One-off connected transactions under the regulatory requirements of two places during the Reporting Period

- 1. Acquisition of assets at Guizhong Avenue.** In order to complete the government land resumption and obtain clear economic benefits, as considered and approved at the second meeting of the third session of the Board of the Company, Guangxi Bureau, a subsidiary of the Company, and Asset Company entered into the Assets Transfer Agreement on 19 March 2021, and made an announcement on the Hong Kong Stock Exchange on the same day. Guangxi Bureau, a subsidiary of the Company, has completed the acquisition of relevant assets at Guizhong Avenue in Liuzhou at the asset appraisal price of RMB55 million according to the agreement.

Significant Events

- 2. Shanglin Weicheng and Hefei Gezhouba Company equity transfer.** In order to revitalize existing assets and improve the efficiency of capital utilization, as authorized and approved at the second meeting of the third session of the Board of the Company, CEESC and Anhui Institute, both subsidiaries of the Company entered into the Assets Transfer Agreement with Asset Company respectively on 16 June 2021, and made an announcement on the Hong Kong Stock Exchange on the same day. CEESC and Anhui Institute, both subsidiaries of the Company, have completed the transfer of equity interests held by them in Shanglin Weicheng and Hefei Gezhouba Company at the asset appraisal price of RMB60 million and RMB23 million respectively according to the agreement.
- 3. Certain equity transfer of Fund Company and Financial Leasing Company.** In order to revitalize existing assets and improve the efficiency of capital utilization, as authorized and approved at the second meeting of the third session of the Board of the Company, the Company and CEEC Hong Kong Company entered into the Assets Transfer Agreement with Energy Group and Energy Group Hong Kong Company respectively on 18 June 2021, and made an announcement on the Hong Kong Stock Exchange on the same day. The Company and Hong Kong Company have completed the transfer of certain equity interests held by them in Financial Leasing Company at the asset appraisal price of RMB468 million and RMB268 million respectively according to the agreement, and the Company has completed the transfer of equity interests held by it in Fund Company at the asset appraisal price of RMB15 million.
- 4. Remaining equity transfer of Financial Leasing Company.** In order to revitalize existing assets and improve the efficiency of capital utilization, as considered and approved at the third meeting of the third session of the Board of the Company, the Company and Energy Group entered into the Assets Transfer Agreement on 24 June 2021, and made an announcement on the Hong Kong Stock Exchange on the same day. The agreement became effective after the approval at the third extraordinary general meeting of 2021 of the Company on 23 July 2021. Pursuant to the agreement, the Company has completed the transfer of all remaining equity interests held by it in Financial Leasing Company at the asset appraisal price of RMB409 million.
- 5. Connected transaction of subscription of fund units of Ping An Fund.** As the Fund Subscription Service Framework Agreement has not yet been ratified and became effective, as considered and approved at the sixth meeting of the third session of the Board of the Company, Investment Company, a subsidiary of the Company, and Ping An Fund entered into the Fund Units Subscription Agreement on 15 October 2021, and made announcements on the Hong Kong Stock Exchange and the SSE on 7 October 2021 and 18 October 2021 respectively. Pursuant to the agreement, the fund units of Ping An Fund (as the manager) subscribed by Investment Company were RMB467.3 million.
- 6. Acquisition of the creditor's rights in Lianjiaba project.** In order to obtain the relevant interests of the creditor's rights, coordinately dispose the assets of relevant project, revitalize the book assets, optimize asset structure and improve the efficiency of capital use, as considered and approved at the tenth meeting of the third session of the Board of the Company, CEEPE, a subsidiary of the Company, and Financial Leasing Company entered into the Creditor's Rights Transfer Agreement on 28 December 2021 and made an announcement simultaneously on the Hong Kong Stock Exchange and the SSE on the same day. Pursuant to the agreement, the Company completed the acquisition of the creditor's rights of financial leasing in Lianjiaba project at the book value of RMB567 million.

Significant Events

- 7. Equity transfer of Gezhouba Financial Leasing.** In order to solve the horizontal competition between the Company and the controlling shareholder, be beneficial to the integration of financial resources business of the Company, revitalize existing assets and improve the efficiency of capital utilization, as considered and approved at the tenth meeting of the third session of the Board of the Company, CGGC and Financial Leasing Company entered into the Equity Transfer Agreement on 28 December 2021, and made an announcement simultaneously on the Hong Kong Stock Exchange and the SSE on the same day. Pursuant to the agreement, and according to the asset appraisal price and profit distribution plan, CGGC proposed to transfer 75% of equity interests held by it in Gezhouba Financial Leasing at the consideration of RMB236 million. The equity transfer has not yet completed the industrial and commercial change process.
- 8. Very substantial acquisition and connected transaction in relation to the absorption and merger of CGGC through share swap.** In order to implement the national decision-making deployment on the reform of state-owned enterprises, further promote the integration of internal resources allocation and the synergy of business development, exert the advantages of the full industry chain of relevant fields, focus on the development of relevant advantageous industries, enhance the value creation level of the Company and consolidate the leading position of the Company in the industry and international competitiveness, after the reorganization plan was considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, the Company and CGGC entered into the Merger Agreement in relation to the possible absorption of CGGC through Share Swap on 27 October 2020, and made an announcement simultaneously on the Hong Kong Stock Exchange and the SSE. After the reorganization plan was approved at the second meeting of the third session of the Board of the Company and the second extraordinary general meeting of 2021 of the Company, and as approved by the CSRC, the Company issued a total of 11,645,760,553 A Shares to the shareholders of CGGC (other than CGGC Group) on the Registration Date of Implementation of the Merger in exchange for a total of 2,632,286,188 CGGC shares in the issued share capital of CGGC held by these shareholders, that is, each CGGC share held by the CGGC Conversion Shareholders can be converted for 4.4242 A shares issued by the Company. CGGC shares held by CGGC Group shall not participate in the Share Swap nor exercise the Cash Alternative, and such CGGC shares shall be de-registered upon completion of the Merger. Upon completion of the Merger, CGGC shall cease to be listing. The Company, as the Surviving Company, will, through CGGC Group, the Receiving Party, inherit and take over all assets, liabilities, businesses, contracts, qualifications, employees and all other rights and obligations. The original domestic shares of the Company were converted into A shares and listed and traded on the main board of the Shanghai Stock Exchange. The A shares of the Company were listed on the Main Board of the Shanghai Stock Exchange on 28 September 2021. After the issuance of A shares, the Company issued a total of 41,691,163,636 shares, including 32,428,727,636 A shares and 9,262,436,000 H shares. For further details, please refer to the Changes in Shares in Section VIII.

Confirmation of independent non-executive Directors

The independent non-executive Directors of the Company have reviewed the Company's continuing connected transactions, and confirmed that:

- (1) The transactions are ordinary and usual businesses or are entered into in the ordinary and usual course of business of the listed issuer;

Significant Events

- (2) The terms of the transactions are fair and reasonable, and the transactions are on normal commercial terms or better;
- (3) The transactions are conducted in accordance with the agreed terms of the relevant transactions and are in the interests of the shareholders of the listed issuer as a whole.

Confirmation of independent auditor

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings in respect of the continuing connected transactions. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Based on the work conducted, the auditors of the Company have provided a letter to the Board confirming that, in terms of the continuing connected transactions disclosed above:

- (1) The auditors have not noted any of the events enabling the auditors to believe that the disclosed continuing connected transactions have not been approved by the Board of the Company;
- (2) In respect of the continuing connected transactions conducted by the Group, the auditors have not noted any events enabling the auditors to believe that the transactions were not, in all material respects, conducted in accordance with the pricing policies of the Group;
- (3) The auditors have not noted any of the events enabling the auditors to believe that the transactions were not conducted, in all material respects, in accordance with the agreements relating to the transactions;
- (4) In respect of the total amount of each continuing connected transaction disclosed above, the auditors have not noted any of the events enabling the auditors to believe that the amount of the continuing connected transactions has exceeded the annual caps as set out by the Company.

The following is a summary of the disclosure and classification of the aforementioned connected transactions on the SSE:

(I) Related Party Transactions in relation to the Ordinary Operations

1. *Events disclosed in the temporary announcements and with no progress or change in subsequent implementation*

Applicable Not Applicable

2. *Events disclosed in the temporary announcements and with progress or change in subsequent implementation*

Applicable Not Applicable

Significant Events

Please refer to 1. Continuing Connected Transactions of Daily Production and Operation Services with Energy China Group, 2. the Continuing Connected Transactions of Property Lease as set out in the continuing connected transactions compliance with regulatory requirements of Mainland China and Hong Kong during the Reporting Period in this section.

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

(II) Related Party Transactions from Acquisition and Disposal of Assets, Equity Interests

1. *Events disclosed in the temporary announcements and with no progress or change in subsequent implementation*

Applicable Not Applicable

2. *Events disclosed in the temporary announcements and with progress or change in subsequent implementation*

Applicable Not Applicable

Please refer to 1. Acquisition of Assets of Guizhong Avenue, 2. Equity Transfer of Shanglin Weicheng and Hefei Gezhouba, and Partial Equity Transfer of Fund Company and Financial Leasing Company, 4. Remaining Equity Transfer of Financial Leasing Company, 6. Acquisition of the Creditors' Right in Lianjiaba Project and 7. Equity Transfer of Gezhouba Financial Leasing Company as set out in the one-off connected transactions compliance with regulatory requirements of Mainland China and Hong Kong during the Reporting Period in this section.

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

4. *If agreement upon performance is involved, the performance achievements during the Reporting Period shall be disclosed*

Applicable Not Applicable

(III) Significant Related Party Transactions on the Joint External Investment

1. *Events disclosed in the temporary announcements and with no progress or change in subsequent implementation*

Applicable Not Applicable

2. *Events disclosed in the temporary announcements and with progress or change in subsequent implementation*

Applicable Not Applicable

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

Significant Events

(IV) Claims and Liabilities between Related Parties

1. Events disclosed in the temporary announcements and with no progress or change in subsequent implementation

Applicable Not Applicable

2. Events disclosed in the temporary announcements and with progress or change in subsequent implementation

Applicable Not Applicable

3. Events not disclosed in the temporary announcements

Applicable Not Applicable

(V) Financial Business between the Company and Related Financial Companies, Holding Financial Companies and Related Parties

Applicable Not Applicable

1. Deposit business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Daily maximum deposit limit	Deposit interest rate range	Opening balance	Amount for the current period		Closing balance
					Total amount deposited in the current period	Total amount drawn in the current period	
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	10,000,000	0.455%-2.25%	2,753,705	35,430,611	35,826,636	2,357,680
Total	/	/	/	2,753,705	35,430,611	35,826,636	2,357,680

2. Loan business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Loan limit	Loan interest rate range	Opening balance	Amount for the current period		Closing balance
					Total loans for the current period	Total repayment for the current period	
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	2,373,900	3.48%-3.85%	1,225,200	7,578,407	5,949,707	2,853,900
Total	/	/	/	1,225,200	7,578,407	5,949,707	2,853,900

Significant Events

3. Credit business or other financial business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Business type	Total	Actual amount
Energy China Group and its subsidiaries	Fellow subsidiary	Credit	1,233,152	541,551

4. Other explanation

Applicable Not Applicable

For acceptance of financial leasing services and acceptance of private fund subscription services during the Reporting Period, please refer to 4. Continuing Connected Transactions of Acceptance of Financial Leasing Services, and 5. Continuing Connected Transactions of Acceptance of Private Fund Subscription Services as set out in the continuing connected transactions compliance with regulatory requirements of Mainland China and Hong Kong during the Reporting Period in this section.

(VI) Others

Applicable Not Applicable

XIII. MAJOR CONTRACTS AND PERFORMANCE

(I) Trusteeship, Contracting and Leasing Matters

1. Information on trusteeship

Applicable Not Applicable

2. Information on contracting

Applicable Not Applicable

3. Information on leasing

Applicable Not Applicable

Significant Events

(II) Related Guarantee

✓ Applicable Not Applicable

Unit: Yuan Currency: RMB

External guarantees (Other than guarantees for subsidiaries)														
Guarantor	Relationship with the listed company	Party guaranteed	Guarantee amount	Date of guarantee occurrence (date of signing the agreement)	Guarantee commencement date	Guarantee due date	Guarantee type	Collateral (if any)	Performance completed or not	Overdue or not	Overdue amount	Counter guaranteed or not	Guarantee by related party	Related relationship
China Energy Engineering Group Northwest Power Construction Gansu Engineering Corporation (中国能源建设集团西北电力建设甘肃工程有限公司)	Wholly-owned subsidiary	Longhua Jirhan Solar Power Generation Co., Ltd. (隆化锦合太阳能发电有限公司)	76,762,654.67	2019-09-06	2019-09-06	2026-09-06	Joint liability guarantee	Nil	No	No	Nil	Nil	No	Nil
China Energy Engineering Group Northwest Power Construction Gansu Engineering Corporation (中国能源建设集团西北电力建设甘肃工程有限公司)	Wholly-owned subsidiary	China Electric Equipment Group State Protovoltaic Power Co., Ltd. (中电装备集团光伏发电有限公司)	75,100,000.00	2019-11-28	2019-11-28	2026-11-28	Joint liability guarantee	Nil	No	No	Nil	Nil	No	Nil
Northwest Power Construction No. 3 Engineering Corporation (西北电力建设第三工程有限公司)	Wholly-owned subsidiary	Ningxia Hainintai Photovoltaic-Agricultural Development Co., Ltd. (宁夏海润光伏农业发展有限公司)	19,400,000.00	2019-12-18	2019-12-18	2026-12-18	Joint liability guarantee	Nil	No	No	Nil	Nil	No	Nil
China Gezhouba Group Stock Company Limited	Wholly-owned subsidiary	Ministry of Finance of Argentina	1,478,960,659.20	2015-01-28	2015-01-28	2039-01-28	Joint liability guarantee	Nil	No	No	Nil	Nil	No	Nil
China Energy Engineering Group Anshan Iron Tower Manufacturing Co., Ltd. (中国能源建设集团鞍山钢铁有限公司)	Wholly-owned subsidiary	The Third Hospital of Anshan	6,000,000.00	2003-05-30	2003-05-30	2022-06-30	Joint liability guarantee	Nil	No	No	Nil	No	No	Nil
China Gezhouba Group Company Limited	Wholly-owned subsidiary	Gezhouba Running (Wuhan) Real Estate Development Co., Ltd. (德州睿明武汉房地产业发展有限公司)	130,500,000.00	2019-06-28	2019-06-28	2022-06-27	Joint liability guarantee	Nil	No	No	Nil	Nil	Yes	Associate
China Gezhouba Group Company Limited	Wholly-owned subsidiary	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武汉华星资源地产置业有限公司)	99,940,000.00	2019-09-24	2019-09-24	2022-07-20	Joint liability guarantee	Nil	No	No	Nil	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程有限公司)	Wholly-owned subsidiary	Chongqing Jangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	50,644,000.00	2020-03-10	2020-03-10	2023-02-28	Joint liability guarantee	Nil	No	No	Nil	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程有限公司)	Wholly-owned subsidiary	Chongqing Jangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	35,200,000.00	2019-03-21	2019-03-21	2024-03-20	Joint liability guarantee	Nil	No	No	Nil	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程有限公司)	Wholly-owned subsidiary	Chongqing Jangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	76,000,000.00	2021-01-08	2021-01-08	2024-04-03	Joint liability guarantee	Nil	No	No	Nil	Nil	Yes	Associate

Significant Events

External guarantees (Other than guarantees for subsidiaries)											
Guarantor	Relationship with the listed company	Party guaranteed	Guarantee amount	Date of guarantee occurrence (date of signing the agreement)	Guarantee commencement date	Guarantee due date	Guarantee type	Collateral (if any)	Performance		Related relationship
									Overdue completed or not	Overdue amount or not	
Total amount of guarantees for the Reporting Period (exclusive of the guarantees for subsidiaries)											
Ending balance of guarantees for the Reporting Period (A) (exclusive of the guarantees for subsidiaries)											
Guarantees for subsidiaries by the Company together with its subsidiaries											
Total amount of guarantees for subsidiaries for the Reporting Period											
Ending balance of guarantees for subsidiaries for the Reporting Period (B)											
Total guarantees by the Company (inclusive of such guarantees to its subsidiaries)											
Total guarantees (A+B)											
Proportion of total guarantees in net assets of the Company (%)											
Among which:											
Amount of guarantees for the Company's shareholders, actual controllers and their related parties (C)											
Debt guarantees directly or indirectly to guaranteed objects with the gearing ratio higher than 70% (D)											
Of total guarantees, the portion in excess of 50% net assets of the Company (E)											
Total of the above three categories of guarantees (C+D+E)											
Explanation on the potential joint liability arising from the guarantees not due											
Explanation on the guarantees											
As of the end of the Reporting Period, the balance of external guarantees of the Company was RMB4.517 billion, excluding the mortgage guarantee provided by the Company for home buyers due to real estate business. The balance of guarantees provided by the Company for the mortgage of homeowners is RMB7.093 billion (i.e., the guarantee provided by the Company for the mortgage loan of the commercial house purchaser from the bank. Purchaser uses purchased commercial house as collateral. During the Reporting Period, the purchaser did not default, and the provision of such guarantees brought relatively little risk to the Company).											

Significant Events

(III) Entrusted Others to Manage Cash Assets

1. Entrusted wealth management

(1) Overall entrusted wealth management

Applicable Not Applicable

Others

Applicable Not Applicable

(2) Individual entrusted wealth management

Applicable Not Applicable

Others

Applicable Not Applicable

(3) Provisions for impairment of entrusted wealth management

Applicable Not Applicable

2. Entrusted loans

(1) Overall entrusted loans

Applicable Not Applicable

(2) Breakdown of individual entrusted loans

Applicable Not Applicable

Others

Applicable Not Applicable

(3) Provisions for impairment of entrusted loans

Applicable Not Applicable

3. Others

Applicable Not Applicable

(IV) Other Major Contracts

Applicable Not Applicable

XIV. EXPLANATION ON OTHER SIGNIFICANT EVENTS WHICH HAVE SIGNIFICANT IMPACT ON VALUATION JUDGEMENT AND INVESTMENT DECISIONS OF INVESTORS

Applicable Not Applicable

Significant Events

1. Fixed Assets and Construction in Progress

For details of changes in fixed assets and construction in progress of the Group, please refer to the Note “Fixed Assets and Construction in Progress” to the financial statement as set out in the annual report.

2. Surplus Reserve and Special Reserve

Details of changes in surplus reserve and special reserve of the Group during the year are set out in the consolidated statement of changes in shareholders’ equity as set out in the financial statements in the annual report.

3. Retained Earnings

Details of retained earnings of the Group as at 31 December 2021 are set out in the Consolidated Balance Sheet of the annual report.

4. Donations

The Company made external donations totaled RMB18.689 million in 2021, mainly to targeted alleviation districts, educational service, medical and healthy service, public relief and public welfare services through People’s Government at the county level or above, other public welfare social organizations, etc.

5. Information on Tax Reduction and Exemption for Holders of H Shares

(1) Individual investors

According to the Notice on the Management of Personal Income Tax Imposed after the Abolition of Guo Shui Fa [1993] No. 045 Document issued by the State Administration of Taxation (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), the dividends and bonuses received by foreign resident individual shareholders from the issuance of shares in Hong Kong by domestic non-foreign invested enterprises is subject to the payment of individual income tax according to the items of “interests, dividend and bonus income”, which shall be withheld and paid on behalf of the shareholders by the withholding and payment agents. The foreign resident individual shareholders who hold the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they reside and China and the tax arrangements between mainland and Hong Kong (Macau). The tax rate for dividends under the relevant tax agreements and tax arrangements is generally 10%, and for the purpose of simplifying tax administration management, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividends and bonuses, generally withhold and pay individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for citizens from countries which have entered into tax agreements stipulating a tax rate of lower than 10%, the withholding and payment agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon review and approval by the tax authorities, the excess tax amounts withheld and paid will be refunded; (2) for citizens from countries which have entered into tax agreements stipulating a tax rate of higher than 10% but lower than 20%, the withholding and payment agents will withhold and pay the individual income tax at the agreed-upon effective tax rate when distributing dividends, and are not obligated to file an application; (3) for citizens from countries without tax agreements or are under other situations, the withholding and payment agents will withhold and pay the individual income tax at a tax rate of 20% when distributing dividends and bonuses.

Significant Events

According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (Guo Shui Han [2006] No. 884) (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》(國稅函[2006] 884號)) signed on 21 August 2006, the Chinese government may impose tax on dividends payable by the Chinese companies to Hong Kong residents, but the tax should not exceed 10% of the total dividend payable, if Hong Kong residents hold at least 25% equity interest in the Chinese company, the relevant tax shall not exceed 5% of the total dividend payable by the Chinese company.

(2) Enterprises

According to the Enterprise Income Tax law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) effective on 1 January 2008, if non-resident enterprises establish no organizations and sites within the territory of China, or though they have established certain organizations and sites but the dividends and bonuses received have actually not correlated to the organizations and sites established, such enterprises shall pay the enterprise income tax at the rate of 10% of its income from the Chinese territory. Such withholding tax may be reduced pursuant to applicable treaties for the avoidance of double taxation.

According to the Notice on the Withholding and Payment of Enterprise Income Tax on the Dividends Distributed by the Chinese Resident Enterprise to Foreign H Share Non-resident Enterprise Shareholders (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股利代扣代繳企業所得稅有關問題的通知》(國稅函[2008] 897號)) issued by the State Administration of Taxation and effective on 6 November 2008, when the Chinese resident enterprises distribute dividends of 2008 and subsequent years to foreign H share non-resident enterprise shareholders, they shall withhold and pay on behalf of the shareholders the enterprise income tax at the unified rate of 10%. Such withholding tax may be reduced pursuant to applicable treaties for the avoidance of double taxation.

Pursuant to the provisions in the Notice on Tax Policies Regarding Shanghai-Hong Kong Stock Connect Pilot Programs (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014] 81號)) issued by the Ministry of Finance, the State Administration of Taxation and CSRC, for the dividends and bonuses obtained by mainland individual investors from investing in H shares listed in Stock Exchange through Shanghai-Hong Kong Stock Connect, such H share companies shall withhold individual income tax at the tax rate of 20%. For the dividends and bonuses obtained by mainland securities investment funds from investing in shares listed in Stock Exchange through Shanghai-Hong Kong Stock Connect, the individual income tax will be levied pursuant to the provisions mentioned above. For the dividends and bonuses obtained by mainland enterprise investors from investing in shares listed in Stock Exchange through Shanghai-Hong Kong Stock Connect, such H share companies shall not withhold any income taxes on the dividends and bonuses, as the income taxes shall be reported and paid by the investing enterprises on their own. Meanwhile, for the dividends and bonuses obtained by mainland resident enterprises from holding relevant H shares for consecutive 12 months, the corporate income taxes shall be exempted according to laws.

Pursuant to the current practices of Inland Revenue Department of Hong Kong, no taxes shall be paid for the dividends distributed by the Company.

The shareholders of the Company shall pay the relevant taxes and/or be entitled to tax reduction and exemption pursuant to the above provisions.

Significant Events

6. Property, Plant and Equipment

Details of the movement in property, plant and equipment of the Company are set out in Note “Fixed Assets” to the Financial Statements of this annual report.

7. Reserves

The changes in the reserve of the Company for the year are set out in the Consolidated Statement of Changes in Equity of this annual report.

8. Distributable Reserve

Details of distributable reserve of the Company as at 31 December 2021 are set out in the Consolidated Statement of Financial Position of this annual report.

9. Subsidiaries, Joint Ventures and Associates

Details of the subsidiaries, joint ventures and associates of the Company for the year ended 31 December 2021 are set out in Note “Equity in Other Entities” to the Consolidated Financial Statements of this annual report, respectively.

10. Independent Non-executive Directors’ Independence Confirmation

The office term of independent non-executive Directors of the Company is three years. The Company has received the confirmation of each independent non-executive Director for their independence pursuant to the Rule 3.13 of the Listing Rules, and the Company has confirmed their independence of each independent non-executive Director.

11. Directors’ and Supervisors’ Service Contracts

None of the Directors and supervisors of the Company has entered into a service contract with the Company which is not determinable within one year without the payment of compensation (other than statutory compensation).

12. Directors’ and Supervisors’ Rights to Acquire Shares or Debentures

As of the end of the Reporting Period, none of the Company, controlling shareholders of the Company or the companies under the same controlling shareholders with the Company was a party to any arrangement to entitle the Company’s Directors, supervisors or their respective minor children to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

13. Interests of Directors and Supervisors in Contracts

Save as the service contracts, no Directors or supervisors or entities connected with Directors or supervisors of the Company have material interests, either directly or indirectly, in any transaction, arrangement or contract of significance to the Company to which the Company, any of its subsidiaries or fellow subsidiaries or its holding company is a party during the Reporting Period based on the information available to the Company.

Significant Events

14. Major Contracts

Save as disclosed in this annual report, at any time during the year, there were no major contracts entered into between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Hong Kong Listing Rules) or any of its subsidiaries, or any major contracts for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

15. Permitted Indemnity Provision

The Company has purchased the responsibility insurances for Directors, supervisors and senior management for an insurance period from 23 November 2020 to 22 November 2021 in an amount of US\$40 million in accordance with code provision A.1.8 of the Corporate Governance Code. Except for such insurance, the Company has no valid indemnity provisions (as defined in Companies (Directors' Report) Regulation of the Chapter 622D of Hong Kong Laws) approved during the Reporting Period and at the time of approval of this report.

16. Management Contracts

Save as disclosed in this annual report, at any time during the year, there were no major contracts entered into between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Listing Rules) or any of its subsidiaries, or any major contracts for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

17. Interest of Directors in Competing Businesses

Except as disclosed below, none of the Directors or their associates directly or indirectly has any interest in the businesses which constitute or may constitute competition with the business of the Company.

Names of Directors	Company	Energy China Group
Song Hailiang	Executive Director and Chairman of the Board	Chairman of the Board
Sun Hongshui	Executive Director, Vice Chairman of the Board and General Manager	Director and General Manager

18. Purchase, Sale or Redemption of the Company's Listed Securities

Save as disclosed in the section headed Particulars of Bonds in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities during the Reporting Period.

19. Equity-linked Agreement

During the Reporting Period, the Company and its subsidiaries neither entered into any agreements in relation to equity-linked products nor participated in any arrangements to purchase equity-linked wealth management products.

20. Public Float

According to publicly available information, as of the latest practicable date before the printing of this report, the Company has sufficient public float and meets the minimum requirements for public float under the Listing Rules.

Significant Events

21. Directors' and Supervisors' Interest and Short Positions in Shares, Underlying Shares and Debentures

Except for the supervisors of the Company, Mr. He Jiansheng and Mr. Wu Daozhuan, who have interests in 214,000 H Shares and 214,000 H Shares of the Company through the restricted stock incentive plan, and the Director Mr. Si Xinbo, who is deemed to have interests in 4,000 A shares held by his spouse, as at 31 December 2021, based on the information available to the Company and to the best knowledge of the Directors, none of the Directors, supervisors and chief executives of the Company had any interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

22. Pre-emptive Right

According to the Articles of Association and relevant laws of China, shareholders of the Company have no preemptive right. During the Reporting Period, the Company has no arrangement for pre-emptive right.

23. Compliance with Corporate Governance Code

In addition to the disclosures in the report, the Company has complied with all the code provisions set out in the Corporate Governance Code during the Reporting Period. Details are set out in the "Corporate Governance Report" of this annual report.

Changes in Shares and Particulars of Shareholders

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of changes in shares

	Before change		Changes for the period (+, -)					After change	
	Number of shares	Percentage (%)	Issue of new shares	Bonus shares	Capital reserve transferred to shares	Others	Sub-total	Number of shares	Percentage (%)
I. Shares subject to trading moratorium									
1. State-owned shares									
2. State-owned legal person shares	20,757,960,364	69.15						20,757,960,364	49.79
3. Other domestic shares									
Including: domestic non-state-owned legal person shares									
Domestic natural person shares									
4. Foreign shares									
Including: overseas legal person shares									
Overseas natural person shares									
II. Shares not subject to trading moratorium	9,262,436,000	30.85	11,670,767,272			11,670,767,272		20,933,203,272	50.21
1. Renminbi-denominated ordinary shares			11,670,767,272			11,670,767,272		11,670,767,272	27.99
2. Domestic listed foreign shares									
3. Overseas listed foreign shares	9,262,436,000	30.85						9,262,436,000	22.22
4. Others									
III. Total shares	30,020,396,364	100.00						41,691,163,636	100.00

Changes in Shares and Particulars of Shareholders

2. Particulars of changes in shares

Applicable Not Applicable

On 17 September 2021, the Company completed the share swap registration of 11,670,767,272 A shares issued for absorption and merger of CGGC through share swap with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, and 20,757,960,364 non-tradable domestic shares converted into A shares. The above 32,428,727,636 A shares in aggregate have been listed on the Shanghai Stock Exchange on 28 September 2021 at a par value of RMB1. There is no change in the principal businesses of the Company upon the merger, and the Company and CGGC will realized comprehensive integration of resources, eliminate potential horizontal competition, and the business synergies will be fully realized, and the merger is conducive to effectively exert the advantageous of the full industry chain, shortening management chain, optimizing the resources allocation and improving the management efficiency, developing and expanding the pillar and important business clusters and promoting business transformation and upgrade and continuous development, better protecting the interests of the Shareholders of both parties and enhancing the investment return of minority shareholders, and broadening financing channels and enhancing competitive advantages. Taking into account the risk of stock price fluctuations and the risk compensation to the CGGC Conversion Shareholders, the CGGC Conversion Price is based on the average price of RMB6.04 per share in the 20 trading days before the Pricing Benchmark Date, with a 45% premium rate, which is RMB8.76 per share. The closing price of H shares of the Company was HK\$0.76 on 27 October 2020, being the date of the Absorption and Merger Agreement through Share Swap. All A shares under the Issuance are for absorption and merger of CGGC through share swap, no fund is required to be raised. CGGC Conversion Shareholders are the following shareholders of CGGC (other than CGGC Group) whose name appears on the register of shareholders by the registration and clearing authority at the close of business of Registration Date of Implementation of the Share Swap: (1) all shareholders of CGGC who have not declared, partially declared, have no right to declare or invalidly declared the exercise of the Cash Alternative; (2) the Cash Alternative Providers who have paid cash to shareholders of CGGC exercising the Cash Alternative (except for the Company or its subsidiaries as the Cash Alternative Providers). Please refer to relevant announcement for details.

3. Effect of changes in shares on financial indicators such as earnings per share and net assets per share within the year or the period (if any)

Applicable Not Applicable

Unit: Yuan

	2021	2021 No conversion occurred	2021 vs. 2021 No conversion occurred
Earnings per share	0.19	0.21	(0.02)
Net asset per share	2.58	2.84	(0.25)

4. Other discloseable contents that the Company deemed necessary or were required by securities regulatory authorities

Applicable Not Applicable

Changes in Shares and Particulars of Shareholders

(II) Changes in Shares subject to Trading Moratorium

Applicable Not Applicable

II. ISSUE AND LISTING OF SECURITIES

(II) Issue of Securities during the Reporting Period

Applicable Not Applicable

Unit: shares Currency: RMB

Type of shares and their derivatives	Date of issuance	Issuance price (or interest rate)	Quantity issued	Date of listing	Quantity approved to be listed for trading	Expiration date
Ordinary shares						
Issuance of A shares	17 September 2021	RMB1.96 per share	11,670,767,272	28 September 2021	11,670,767,272	
Convertible corporate bonds, detachable convertible bonds						
Bonds (including enterprise bonds, corporate bonds and debt financing instruments of non-financial institutions)						
21 Gezhou Y1	2021/04/08	3.80	3,000,000,000.00	2021/04/14	3,000,000,000.00	2024/04/08
21 Gezhou 01	2021/04/29	3.53	3,000,000,000.00	2021/05/11	3,000,000,000.00	2026/04/29
21 Gezhou 02	2021/05/17	3.40	3,000,000,000.00	2021/05/26	3,000,000,000.00	2026/05/17
21 China Energy Engineering SCP001	2021/10/21	2.35	2,000,000,000.00	2021/10/22	2,000,000,000.00	2021/12/15
21 China Energy Engineering MTN001	2021/10/27	3.67	2,000,000,000.00	2021/10/28	2,000,000,000.00	2024/10/27
21 China Energy Engineering GN001	2021/11/18	3.33	1,500,000,000.00	2021/11/19	1,500,000,000.00	2024/11/18
Other derivatives						

Notes on issuance of securities during the Reporting Period (please specify respectively for the bonds with different interest rate in the duration):

Applicable Not Applicable

Changes in Shares and Particulars of Shareholders

(II) Changes in Total Shares, Shareholding Structure and Assets and Liabilities Structure of the Company

Applicable Not Applicable

On 28 September 2021, 11,670,767,272 A shares issued by the Company for absorption and merger of CGGC through share swap were listed on the Shanghai Stock Exchange, and the total number of shares issued by the Company increased from 30,020,396,364 shares to 41,691,163,636 shares. Upon the absorption and merger through share swap, the shareholding percentage of minority shareholders increased, except that China Energy Engineering Group Co., Ltd. Remains the controlling shareholder of the Company, and the SASAC of the State Council remains the de facto controller of the Company, there is no significant change in the Company's shareholding structure; and all former minority interests of CGGC are converted into China Energy Engineering's interests attributable to the shareholders of parent company. Thus, the absorption and merger has changed the structure of owners' equity of the Company but hasn't changed the consolidated asset and liability structure of the Company.

(III) Description of the Existing Internal Staff Shares

Applicable Not Applicable

III. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER

(I) Total Number of Shareholders

Total number of ordinary Shareholders as at the end of the Reporting Period (Person)	617,174
Total number of ordinary Shareholders at the end of the previous month before the disclosure date of the annual report (Shareholder)	583,955
Total number of Shareholders of preferred shares whose voting rights have been restored as at the end of the Reporting Period (Person)	0
Total number of shareholders of preferred shares whose voting rights have been restored at the end of last month prior to the date on which the annual report shall be disclosed (Shareholder)	0

Changes in Shares and Particulars of Shareholders

(II) Table of Shareholding of the Top 10 Shareholders and Top 10 Shareholders with Tradable Shares (or Shareholders Not Subject to Selling Restrictions) as at the End of the Reporting Period

Unit: share

Name of Shareholder (full name)	Change during the Reporting Period	Shareholding of the top 10 Shareholders					Nature of Shareholder
		Number of Shares held at the end of the period	Percentage (%)	Number of Shares subject to selling restrictions	Pledged or frozen status		
					Shares	Amount	
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	0	18,686,568,022	44.82	18,107,684,022	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	0	7,804,321,651	18.72	0	Unknown		Other
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	0	2,663,082,794	6.39	2,029,378,794	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	0	613,374,538	1.47	0	Nil	0	State-owned legal person
Beijing Chengtong Financial Control Investment Co., Ltd.	0	522,354,897	1.25	522,354,897	Nil	0	State-owned legal person
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	-7,249,400	306,593,601	0.74	0	Nil	0	State-owned legal person
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	0	243,722,000	0.58	0	Unknown		Overseas legal person
Yan Xiaohu (閻小虎)	-12,940,530	195,000,000	0.47	0	Nil	0	Domestic natural person
Hong Kong Securities Clearing Company Limited	20,711,352	153,961,422	0.37	0	Nil	0	Other
Bank of Communications Co., Ltd.- GF China Securities Trading – Index Securities Investment Open-ended Fund (交通銀行股份有限公司—廣發中證基建工程交易型開放式指數證券投資基金)	77,260,765	126,380,841	0.30	98,542,651	Nil	0	Other

Changes in Shares and Particulars of Shareholders

Shareholdings of the top ten shareholders of non-restricted shares			
Name of Shareholder	Number of tradable Shares held not subject to selling restrictions	Types and number of Shares	
		Types of Shares	Number of Shares
HKSCC NOMINEES LIMITED	7,804,321,651	Overseas-listed foreign shares	7,804,275,65
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	633,704,000	Overseas-listed foreign shares	633,704,000
China Securities Finance Corporation Limited	613,374,538	RMB-denominated ordinary shares	613,374,538
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	578,884,000	Overseas-listed foreign shares	578,884,000
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	306,593,601	RMB-denominated ordinary shares	306,593,601
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	243,722,000	Overseas-listed foreign shares	243,722,000
Yan Xiaohu (閻小虎)	195,000,000	RMB-denominated ordinary shares	195,000,000
Hong Kong Securities Clearing Company Limited	153,961,422	RMB-denominated ordinary shares	153,961,422
Bank of Communications Co., Ltd.- GF China Securities Trading – Index Securities Investment Open-ended Fund (交通銀行股份有限公司—廣發中證基建工程交易型開放式指數證券投資基金)	126,380,841	RMB-denominated ordinary shares	126,380,841
Shanghai Pudong Development Bank Co., Ltd. – Golden Eagle Reform Bonus Flexible Configuration Hybrid Securities Investment Fund (上海浦東發展銀行股份有限公司—金鷹改革紅利靈活配置混合型證券投資基金)	61,074,521	RMB-denominated ordinary shares	61,074,521
Explanation on the relationship or acting in concert among the aforesaid shareholders	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), the largest shareholder of the Company, does not have connected relations or perform concerted actions with the above other shareholders. The Company is not aware of any related relationships or concerted action relationships between the above shareholders.		
Explanation on shareholders of preference shares with restoration of voting rights and their shareholding	Not Applicable		

Yan Xiaohu (閻小虎), a shareholder of the Company, holds 195,000,000 shares through margin financing and securities lending and refinancing business.

Changes in Shares and Particulars of Shareholders

Number of Shares held by top 10 shareholders subject to selling restrictions and information on the selling restrictions

Applicable Not Applicable

Unit: share

No.	Name of holders of shares with restricted period	Number of restricted shares held	Time for listing and trading of restricted shares	Number of new shares can be listed and traded	Restrictions
1	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	18,107,684,022	28 September 2024	0	Note 1
2	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	2,029,378,794	28 September 2022	0	Note 2
3	Beijing Chengtong Financial Control Investment Co., Ltd.	522,354,897	28 September 2022	0	Note 2
4	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	98,542,651	28 September 2024	0	Note 1
Explanations on the connections or parties acting in concert among the aforesaid Shareholders			EPPE is a wholly-owned subsidiary of Energy China Group.		

Note 1: During the period of the Absorption and Merger of CGGC by the Company, Energy China Group and EPPE have committed: within 36 months from the date when the A shares of the Company are listed and traded (the period from 28 September 2021 to 27 September 2024), they shall not transfer or entrust to others to manage the issued shares directly or indirectly held by them prior to the Absorption and Merger (excluding H shares), nor shall the Company repurchase such shares. Within six months after the listing of A shares of the Company, if the closing prices of A shares of the Company for 20 consecutive trading days are lower than the Issue Price, or the closing price at the end of six months after the listing is lower than the Issue Price, they undertake that the lock-up period of the shares shall be automatically extended for six months

Note 2: China Reform Holdings and Beijing Chengtong have committed: within 12 months from the date when the A shares of the Company are listed and traded (the period from 28 September 2021 to 27 September 2022), they shall not transfer or entrust to others to manage the issued shares directly or indirectly held by them prior to the Absorption and Merger (excluding H shares), nor shall the Company repurchase such shares.

(III) Strategic investors or general legal persons became one of the top 10 Shareholders as a result of the placing of the new Shares

Applicable Not Applicable

Changes in Shares and Particulars of Shareholders

(IV) Interests and Short Positions of substantial Shareholders and other persons in shares and underlying shares

As at 31 December 2021 after the reasonable enquiry by the Directors of the Company, the persons below (other than the Directors, supervisors and chief executives of the Company) have interests or short positions in the shares or underlying shares which will have to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and which will be required to record in the register maintained by the Company pursuant to section 336 of the SFO:

Name of shareholders	Class of shares	Capacity/Nature of interest	Number of shares interested*	Approximate percentage of shareholding in the Company's total issued share capital (%) ⁽¹⁾	Approximate percentage of shareholding in the Company's total issued A shares (%) ⁽¹⁾	Approximate percentage of shareholding in the Company's total issued H shares (%) ⁽¹⁾
Energy China Group ⁽²⁾	A shares	Beneficial owner	18,107,684,022(L)	43.43	55.84	–
		Interest of controlled corporation	98,542,651(L)	0.24	0.30	–
	H shares	Beneficial owner	578,884,000(L)	1.39	–	6.25
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司) ⁽³⁾	A shares	Beneficial owner	2,029,378,794(L)	4.87	6.26	–
	H shares	Interest of controlled corporation	633,704,000(L)	1.52	–	6.84
China Huaxing Group Company (中國華星集團公司) ⁽³⁾	H shares	Interest of controlled corporation	633,704,000(L)	1.52	–	6.84
China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司) ⁽³⁾	H shares	Beneficial owner	633,704,000(L)	1.52	–	6.84
Buttonwood Investment Holding Company Ltd. ⁽⁴⁾	H shares	Interest of controlled corporation	1,462,338,000(L)	3.51	–	15.79
Silk Road Fund Co., Ltd. (絲路基金有限責任公司) ⁽⁴⁾	H shares	Beneficial owner	1,462,338,000(L)	3.51	–	15.79
Central Huijin Investment Ltd. ⁽⁵⁾	H shares	Interest of controlled corporation	961,300,000(L)	2.31	–	10.38
China Construction Bank Corporation ⁽⁵⁾	H shares	Investment manager	961,300,000(L)	2.31	–	10.38
State Grid Corporation of China ⁽⁶⁾	H shares	Interest of controlled corporation	974,892,000(L)	2.34	–	10.53
State Grid International Development Co., Ltd. ⁽⁶⁾	H shares	Interest of controlled corporation	974,892,000(L)	2.34	–	10.53
State Grid International Development Limited ⁽⁶⁾	H shares	Beneficial owner	974,892,000(L)	2.34	–	10.53
E Fund Management Co., Ltd (易方達基金管理有限公司)	H shares	Investment manager	961,300,000(L)	2.31	–	10.38

Notes: Letter "L" means long position in the securities and letter "S" means short position in the securities.

Changes in Shares and Particulars of Shareholders

- (1) The calculation is based on the shareholding in the Company's 9,262,436,000 issued H shares, 32,428,727,636 issued A shares and 41,691,163,636 shares of the total issued share capital as at 31 December 2021.
- (2) EPPE Company is a wholly-owned subsidiary of Energy China Group and is interested in the 98,542,651 A shares, representing 0.30% of the domestic share capital of the Company. Therefore, Energy China Group is deemed to be interested in the A shares held by EPPE Company.
- (3) These shares are directly held by China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司). China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司) is wholly owned by China Huaxing Group Company (中國華星集團公司); and China Huaxing Group Company (中國華星集團公司) is wholly owned by China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司). Therefore, China Huaxing Group Company (中國華星集團公司) and China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司) are deemed to be interested in shares held by China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司).
- (4) These shares are directly held by Silk Road Fund Co., Ltd. Buttonwood Investment Holding Company Ltd. holds 65% equity interests in Silk Road Fund Co., Ltd. Therefore, Buttonwood Investment Holding Company Ltd. is deemed to be interested in shares held by Silk Road Fund Co., Ltd.
- (5) Central Huijin Investment Ltd. holds 57.31% equity interests in China Construction Bank Corporation. Therefore, Central Huijin Investment Ltd. is deemed to be interested in shares held by China Construction Bank Corporation.
- (6) These shares are directly held by State Grid International Development Limited. State Grid International Development Limited is wholly-owned by State Grid International Development Co., Ltd.; while the latter is wholly-owned by State Grid Corporation of China. Therefore, State Grid International Development Co., Ltd. and State Grid Corporation of China are deemed to be interested in the shares held by State Grid International Development Limited.

Changes in Shares and Particulars of Shareholders

IV. OTHER SITUATIONS ON CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLERS

(I) Controlling Shareholder

1 Legal person

Applicable Not Applicable

Name	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)
Person in charge or legal representative	Song Hailiang
Date of incorporation	28 September 2011
Principal business operations	investment, planning, assessment, consulting, evaluation, bidding agency and construction in respect of hydro, thermal, nuclear, wind and solar power generation, new energies, power transmission and transformation, and water conservancy, water affairs, mines, highways, railways, ports and waterway, airports, housing, municipal affairs, urban railway transportation, environmental protection, smelting and petrochemical; infrastructural projects; engineering survey and design; general construction contracting and specialized construction contracting; general contracting; engineering project management, engineering supervision; commissioning and maintenance of power plants, technical consulting, technical development, technical services; import and export business; planning and researching in respect of power industry development; manufacturing, selling and leasing of mechanical and electronic equipment; development of proprietary power technologies and product sales; production and sales of building materials; property development and operations; industrial investment. (Market entities shall select operating projects and conduct operating activities at its discretion in accordance with the laws; for projects subject to approval from relevant authorities according to the laws, the Company is required to obtain relevant approval first before commencement of operating activities; operating activities prohibited and restricted by the state and industrial policies of the city shall not be engaged in.)
Equity interests in other domestic and overseas listed companies controlled and held by the Company during the Reporting Period	Nil
Description of other situations	

Changes in Shares and Particulars of Shareholders

2 Natural person

Applicable Not Applicable

3 Special explanation on the Company not having any controlling shareholder

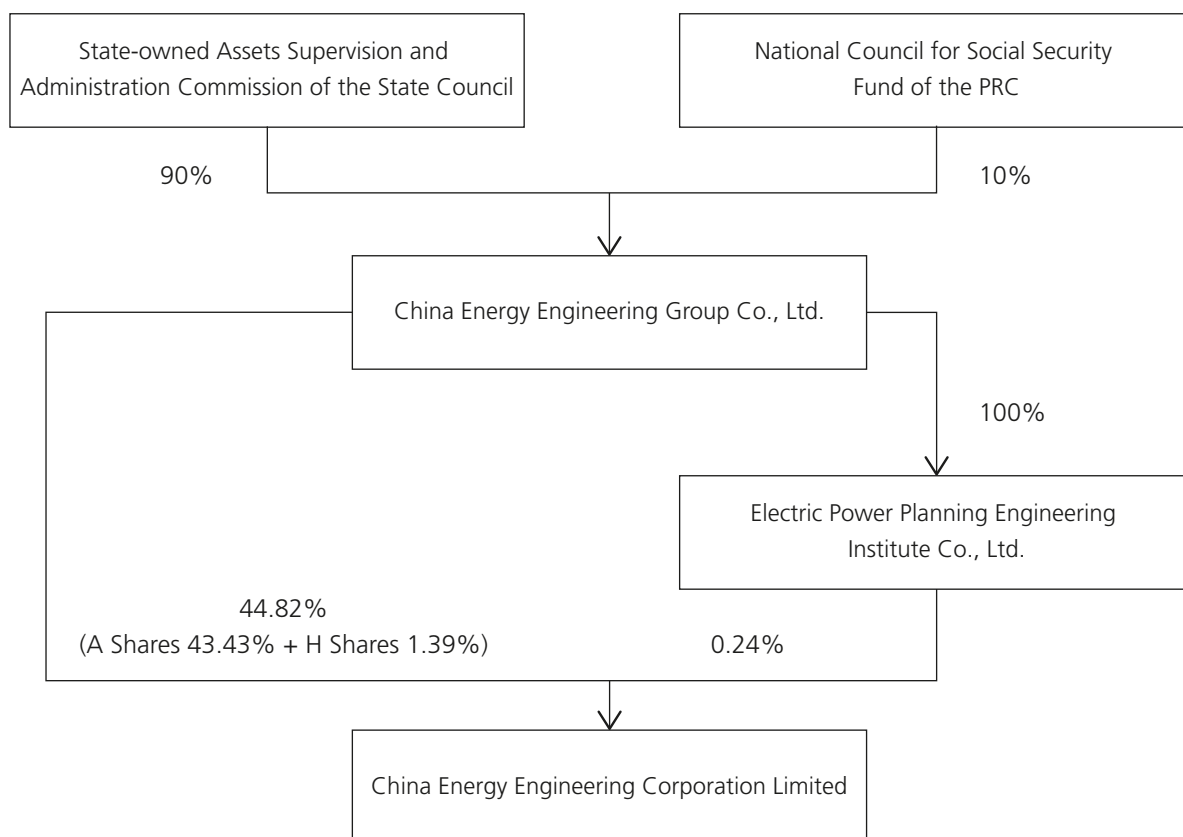
Applicable Not Applicable

4 Explanations of changes in controlling shareholder during the Reporting Period

Applicable Not Applicable

5 Diagram of the equity and controlling relationship between the Company and the controlling shareholder

Applicable Not Applicable



Changes in Shares and Particulars of Shareholders

(II) De Facto Controller

1 Legal person

Applicable Not Applicable

State-owned Assets Supervision and Administration Commission of the State Council

2 Natural person

Applicable Not Applicable

3 Special explanation on the Company not having any de facto controller

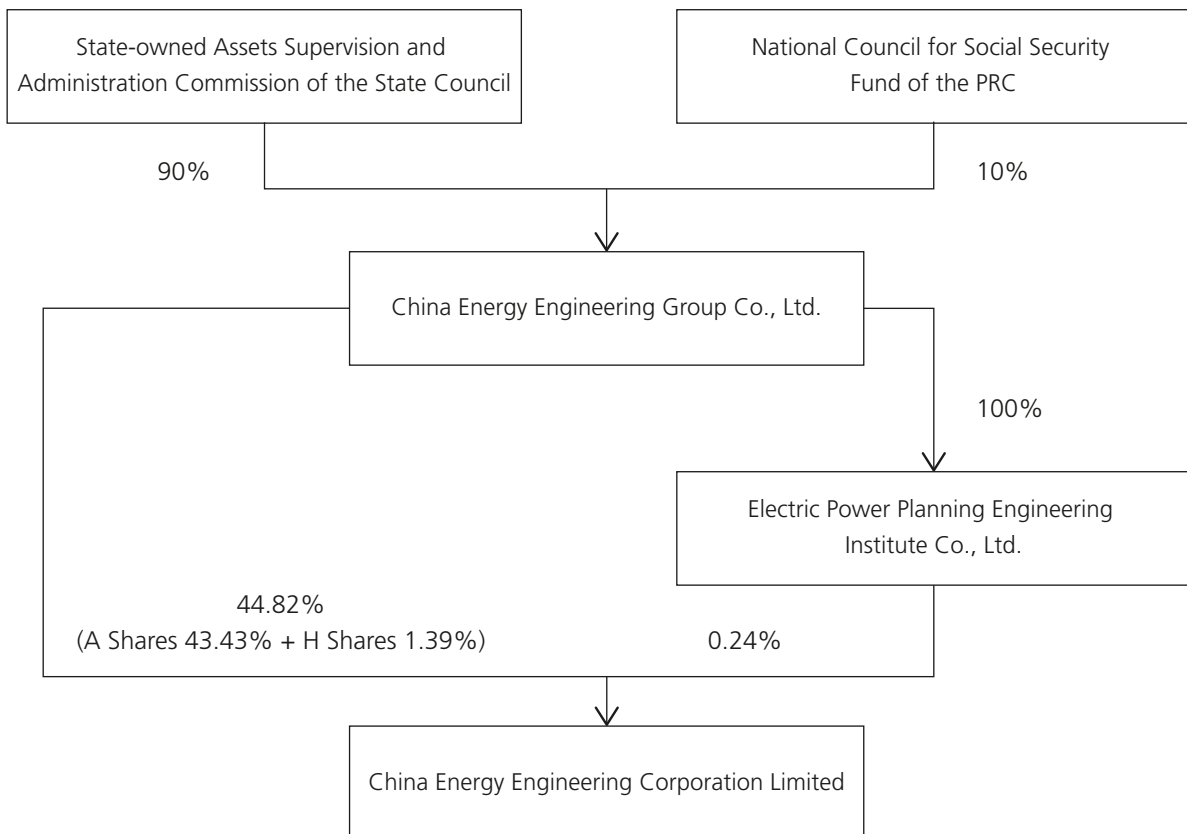
Applicable Not Applicable

4 Explanations of changes in controlling shareholder during the Reporting Period

Applicable Not Applicable

5 Diagram of the equity and controlling relationship between the Company and the de facto controller

Applicable Not Applicable



Changes in Shares and Particulars of Shareholders

6 *Companies controlled by the de facto Controller through trust or other asset management methods*

Applicable Not Applicable

(III) Other Explanation Regarding the Controlling Shareholder and the De Facto Controller

Applicable Not Applicable

V. ACCUMULATIVE NUMBER OF SHARES PLEDGED BY THE CONTROLLING SHAREHOLDER OR THE LARGEST SHAREHOLDER OF THE COMPANY AND ITS PERSONS ACTING IN CONCERT ACCOUNTS FOR MORE THAN 80% OF THE NUMBER OF SHARES OF THE COMPANY HELD BY THEM

Applicable Not Applicable

VI. OTHER CORPORATE SHAREHOLDERS HOLDING MORE THAN 10% OF THE COMPANY'S SHARES

Applicable Not Applicable

VII. RESTRICTION ON REDUCTION IN SHAREHOLDIN

Applicable Not Applicable

VIII. THE SPECIFIC IMPLEMENTATION OF SHARE REPURCHASE DURING THE REPORTING PERIOD

Applicable Not Applicable

Preference Shares

Applicable Not Applicable

Bonds

I. CORPORATE DEBTS, CORPORATE BONDS AND NON-FINANCIAL CORPORATE DEBT FINANCING INSTRUMENTS

Applicable Not Applicable

(II) Corporate Debts

Applicable Not Applicable

(III) Corporate Bond

Applicable Not Applicable

1. Basic information of corporate bonds

Unit: Yuan Currency: RMB

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Size of issuance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2020 Renewable Corporate Bonds (First Tranche) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2020年公開發行可轉讓公司債券(第一期))	20 CEEC Y1	163650	2020-6-18	2020-6-19	-	1,000,000,000	3.5	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2019 Renewable Corporate Bonds (First Tranche) (Type 1) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2019年公開發行可轉讓公司債券(第一期))	19 CEEC Y1	163605	2019-12-12	2019-12-13	-	3,000,000,000	3.9	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2019 Housing Leasing Special Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年住房租賃專項公司債券(第一期))	19 GZ 01	155129	2019-1-8	2019-1-9	2024-1-9	1,000,000,000	3.85	The interests of the corporate bond are paid in instalments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2019 Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年公開發行可轉讓公司債券(第一期))	19 GZ 02	155223	2019-3-11	2019-3-13	2024-3-13	1,500,000,000	4.1	The interests of the corporate bond are paid in instalments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2019 Corporate Bonds (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年公開發行可轉讓公司債券(第二期))	19 GZ 03	155370	2019-4-22	2019-4-24	2024-4-24	1,500,000,000	3.95	The interests of the corporate bonds are paid in instalments annually and the final phase will be paid with the principal, which is due at maturity. The term of the bonds is 5 years, with the option to adjust the coupon rate and investor's resale option at the end of the third year.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Size of issuance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2019 Renewable Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2019年可转换公司债券第一期)	19 GZ Y1	15931	2019-5-16	2019-5-20	-	5,000,000,000	4.35	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2020 Renewable Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2020年可转换公司债券第一期)	20 GZ Y1	17507	2020-8-26	2020-8-28	-	1,000,000,000	3.99	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2020 Renewable Corporate Bonds (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2020年可转换公司债券第二期)	20 GZ Y2	17505	2020-10-13	2020-10-15	-	3,000,000,000	4.14	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2020 Renewable Corporate Bonds (Third Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2020年可转换公司债券第三期)	20 GZ Y4	17534	2020-10-26	2020-10-28	-	2,000,000,000	3.97	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2020 Renewable Corporate Bonds (Third Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2020年可转换公司债券第三期)	20 GZ Y5	17535	2020-10-26	2020-10-28	-	1,000,000,000	4.25	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2021 Renewable Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2021年可转换公司债券第一期)	21 GZ Y1	17594	2021-4-6	2021-4-8	-	3,000,000,000	3.8	The interests of the corporate bond are paid in instalments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2021 Renewable Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2021年可转换公司债券第一期)	21 GZ Y1	18802	2021-4-27	2021-4-29	2026-4-29	3,000,000,000	3.53	The interests of the corporate bonds are paid in instalments annually and the final phase will be paid with the principal, which is due at maturity. The term of the bonds is 5 years, with the option to adjust the coupon rate and investor's resale option at the end of the third year.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
2021 Corporate Bonds (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司 2021年可转换公司债券第二期)	21 GZ Y2	18809	2021-5-14	2021-5-18	2026-5-18	3,000,000,000	3.4	The interests of the corporate bonds are paid in instalments annually and the final phase will be paid with the principal, which is due at maturity. The term of the bonds is 5 years, with the option to adjust the coupon rate and investor's resale option at the end of the third year.	Shanghai Stock Exchange	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No

Bonds

Response of the Company to the risk of delisting and trading of bonds

Applicable Not Applicable

Overdue bonds

Applicable Not Applicable

Interest payment of bonds during the Reporting Period

Applicable Not Applicable

Name of bonds	Interest payment
18 CEEC 01	On 23 April 2021, the issuer paid in full of the last annual interest and the principal of the bond of 18 CEEC 01 for the period from 23 April 2020 to 22 April 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 18 CEEC 01.
20 CEEC Y2	On 18 October 2021 (16 October 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the corresponding interest and the remaining principal of 20 CEEC Y2 for the period from 16 October 2020 to 15 October 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 CEEC Y2.
20 CEEC Y1	On 21 June 2021 (19 June 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the corresponding interest and the remaining principal of 20 CEEC Y1 for the period from 19 June 2020 to 18 June 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 CEEC Y1.
19 CEEC Y1	On 13 December 2021, the issuer paid in full of the last annual interest and the principal of the bond of 19 CEEC Y1 for the period from 13 December 2020 to 12 December 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 CEEC Y1.
16 GZ 01	On 19 January 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 GZ 01 for the period from 19 January 2020 to 18 January 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 GZ 01.
16 GZ 02	On 6 May 2021 (4 May 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the corresponding interest and the remaining principal of 16 GZ 02 for the period from 4 May 2020 to 3 May 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 GZ 02.
16 GZ 03	On 13 May 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 GZ 03 for the period from 13 May 2020 to 12 May 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 GZ 03.
16 GZ Y2	On 21 July 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 GZ Y2 for the period from 21 July 2020 to 20 July 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 GZ Y2.
16 GZ Y4	On 3 August 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 GZ Y4 for the period from 3 August 2020 to 2 August 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 GZ Y4.
G18 Green Park 1	On 22 September 2021 (19 September 2021 was a rest day, so postponed to the next trading day), CGGC Group Green Technology Company Limited, a subsidiary of the issuer, paid in full of the corresponding interest and the remaining principal of G18 Green Park 1 for the period from 19 September 2020 to 18 September 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of G18 Green Park 1.

Bonds

Name of bonds	Interest payment
19 GZ 01	On 11 January 2021 (9 January 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the interest of 19 GZ 01 for the period from 9 January 2020 to 8 January 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 01.
19 GZ 02	On 15 March 2021 (13 March 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the interest of 19 GZ 02 for the period from 13 March 2020 to 12 March 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 02.
19 GZ 03	On 26 April 2021 (24 April 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the interest of 19 GZ 03 for the period from 24 April 2020 to 23 April 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 03.
19 GZ Y1	On 20 May 2021, the issuer paid in full of the interest of 19 GZ Y1 for the period from 20 May 2020 to 19 May 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ Y1.
20 GZ Y1	On 30 August 2021 (28 August 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the interest of 20 GZ Y1 for the period from 28 August 2020 to 27 August 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y1.
20 GZ Y2	On 15 October 2021, the issuer paid in full of the interest of 20 GZ Y2 for the period from 15 October 2020 to 14 October 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y2.
20 GZ Y4	On 28 October 2021, the issuer paid in full of the interest of 20 GZ Y4 for the period from 28 October 2020 to 27 October 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y4.
20 GZ Y5	On 28 October 2021, the issuer paid in full of the interest of 20 GZ Y5 for the period from 28 October 2020 to 27 October 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y5.
21 GZ Y1	During the Reporting Period, 21 GZ Y1 did Not involved payment of interest due or payment of principal.
21 GZ 01	During the Reporting Period, 21 GZ 01 did Not involved payment of interest due or payment of principal.
21 GZ 02	During the Reporting Period, 21 GZ 02 did Not involved payment of interest due or payment of principal.

Bonds

2. *Triggering and enforcement of the option clause, the investor protection clause of the issuer or investors*

Applicable Not Applicable

On 23 April 2021, the Company exercised the issuer redemption option of "18 CEEC 01" to redeem all the "18 CEEC 01" registered on the Shanghai Stock Exchange on the registration date with principal amount of redemption totalled RMB3 billion.

On 18 October 2021, the Company chose to waive the issuer renewal option of "20 CEEC Y2", and redeemed all the "20 CEEC Y2" registered on the Shanghai Stock Exchange on the registration date with principal amount of redemption totalled RMB3.5 billion.

On 21 July 2021, China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of the Company, chose to waive the issuer renewal option of "16 GZ Y2", and redeemed all the "16 GZ Y2" registered on the Shanghai Stock Exchange on the registration date with principal amount of redemption totalled RMB2.5 billion.

On 3 August 2021, China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of the Company, chose to waive the issuer renewal option of "16 GZ Y4", and redeemed all the "16 GZ Y4" registered on the Shanghai Stock Exchange on the registration date with principal amount of redemption totalled RMB3 billion.

On 22 September 2021, the bondholders of "G18 Green Park 1" registered to sell back all or part of their "G18 Green Park 1". CGGC Group Green Technology Company Limited (中國葛洲壩集團綠園科技有限公司), a subsidiary of the Company, did not resell but cancelled such bonds with principal amount of cancellation totalled RMB1.2 billion.

Bonds

3. Agencies providing services for bond issuance and duration business

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Da Hua Certified Public Accountants (Special General Partnership)	Room 1101, Building 7, Yard 16, Middle West Fourth Ring Road, Haidian District, Beijing	Zou Jifeng, Liu Jun	Zhang Qiong	010-88827468
BDO China Shu Lun Pan Certified Public Accountants LLP	4th Floor, No. 61 Nanjing East Road, Huangpu District, Shanghai	Xu Peimei, Long Yong	Xu Peimei, Long Yong	010-56730090
Zhongxinghua Certified Public Accountants LLP	20th Floor, Building B, Lize SOHO, Building 1, Yard 20, Lize Road, Fengtai District, Beijing	Wang Kedong, Kang Lili	Wang Kedong	010-51423818
Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	13th – 14th Floor, Huasheng Building, No. 398, Hankou Road, Huangpu District, Shanghai	/	Jiang Wei, Yang Han Shi Xun, Lei Jiayue	021-63501349 13918597887
China Lianhe Credit Rating Co., Ltd	17th Floor, PICC Building, No. 2 Jianwai Street, Chaoyang District, Beijing	/	Luo Yi	010-85679696
China Securities Co., Ltd. (中信建投證券股份有限公司)	2nd Floor, Block B, Kaiheng Center, No. 2 Chaonei Street, Dongcheng District, Beijing	/	Li Yulong, Hong Hao	010-86451098
Haitong Securities Co., Ltd.	15th Floor, Tianyuan Xiangtai Building, No. 5 Anding Road, Chaoyang District, Beijing	/	Yu Ying, Zheng Yunqiao	010-88027168
GF Securities Company Limited	GF Securities Building, No. 26 Machang Road, Tianhe District, Guangzhou City, Guangdong Province	/	Yang Dongchen, Cai Zhuojiong	020-66338888
Beijing Jia Yuan Law Offices	F408 Ocean Plaza, 158 Fu Xing Men Nei Avenue, Xicheng District, Beijing	/	Qi Man	010-66413377
Hubei Shouyi Law Firm (湖北首義律師事務所)	12th Floor, Building 1, Shuiian International, Sanjiao Road, Heping Avenue, Wuchang District, Wuhan City	/	Wang Zhongbin	13871116260

Changes in the above-mentioned intermediary agencies

Applicable Not Applicable

Bonds

4. Use of proceeds as at the end of the Reporting Period

Applicable Not Applicable

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Unit: Yuan	Currency: RMB
					Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
20 CEEC Y1	1,000,000,000	1,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 CEEC Y1	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 GZ 01	1,000,000,000	1,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 GZ 02	1,500,000,000	1,500,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 GZ 03	1,500,000,000	1,500,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 GZ Y1	5,000,000,000	5,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
20 GZ Y1	1,000,000,000	1,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
20 GZ Y2	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
20 GZ Y4	2,000,000,000	2,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
20 GZ Y5	1,000,000,000	1,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
21 GZ Y1	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
21 GZ 01	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
21 GZ 02	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

The progress of the proceeds for the construction project and their operational benefits

Applicable Not Applicable

The Company used the proceeds for construction projects in accordance with the relevant stipulations in the prospectus. The progress and operational benefits of the projects under construction and completed projects were in line with the Company's expectations.

Explanation on the changes in the use of proceeds raised from the above bonds during the Reporting Period

Applicable Not Applicable

Other explanations

Applicable Not Applicable

5. Adjustments of credit rating

Applicable Not Applicable

Name of bonds	Name of credit rating agency	Credit rating level	Rating outlook changes	Reasons for changes in credit rating result
20 CEEC Y1	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	AAA	Stable	Not involved
19 CEEC Y1	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	AAA	Stable	Not involved
19 GZ 01	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
19 GZ 02	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
19 GZ 03	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
19 GZ Y1	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
20 GZ Y1	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
20 GZ Y2	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
20 GZ Y4	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
20 GZ Y5	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
21 GZ Y1	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
21 GZ 01	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved
21 GZ 02	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved

Bonds

6. Implementation and changes of guarantees, debt repayment plans and other debt repayment guarantee measures during the Reporting Period and their impact

Applicable Not Applicable

Name of bonds	Current status	Implementation	Any change	After the change	Reason for change	Whether the change has been approved by the competent authority	Impact of the change on the rights and interests of bond investors
20 CEEC Y1	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
19 CEEC Y1	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
19 GZ 01	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
19 GZ 02	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
19 GZ 03	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
19 GZ Y1	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
20 GZ Y1	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
20 GZ Y2	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
20 GZ Y4	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved

Bonds

Name of bonds	Current status	Implementation	Any change	After the change	Reason for change	Whether the change has been approved by the competent authority	Impact of the change on the rights and interests of bond investors
20 GZ Y5	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
21 GZ Y1	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
21 GZ 01	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved
21 GZ 02	There is no credit enhancement mechanism for this bond	As of the end of the Reporting Period, the debt repayment plan and other debt repayment guarantee measures of the current bond have not changed significantly from the stipulations in the prospectus	No	Not involved	Not involved	Not involved	Not involved

7. Explanations of other situations of corporate bonds

✓ Applicable Not Applicable

On 2 March 2021, the first bondholder meeting in 2021 of "19 CEEC Y1", "20 CEEC Y1" and "20 CEEC Y2" was held by means of communication, at which, the Proposal on the Absorption and Merger of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司) through Share Swap by China Energy Engineering Corporation Limited (中國能源建設股份有限公司) was approved.

On 24 February 2021, the first bondholder meeting in 2021 of "16 GZ 02", "16 GZ 03", "16 GZ Y2", "16 GZ Y4", "19 GZ 01", "19 GZ Y1", "19 GZ 02", "19 GZ 03", "20 GZ Y1", "20 GZ Y2", "20 GZ Y4" and "20 GZ Y5" was held by means of communication, at which, the Proposal on China Gezhouba Group Company Limited (中國葛洲壩集團有限公司) inheriting "16 GZ 02", "16 GZ 03", "16 GZ Y2", "16 GZ Y4", "19 GZ 01", "19 GZ Y1", "20 GZ Y1", "20 GZ Y2", "20 GZ Y4" and "20 GZ Y5" upon the completion of the Absorption and Merger of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司) was approved.

On 4 June 2021, the first bondholder meeting in 2021 of "21 GZ Y1", "21 GZ 01" and "21 GZ 02" was held by means of communication, at which, the Proposal on Shortening the Convening and Holding Schedule of the Bondholders Meeting and the Proposal on China Gezhouba Group Company Limited (中國葛洲壩集團有限公司) inheriting "21 GZ Y1", "21 GZ 01" and "21 GZ 02" upon the completion of the Absorption and Merger of China Gezhouba Group Company Limited (中國葛洲壩集團有限公司) through Share Swap by China Energy Engineering Corporation Limited (中國能源建設股份有限公司) was approved.

Bonds

(III) Debt Financing Instruments for Non-Financial Corporates in the Interbank Bond Market

Applicable Not Applicable

1. Basic information on debt financing instruments of non-financial enterprises

Unit: Yuan Currency: RMB

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Outstanding bonds	Interest Rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
First tranche of medium-term notes in 2015 of China Energy Engineering Group Co., Ltd. (中国能源建设集团股份公司2015年度第一期中票)	13 CECC MTN1	1382025	2013-1-17	2013-1-18	2023-1-18	3,000,000,000	5.37	The bonds are paid annually, and the principal is repaid in one lump sum upon maturity. Interest is paid annually, and the final instalment of interest is paid with the principal.	Inter-bank Bond Market of the PRC	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
First tranche of medium-term notes in 2021 of China Energy Engineering Corporation Limited (中国能源建设股份有限公司2021年度第一期中票)	21 CECC MTN001	102102154	2021-10-25	2021-10-27	2021-10-27	2,000,000,000	3.67	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
First tranche of green medium-term notes (Carbon Neutral Bonds) in 2021 of China Energy Engineering Corporation Limited (中国能源建设股份有限公司2021年度第一期绿色中期票据(碳中和))	21 CECC GN001	132100150	2021-11-16	2021-11-18	2021-11-18	1,500,000,000	3.33	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No
First tranche of medium-term notes in 2019 of China Gezhouba Group Stock Company Limited (中国葛州坝集团股份有限公司2019年度第一期中票)	19 Gezhouba MTN001	101901729	2019-12-17	2019-12-18	2019-12-18	5,000,000,000	4.17	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Qualified investor	Bids, Offers, Inquiries and Agreement Transactions	No

Bonds

Response of the Company to the risk of delisting and trading of bonds

Applicable Not Applicable

Overdue bonds

Applicable Not Applicable

Interest payment during the Reporting Period

Applicable Not Applicable

Name of bonds	Interest payment
First tranche of medium-term notes in 2013 of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司2013年度第一期中期票據)	On 18 January 2021, the issuer paid in full of the interest of 13 CEEC MTN1 for the period from 18 January 2020 to 17 January 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 13 CEEC MTN1.
First tranche of ultra-short-term financing bonds in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期超短期融資券)	On 15 December 2021, the issuer paid in full of the last annual interest and the principal of the bond of 21 CEEC SCP001 for the period from 21 October 2021 to 14 December 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 CEEC SCP001.
First tranche of medium-term notes in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期中期票據)	During the Reporting Period, 21 CEEC MTN001 did not involved payment of interest due or payment of principal.
First tranche of green medium-term notes (Carbon Neutral Bonds) in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期綠色中期票據(碳中和債))	During the Reporting Period, 21 CEEC GN001 (Carbon Neutral Bonds) did not involved payment of interest due or payment of principal.
First tranche of short-term financing bonds (epidemic prevention and control) in 2020 of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2020年度第一期短期融資券(疫情防控債))	On 26 April 2021 (24 April 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the last annual interest and the principal of the bond of 20 Gezhouba (epidemic prevention and control) CP001 for the period from 24 April 2020 to 23 April 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 Gezhouba (epidemic prevention and control) CP001.
First tranche of medium-term notes in 2019 of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年度第一期中期票據)	On 20 December 2021 (18 December 2021 was a rest day, so postponed to the next trading day), the issuer paid in full of the interest of 19 Gezhouba MTN001 for the period from 18 December 2020 to 17 December 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 Gezhouba MTN001.
Second tranche of medium-term notes in 2016 of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2016年度第二期中期票據)	On 20 September 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 Gezhouba MTN002 for the period from 20 September 2020 to 19 September 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 Gezhouba MTN002.
First tranche of medium-term notes in 2016 of China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2016年度第一期中期票據)	On 31 May 2021, the issuer paid in full of the last annual interest and the principal of the bond of 16 Gezhouba MTN001 for the period from 31 May 2020 to 30 May 2021. During the Reporting Period, there was no late payment of due interest or late payment of principal of 16 Gezhouba MTN001.

Bonds

2. *Triggering and enforcement of the option clause, the investor protection clause of the issuer or investors*

Applicable Not Applicable

On 31 May 2021, China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of the Company, exercised the redemption right of "16 Gezhouba MTN001" to redeem all the "16 Gezhouba MTN001" registered on the registration date with principal amount of redemption totalled RMB3 billion.

On 20 September 2021, China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of the Company, exercised the redemption right of "16 Gezhouba MTN002" to redeem all the "16 Gezhouba MTN002" registered on the registration date with principal amount of redemption totalled RMB3 billion.

3. *Agencies providing services for bond issuance and duration business*

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Agricultural Bank of China Limited	No. 69, Jianguomennei Avenue, Dongcheng District, Beijing	/	An Liwei, Wang Bingshan	010-85109045 010-85106292
China Everbright Bank Company Limited	Everbright Center, No. 25 Taipingqiao Street, Xicheng District, Beijing	/	You Zhiyi	010-66566088
Beijing Jia Yuan Law Offices	F408 Ocean Plaza, 158 Fuxingmennei Avenue, Xicheng District, Beijing	/	Qiman	010-66413377
Hubei Dingjun Law Firm	17th Floor, Building 88, Gaoxiong Road, Jiang'an District, Wuhan	/	Huang Hua	15071326201
Da Hua Certified Public Accountants (Special General Partnership)	Room 1101, Building 7, Yard 16, Middle West Fourth Ring Road, Haidian District, Beijing	Zou Jifeng, Liu Jun	Zhang Qiong	010-88827468
BDO China Shu Lun Pan Certified Public Accountants LLP	4th Floor, No. 61 Nanjing East Road, Huangpu District, Shanghai	Xu Peimei, Long Yong	Xu Peimei, Long Yong	010-56730090
Zhongxinghua Certified Public Accountants LLP	20th Floor, Building B, Lize SOHO, Building 1, Yard 20, Lize Road, Fengtai District, Beijing	Wang Kedong, Kang Lili	Wang Kedong	010-51423818
Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	Room 1304 No.398 Hankou Road, Huangpu District, Shanghai	/	Zhang Yongjie	18600048666

Changes in the above-mentioned intermediary agencies

Applicable Not Applicable

Bonds

4. Use of proceeds as at the end of the Reporting Period✓ Applicable Not Applicable

Unit: Yuan Currency: RMB

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
13 CEEC MTN1	3,000,000,000	3,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
21 CEEC MTN001	2,000,000,000	2,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
21 CEEC GN001 (Carbon Neutral Bonds)	1,500,000,000	1,500,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
19 Gezhouba MTN001	5,000,000,000	5,000,000,000	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

The progress of the proceeds for the construction project and their operational benefits✓ Applicable Not Applicable

The Company used the proceeds for construction projects in accordance with the relevant stipulations in the prospectus. The progress and operational benefits of the projects under construction and completed projects were in line with the Company's expectations, which guaranteed the on-time repayment of debts.

Explanation on the changes in the use of proceeds raised from the above bonds during the Reporting Period Applicable ✓ Not Applicable**Other explanations** Applicable ✓ Not Applicable

Bonds

5. Adjustment of credit rating results

Applicable Not Applicable

Name of bonds	Name of the credit rating agency	Level of credit rating	Changes in rating outlook	Reasons for changes in credit rating
13 CEEC MTN1	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	AAA	Stable	Not involved
21 CEEC MTN001	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	AAA	Stable	Not involved
21 CEEC GN001 (Carbon Neutral)	Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	AAA	Stable	Not involved
19 Gezhoubu MTN001	China Lianhe Credit Rating Co., Ltd.	AAA	Stable	Not involved

Other explanations

Applicable Not Applicable

6. Implementation and changes of guarantees, debt repayment plans and other debt repayment guarantee measures during the Reporting Period and their impact

Applicable Not Applicable

7. Explanations on other situations of debt financing instruments of non-financial enterprises

Applicable Not Applicable

On 2 March 2021, the first bondholder meeting in 2021 of "13 CEEC MTN1" was held by means of communication, at which the Proposal on Absorption and Merger of CGGC through Share Swap by China Energy was approved.

On 2 February 2021, the first bondholders' meeting in 2021 of "16 Gezhoubu MTN001" and "16 Gezhoubu MTN 002" was held by means of communication, at which the Proposal on the first holder meeting in 2021 of "16 Gezhoubu MTN001" of China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司) and the Proposal related to the "16 Gezhoubu MTN 002" bondholders' meeting" were approved.

On 22 February 2021, the first bondholder meeting in 2021 of "20 Gezhoubu (epidemic prevention and control) CP001" and "19 Gezhoubu MTN001" was held by means of communication, at which, the Proposal on China Gezhoubu Group Company Limited (中國葛洲壩集團有限公司) inheriting "20 Gezhoubu (epidemic prevention and control) CP001" and "19 Gezhoubu MTN001" upon the completion of the Absorption and Merger of CGGC through Share Swap by China Energy was approved.

(IV) Losses Exceeded 10% of the Net Assets as at the End of the Previous Year under the Company's Consolidated Statements during the Reporting Period

Applicable Not Applicable

Bonds

(V) Overdue of Interest-Bearing Debts other Than Bonds as at the End of the Reporting Period

Applicable Not Applicable

(VI) Impact on the Rights and Interests of Bond Investors due to Violations of Laws and Regulations, Articles of Association, Management System for Information Disclosure, and the Stipulations or Commitments in the Bond Prospectus During the Reporting Period

Applicable Not Applicable

(VII) Accounting Data and Financial Indicators of the Company for the Recent Two Years as at the End of the Reporting Period

Applicable Not Applicable

Unit: '000 Currency: RMB

Major indicators	2021	2020	Increase or decrease in the current period as compared with the corresponding period of last year (%)	Reason for change
Net profit after deducting non-recurring gains and losses	5,071,829	3,683,494	37.69	
Current ratio	1.15	1.14	0.01	
Quick ratio	0.93	0.90	0.03	
Gearing ratio (%)	71.69	71.03	0.66	
EBITDA to total debts ratio	0.06	0.06	–	
Interest coverage ratio	4.88	4.65	0.12	
Cash interest coverage ratio	2.69	2.22	0.247	
EBITDA interest coverage ratio	6.33	5.92	0.24	
Loan repayment rate (%)	100.00	100.00	–	
Interest repayment ratio (%)	140.09	138.38	1.71	

II. CONVERTIBLE CORPORATE BONDS

Applicable Not Applicable

Financial Report

I. AUDITORS' REPORT

Applicable Not Applicable

Financial Report

KPMG Huazhen Shen Zi No. 2204171

The Shareholders of China Energy Engineering Corporation Limited:

I. AUDIT OPINION

We have audited the accompanying financial statements of China Energy Engineering Corporation Limited ("CEEC"), which comprise the consolidated and company balance sheets as at 31 December 2021, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year 2021, and relevant notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of CEEC as at 31 December 2021, and the consolidated and company financial performance and cash flows of CEEC for the year 2021 in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants ("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 CEEC in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)

Construction contract accounting estimates

Refer to the accounting policies set out in Note “V. 24 Significant Accounting Policies and Accounting Estimates”, “VII. 47 Notes to Items in the Consolidated Financial Statements” and “XVII. 4 Notes to Main Items of the Company Financial Statements” to the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The business of CEEC involves entering into infrastructure construction contracts with customers mainly in the power industry to provide construction services.</p> <p>The recognition of revenue and costs from construction contracts of CEEC is based on the progress of performance. The performance progress is determined based on the proportion of contract costs incurred to total estimated contract costs.</p>	<p>Our audit procedures related to assessing reasonableness of accounting estimates for construction contract primarily included the following:</p> <ul style="list-style-type: none"> • assessing the design and operating effectiveness of key internal controls related to budget process and construction contract revenue recognition; • selecting contracts using various quantitative and qualitative criteria, and performing the following procedures for each contract selected: <ul style="list-style-type: none"> – inspecting the contract and discussing with management to obtain an understanding of the specific terms and risks associated with the individual construction contracts; – assessing and challenging the underlying judgements of management’s assessment of total estimated contract costs and uncompleted costs where it was still in progress at the end of the year, which included making enquiries of internal engineers and management about the basis and key assumptions adopted in arriving at the budgeted costs and comparing the key inputs in the budgets with similar projects of CEEC and market condition; • testing the mathematical accuracy of the calculation of progress of performance, and comparing the progress of performance with third party supervision report or latest billing statements with project owners, where applicable on a sample basis; • inspecting contract costs on a sample basis, and checking the contract costs with suppliers’ contracts, goods receipt notes and other relevant documentations;

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)

Construction contract accounting estimates

Refer to the accounting policies set out in Note "V. 24 Significant Accounting Policies and Accounting Estimates", "VII. 47 Notes to Items in the Consolidated Financial Statements" and "XVII. 4 Notes to Main Items of the Company Financial Statements" to the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>Recognising revenue and costs from construction contracts requires management and internal engineers of CEEC to make a number of judgemental assumptions in relation to estimating the total costs for individual construction contracts. These assumptions include estimating future labour costs and costs of materials required to complete the construction based on the customised specifications of individual construction contracts. When estimated total contract cost exceeds total contract revenue for an individual construction contract or there are other circumstances indicating an expected loss on an individual construction contract and such loss is not recoverable from its customers, management makes provision of estimated liabilities for foreseeable loss.</p> <p>We identified accuracy of construction contract accounting estimates as a key audit matter because of the significant management judgement required in preparing and revising budgets and forecasting the outcome for individual construction contracts at the end of the year, which may affect the calculations of percentage of completion for individual construction contracts and the corresponding revenue and profit or loss recognised for the period.</p>	<ul style="list-style-type: none"> • identifying and assessing possible onerous contracts by comparing the total budgeted costs of individual construction contracts, taking into consideration the actual costs incurred as of the end of the year, with the total contract revenue with customers; • assessing the impact of possible management bias in budgeting costs by: <ul style="list-style-type: none"> – assessing the accuracy of historical estimates made by management when preparing budgets for construction contracts by comparing the budgeted costs estimated by management at the end of the period with the actual costs incurred in respect of these individual construction contracts; and – enquiring of management about the reasons for any changes in budgeted costs for individual construction contracts which was still in progress at the end of the year and under or over-spending for construction contracts and considering the impact of such reasons on the budgeted costs for other ongoing construction contracts; • performing site visits to a sample of contracts in progress at the end of the year and discussing with site project managers and internal engineers the state of completion, service provided and goods delivered; • assessing the rationality of the presentation and related disclosures in the financial statements with reference to the requirements of relevant accounting standards.

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)

Impairment of accounts receivable and contract assets

Refer to the accounting policies set out in Note “V. 9(6) Significant Accounting Policies and Accounting Estimates” and “VII. 5 and 10 Notes to Items in the Consolidated Financial Statements” to the financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>Based on the expected credit loss rate of each type of accounts receivable and contract assets, CEEC measures the impairment provision for accounts receivable and contract assets based on the amount of lifetime expected credit losses. The expected credit loss ratio takes into account the overdue age of receivables, historical collection history of customers, market condition and forward-looking information. Such assessment involves significant management judgements and estimates.</p> <p>As the determination of expected credit loss allowance involved significant management judgments and inherent uncertainties, we identified the impairment of accounts receivable and contract assets as a key audit matter.</p>	<p>Our audit procedures related to assessing impairment of accounts receivable and contract assets primarily included the following:</p> <ul style="list-style-type: none"> • obtaining an understanding of and assessing the design and implementation of key internal controls relating to credit control, debt collection, estimate of expected credit losses and provision of impairment; • assessing whether the accounting policy of impairment provision of CEEC complies with the requirements of relevant accounting standards; • understanding the key parameters and assumptions used under the expected credit loss model of CEEC, including basis for management to group accounts receivable and contract assets based on customer credit risk characteristics, as well as historical loss data included in management’s expected credit loss rate, etc. • evaluating whether management has made adjustments to historical loss rate considering current market condition and forward-looking information when determining historical credit loss rate by examining the information used by management to make relevant estimates, including the accuracy of historical loss data, and evaluating the appropriateness of management’s expected credit loss estimates.

Financial Report

IV. OTHER INFORMATION

The management of China Energy Engineering Corporation Limited is responsible for the other information. The other information comprises the information included in 2021 annual report of China Energy Engineering Corporation Limited, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

V. 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 Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing CEEC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate CEEC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing ABC Company's financial reporting process.

VI. RESPONSIBILITIES OF CERTIFIED PUBLIC ACCOUNTANT 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Financial Report

VI. RESPONSIBILITIES OF CERTIFIED PUBLIC ACCOUNTANT FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism 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.
- (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 CEEC'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 CEEC to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, 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 CEEC to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Financial Report

VI. RESPONSIBILITIES OF CERTIFIED PUBLIC ACCOUNTANT FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Huazhen LLP

Certified Public Accountants Registered in the People's Republic of China

Wu Xuchu (Engagement Partner)

Beijing, China

Guo Chengzhan

29 March 2022

Financial Report

II. FINANCIAL STATEMENTS

Consolidated Balance Sheet

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Unit: '000 Currency: RMB

Item	Note	As at 31 December 2021	As at 31 December 2020
Current assets:			
Cash at bank and on hand	VII.1	58,299,098	56,434,911
Financial assets held for trading	VII.2	3,020,714	2,957,693
Derivative financial assets		574	–
Bills receivables	VII.4	8,582,571	8,591,839
Trade receivables	VII.5	56,955,906	51,086,143
Receivables financing	VII.6	2,315,441	4,637,568
Prepayments	VII.7	28,462,031	25,257,704
Other receivables	VII.8	18,359,105	16,922,381
Financial assets purchased with agreement to re-sale	VII.3	–	4,002,000
Inventories	VII.9	58,609,378	61,529,312
Contract assets	VII.10	64,953,377	48,237,627
Assets held for sale		164,255	13,970
Non-current assets due within one year	VII.11	971,540	1,121,860
Other current assets	VII.12	9,241,827	7,358,029
Total current assets		309,935,817	288,151,037

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (CONTINUED)

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2021	As at 31 December 2020
Non-current assets:			
Loans and advances to customers	VII.13	2,792,532	1,204,549
Long-term receivables	VII.14	18,939,087	28,077,941
Long-term equity investments	VII.15	38,302,746	28,954,044
Other investment in equity instruments	VII.16	2,389,523	2,310,578
Other non-current financial assets	VII.17	7,647,103	6,686,063
Investment properties	VII.18	637,191	750,449
Fixed assets	VII.19	39,586,551	33,243,026
Construction in progress	VII.20	7,802,025	7,040,563
Right-of-use assets	VII.67	1,587,653	1,068,137
Intangible assets	VII.21	68,110,054	61,598,646
Development expenditure		32,539	139,096
Goodwill	VII.22	2,161,575	2,140,397
Long-term prepaid expenses		608,249	648,021
Deferred income tax assets	VII.23	2,397,842	2,276,429
Other non-current assets	VII.24	25,932,101	11,762,936
Total non-current assets		218,926,771	187,900,875
Total assets		528,862,588	476,051,912

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (CONTINUED)

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2021	As at 31 December 2020
Current liabilities:			
Short-term borrowings	VII.25	15,772,251	11,422,960
Bills payables	VII.27	12,422,080	13,095,122
Trade payables	VII.28	124,576,834	100,468,882
Contract liabilities	VII.29	61,251,492	58,832,766
Receipts of deposits and deposits from other banks	VII.26	2,921,494	3,095,579
Employee benefits payable	VII.30	2,123,066	2,127,767
Taxes payable	VII.31	7,465,938	5,735,380
Other payables	VII.32	30,565,521	34,275,621
Non-current liabilities due within one year	VII.33	6,856,228	16,536,086
Other current liabilities	VII.34	6,567,005	7,512,159
Total current liabilities		270,521,909	253,102,322
Non-current liabilities:			
Long-term borrowings	VII.35	84,618,293	62,974,897
Bonds payable	VII.36	11,292,484	9,995,381
Lease liabilities	VII.67	1,121,822	596,678
Long-term payables		818,350	706,829
Long-term employee benefits payable	VII.37	8,322,823	8,539,784
Estimated liabilities	VII.34	68,403	40,973
Deferred income	VII.38	661,164	674,781
Deferred income tax liabilities	VII.23	1,518,085	1,344,089
Other non-current liabilities	VII.39	185,255	147,321
Total non-current liabilities		108,606,679	85,020,733
Total liabilities		379,128,588	338,123,055

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (CONTINUED)

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2021	As at 31 December 2020
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)	VII.40	41,691,163	30,020,396
Other equity instruments	VII.41	9,500,000	9,500,000
Including: Perpetual bonds		9,500,000	9,500,000
Capital reserve	VII.42	16,731,128	8,106,266
Other comprehensive income	VII.43	(77,520)	123,790
Special reserve	VII.44	648,786	557,757
Surplus reserve	VII.45	5,563,652	4,461,490
Undistributed profits	VII.46	20,141,471	15,647,219
Total equity attributable to owners' equity (or Shareholders' equity) of the parent company		94,198,680	68,416,918
Minority interests		55,535,320	69,511,939
Total owners' equity (or Shareholders' equity)		149,734,000	137,928,857
Total liabilities and owners' equity (or Shareholders' equity)		528,862,588	476,051,912

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Unit: '000 Currency: RMB

Item	Note	As at 31 December 2021	As at 31 December 2020
Current assets:			
Cash at bank and on hand		2,065,299	2,731,384
Other receivables	XVII.2	3,742,159	2,514,559
Non-current assets due within one year		–	585,177
Other current assets		300,000	2,578,697
Total current assets		6,107,458	8,409,817
Non-current assets:			
Long-term equity investments	XVII.3	86,461,917	54,701,322
Other investment in equity instruments		13,000	13,000
Other non-current financial assets		169,313	99,596
Fixed assets		17,550	4,060
Intangible assets		20,649	11,806
Development expenditure		2,391	896
Long-term prepaid expenses		815	960
Other non-current assets		47,717	539,650
Total non-current assets		86,733,352	55,371,290
Total assets		92,840,810	63,781,107

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (CONTINUED)

As at 31 December 2021

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2021	As at 31 December 2020
Current liabilities:			
Short-term borrowings		–	200,000
Employee benefits payable		24,241	14,423
Taxes payable		2,040	1,602
Other payables	XVII.1	3,444,835	3,944,433
Non-current liabilities due within one year		167,890	4,552
Total current liabilities		3,639,006	4,165,010
Non-current liabilities:			
Long-term borrowings		1,000,000	1,000,000
Bonds payable		2,997,261	5,995,381
Long-term payables		31,142	22,408
Deferred income		601	181
Total non-current liabilities		4,029,004	7,017,970
Total liabilities		7,668,010	11,182,980
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)		41,691,163	30,020,396
Other equity instruments		9,500,000	9,500,000
Capital reserve		31,884,102	11,457,815
Surplus reserve		964,914	808,210
Undistributed profits		1,132,621	811,706
Total owners' equity (or Shareholders' equity)		85,172,800	52,598,127
Total liabilities and owners' equity (or Shareholders' equity)		92,840,810	63,781,107

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2021	2020
I. Total operating revenue	VII.47	322,318,565	270,327,662
II. Total operating cost		308,222,995	258,900,161
Including: Operating cost	VII.47	279,909,972	233,601,104
Tax and surcharges	VII.48	1,436,858	1,695,076
Selling and distribution expenses	VII.49	1,667,424	1,471,251
Administrative expenses	VII.50	12,746,643	11,555,336
Research and development expenses	VII.51	8,789,472	6,784,810
Finance costs	VII.52	3,672,626	3,792,584
Including: Interest expenses		3,362,582	3,299,926
Interest income		336,451	361,020
Add: Other gains	VII.53	1,043,858	1,281,351
Investment income (loss represented by "-")	VII.54	471,875	558,505
Including: Gains from investment in associates and joint ventures		101,040	240,577
Gains on derecognition of financial assets at amortized cost		(150,782)	(195,356)
Gains from exchange Gains on changes in fair value (loss represented by "-")		(1,483)	(4,179)
Gains on changes in fair value (loss represented by "-")	VII.55	8,139	570,878
Credit impairment losses (loss represented by "-")	VII.56	(993,373)	(1,420,852)
Assets impairment losses (loss represented by "-")	VII.57	(858,814)	(325,763)
Gains on disposals of assets (loss represented by "-")	VII.58	809,897	432,783
III. Operating profit (loss represented by "-")		14,575,669	12,520,224
Add: Non-operating income	VII.59	331,850	262,877
Less: Non-operating expense	VII.60	1,857,136	742,856
IV. Total profit (loss represented by "-")		13,050,383	12,040,245
Less: Income tax expense	VII.61	3,452,839	3,403,302

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (CONTINUED)

January to December 2021

Item	Note	2021	2020
V. Net profit (loss represented by "-")		9,597,544	8,636,943
(I) Classified by continuity of operations			
1. Net profit from continuing operations (loss represented by "-")		9,597,544	8,636,943
2. Net profit from discontinued operations (loss represented by "-")		–	–
(II) Classified by ownership of equity			
1. Net profit attributable to shareholders of the parent (loss represented by "-")		6,504,102	4,670,576
2. Minority interests(loss represented by "-")		3,093,442	3,966,367
VI. Other comprehensive income, net of tax		(130,720)	260,539
(I) Other comprehensive income attributable to the owners of the parent, net of tax		(68,230)	169,434
1. Other comprehensive income that cannot be reclassified to profit or loss		(23,895)	781,482
(1) Changes arising from the re-measurement of defined benefit plan		(45,670)	399,163
(2) Change in fair value of other investment in equity instrument		21,775	382,319
2. Other comprehensive income that will be reclassified to profit or loss		(44,335)	(612,048)
(1) Translation differences on translation of foreign currency financial statements		(44,335)	(612,048)
(II) Other comprehensive income attributable to minority interests, net of tax		(62,490)	91,105
VII. Total comprehensive income		9,466,824	8,897,482
(I) Total comprehensive income attributable to the owners of the parent		6,435,872	4,840,010
(II) Total comprehensive income attributable to minority interests		3,030,952	4,057,472
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	VII.62	0.19	0.15
(II) Diluted earnings per share (RMB/share)	VII.62	0.19	0.15

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Income Statement of the Parent

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2021	2020
I. Operating revenue	XVII.4	132,310	82,737
Less: Operating cost	XVII.4	–	–
Administrative expenses		407,050	307,616
Research and development expenses		9,375	10,500
Finance costs		229,477	304,891
Including: Interest expenses		271,818	348,721
Interest income		43,361	38,648
Add: Other gains		–	545
Investment income (loss represented by “-”)	XVII.5	2,033,573	1,193,336
II. Operating profit (loss represented by “-”)		1,519,981	653,611
Add: Non-operating income		3,705	328
Less: Non-operating expense		5,300	100
III. Total profit (loss represented by “-”)		1,518,386	653,839
Less: Income tax expense		–	–
IV. Net profit (loss represented by “-”)		1,518,386	653,839
(I) Net profit from continuing operations (loss represented by “-”)		1,518,386	653,839
(II) Net profit from discontinued operations (loss represented by “-”)		–	–
V. Other comprehensive income, net of tax		–	–
VI. Total comprehensive income		1,518,386	653,839

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2021	2020
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		313,302,294	259,351,149
Refund of taxes and surcharges		636,730	1,825,791
Cash received relating to other operating activities	VII.63(1)	891,460	3,434,707
Sub-total of cash inflows from operating activities		314,830,484	264,611,647
Cash paid for goods and services		259,555,145	212,702,046
Cash paid to and on behalf of employees		27,544,660	24,700,817
Payments of taxes and surcharges		10,729,245	11,058,227
Cash paid relating to other operating activities	VII.63(2)	8,157,256	9,660,457
Sub-total of cash outflows from operating activities		305,986,306	258,121,547
Net cash flows from operating activities	VII.63(1)	8,844,178	6,490,100
II. Cash flows from investing activities:			
Cash received from disposal of investments		10,447,132	6,518,389
Cash received from returns on investments		1,186,367	1,720,748
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		950,970	930,736
Net cash received from disposal of subsidiaries and other business units	VII.64(2)	878,604	697,792
Cash received relating to other investing activities	VII.63(3)	5,091,136	4,147,559
Sub-total of cash inflows from investing activities		18,554,209	14,015,224
Cash paid to acquire fixed assets, intangible assets and other long-term assets		14,042,982	15,004,483
Cash paid on investments		19,188,395	14,936,703
Net cash paid to acquire subsidiaries and other business units	VII.64(2)	522,891	1,047,707
Cash paid relating to other investing activities	VII.63(4)	3,453,048	3,218,118
Sub-total of cash outflows from investing activities		37,207,316	34,207,011
Net cash flows from investing activities		(18,653,107)	(20,191,787)

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement (CONTINUED)

January to December 2021

Item	Note	2021	2020
III. Cash flow from financing activities:			
Cash received from capital contribution		22,658,379	20,545,917
Including: Cash received from capital contributions by minority shareholders of subsidiaries		19,158,379	14,045,917
Cash received from borrowings		62,323,727	46,406,862
Cash received relating to other financing activities		3,266,298	2,997,437
Sub-total of cash inflows from financing activities		88,248,404	69,950,216
Cash repayments of borrowings		44,852,355	35,635,404
Cash payments for distribution of dividends or profits or interest expenses		9,152,228	8,867,583
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries		1,857,142	1,424,087
Cash paid relating to other financing activities		21,919,981	3,310,767
Sub-total of cash outflows from financing activities		75,924,564	47,813,754
Net cash flows from financing activities		12,323,840	22,136,462
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(172,373)	(1,198,110)
V. Net increase in cash and cash equivalents		2,342,538	7,236,665
Add: Balance of cash and cash equivalents at the beginning of the period		49,861,244	42,624,579
VI. Balance of cash and cash equivalents at the end of the period		52,203,782	49,861,244

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Cash Flows Statement of the Parent

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2021	2020
I. Cash flows from operating activities:			
Cash received relating to other operating activities		2,606,168	2,405,360
Sub-total of cash inflows from operating activities		2,606,168	2,405,360
Cash paid to and on behalf of employees		182,569	148,145
Payments of taxes and surcharges		11,201	105
Cash paid relating to other operating activities		2,894,665	1,472,084
Sub-total of cash outflows from operating activities		3,088,435	1,620,334
Net cash flows from operating activities		(482,267)	785,026
II. Cash flows from investing activities:			
Cash received from disposal of investments		3,078,696	–
Cash received from returns on investments		1,127,794	1,158,864
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		–	188
Net cash received from disposal of subsidiaries and other business entities		891,426	–
Cash received relating to other investing activities		–	1,577,505
Sub-total of cash inflows from investing activities		5,097,916	2,736,557
Cash paid to acquire fixed assets, intangible assets and other long-term assets		5,806	7,162
Cash paid on investments		743,717	3,892,138
Cash paid relating to other investing activities		–	2,578,697
Sub-total of cash outflows from investing activities		749,523	6,477,997
Net cash flows from investing activities		4,348,393	(3,741,440)

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Cash Flows Statement of the Parent (CONTINUED)

January to December 2021

Item	Note	2021	2020
III. Cash flow from financing activities:			
Cash received from capital contribution		3,500,000	6,500,000
Cash received from borrowings		4,300,000	1,200,000
Sub-total of cash inflows from financing activities		7,800,000	7,700,000
Cash repayments of borrowings		11,000,000	1,414,981
Cash payments for distribution of dividends, profit or interest expenses		1,332,211	1,345,216
Cash paid relating to other financing activities		–	44,572
Sub-total of cash outflows from financing activities		12,332,211	2,804,769
Net cash flows from financing activities		(4,532,211)	4,895,231
IV. Effect of foreign exchange rate changes on cash and cash equivalents		–	(719)
V. Net increase in cash and cash equivalents		(666,085)	1,938,098
Add: Balance of cash and cash equivalents at the beginning of the period		2,731,384	793,286
VI. Balance of cash and cash equivalents at the end of the period		2,065,299	2,731,384

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2021									Total owners' equity
		Equity attributable to the owners of the parent									
		Paid-in capital (or share capital)	Other equity instruments Perpetual bonds	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total	Minority interests	
I. Balance at the beginning of the previous year		30,020,396	9,500,000	8,106,266	123,790	557,757	4,461,490	15,647,219	68,416,918	69,511,939	137,928,857
II. Balance at the beginning of the year		30,020,396	9,500,000	8,106,266	123,790	557,757	4,461,490	15,647,219	68,416,918	69,511,939	137,928,857
III. Changes for the period (decrease represented by "-")		11,670,767	-	8,624,862	(201,310)	91,029	1,102,162	4,484,252	25,781,762	(13,976,619)	11,805,143
(I) Total comprehensive income		-	-	-	(68,230)	-	-	6,504,102	6,435,872	3,030,952	9,466,824
(II) Contribution from owners and reduction of capital		11,670,767	-	8,624,862	-	-	-	-	20,295,629	(13,917,453)	6,378,176
1. Capital contribution by the owners		-	-	-	-	-	-	-	-	6,693,033	6,693,033
2. Capital contribution by other equity instrument holders	VII.41	-	3,500,000	-	-	-	-	-	3,500,000	12,386,071	15,886,071
3. Reduction of capital by other equity instrument holders	VII.41	-	(3,500,000)	-	-	-	-	-	(3,500,000)	(12,680,000)	(16,180,000)
4. Acquisition of subsidiaries		-	-	-	-	-	-	-	-	(35,395)	(35,395)
5. Disposal of subsidiaries		-	-	-	-	-	-	-	-	7,957	7,957
6. Acquisition of minority interests by issuance of new shares	VII.40	11,670,767	-	8,545,587	-	-	-	-	20,216,354	(20,216,354)	-
7. Others		-	-	79,275	-	-	-	-	79,275	(72,765)	6,510
(III) Profit distribution	VII.46	-	-	-	-	-	1,102,162	(2,142,930)	(1,040,768)	(3,157,383)	(4,198,151)
1. Withdrawn from surplus reserve		-	-	-	-	-	1,102,162	(1,102,162)	-	-	-
2. Distribution to the owners (or Shareholders)		-	-	-	-	-	-	(675,459)	(675,459)	(1,790,422)	(2,465,881)
3. Distribution of interests from perpetual bonds		-	-	-	-	-	-	(365,309)	(365,309)	(1,366,961)	(1,732,270)
(IV) Internal carry-forward of owners' equity		-	-	-	(133,080)	-	-	133,080	-	-	-
1. Other comprehensive income carried forward to retained earnings		-	-	-	(133,080)	-	-	133,080	-	-	-
(V) Special reserve		-	-	-	-	91,029	-	-	91,029	67,265	158,294
1. Withdrawn for the period		-	-	-	-	2,836,150	-	-	2,836,150	1,120,319	3,956,469
2. Utilized for the period		-	-	-	-	(2,745,121)	-	-	(2,745,121)	(1,053,054)	(3,798,175)
IV. Balance at the end of the period		41,691,163	9,500,000	16,731,128	(77,520)	648,786	5,563,652	20,141,471	94,198,680	55,535,320	149,734,000

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (CONTINUED)

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2020									
		Share capital	Other equity instruments Perpetual bonds	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total	Minority interests	Total Shareholders' equity
I. Balance at the beginning of the previous year		30,020,396	3,000,000	8,101,548	54,188	548,048	3,077,703	13,342,879	58,144,762	55,145,590	113,290,352
II. Balance at the beginning of the year		30,020,396	3,000,000	8,101,548	54,188	548,048	3,077,703	13,342,879	58,144,762	55,145,590	113,290,352
III. Changes for the period (decrease represented by "-")		-	6,500,000	4,718	69,602	9,709	1,383,787	2,304,340	10,272,156	14,366,349	24,638,505
(I) Total comprehensive income		-	-	-	169,434	-	-	4,670,576	4,840,010	4,057,472	8,897,482
(II) Contribution from owners and reduction of capital		-	6,500,000	4,718	-	-	-	-	6,504,718	12,951,530	19,456,248
1. Ordinary shares contributed by the owners		-	-	-	-	-	-	-	-	5,706,910	5,706,910
2. Capital contribution by other equity instrument holders	VII.41	-	6,500,000	-	-	-	-	-	6,500,000	8,304,433	14,804,433
3. Reduction of capital by other equity instrument holders	VII.41	-	-	-	-	-	-	-	-	(1,220,000)	(1,220,000)
4. Acquisition of subsidiaries		-	-	-	-	-	-	-	-	66,503	66,503
5. Disposal of subsidiaries		-	-	-	-	-	-	-	-	(6,477)	(6,477)
6. Others		-	-	4,718	-	-	-	-	4,718	100,161	104,879
(III) Profit distribution	VII.46	-	-	-	-	-	1,383,787	(2,466,068)	(1,082,281)	(2,688,095)	(3,770,376)
1. Withdrawn from surplus reserve		-	-	-	-	-	1,383,787	(1,383,787)	-	-	-
2. Distribution to the owners (or Shareholders)		-	-	-	-	-	-	(918,624)	(918,624)	(1,618,457)	(2,537,081)
3. Distribution of interests from perpetual bonds		-	-	-	-	-	-	(163,657)	(163,657)	(1,069,638)	(1,233,295)
(IV) Internal carry-forward of owners' equity		-	-	-	(99,832)	-	-	99,832	-	-	-
1. Other comprehensive income carried forward to retained earnings		-	-	-	(99,832)	-	-	99,832	-	-	-
(V) Special reserve		-	-	-	-	9,709	-	-	9,709	45,442	55,151
1. Withdrawn for the period		-	-	-	-	2,148,826	-	-	2,148,826	730,629	2,879,455
2. Utilized for the period		-	-	-	-	(2,139,117)	-	-	(2,139,117)	(685,187)	(2,824,304)
IV. Balance at the end of the period		30,020,396	9,500,000	8,106,266	123,790	557,757	4,461,490	15,647,219	68,416,918	69,511,939	137,928,857

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Statement of Changes in Shareholders' Equity of the Parent

January to December 2021

Unit: '000 Currency: RMB

Item Note	附註	2021					Total owners' equity
		Share capital	Other equity instruments Perpetual bonds	Capital reserve	Surplus reserve	Undistributed profits	
I. Balance at the end of the previous year		30,020,396	9,500,000	11,457,815	808,210	811,706	52,598,127
II. Balance at the beginning of the year		30,020,396	9,500,000	11,457,815	808,210	811,706	52,598,127
III. Changes for the period (decrease represented by "-")		11,670,767	-	20,426,287	156,704	320,915	32,574,673
(I) Total comprehensive income		-	-	-	-	1,518,386	1,518,386
(II) Contribution from owners and reduction of capital		11,670,767	-	20,426,287	-	-	32,097,054
1. Capital contribution by other equity instrument holders	VII.41	-	3,500,000	-	-	-	3,500,000
2. Capital withdrawn by other equity instrument holder		-	(3,500,000)	-	-	-	(3,500,000)
3. Acquisition of minority interests		11,670,767	-	20,426,287	-	-	32,097,054
(III) Profit distribution	VII.46	-	-	-	156,704	(1,197,471)	(1,040,767)
1. Withdrawn from surplus reserve		-	-	-	156,704	(156,704)	-
2. Distribution to the owners (or Shareholders)		-	-	-	-	(675,458)	(675,458)
3. Distribution of interests from perpetual bonds		-	-	-	-	(365,309)	(365,309)
IV. Balance at the end of the period		41,691,163	9,500,000	31,884,102	964,914	1,132,621	85,172,800

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II. FINANCIAL STATEMENTS (CONTINUED)

Statement of Changes in Shareholders' Equity of the Parent (CONTINUED)

January to December 2021

Unit: '000 Currency: RMB

Item	Note	2020					Total Shareholders' equity
		Share capital	Other equity instruments Perpetual bonds	Capital reserve	Surplus reserve	Undistributed profits	
I. Balance at the beginning of the previous year		30,020,396	3,000,000	11,457,815	742,826	1,305,532	46,526,569
II. Balance at the beginning of the period		30,020,396	3,000,000	11,457,815	742,826	1,305,532	46,526,569
III. Changes for the period (decrease represented by "-")							
(I) Total comprehensive income		-	6,500,000	-	65,384	(493,826)	6,071,558
(II) Contribution from owners and reduction of capital		-	-	-	-	653,839	653,839
1. Capital contribution by other equity instrument holders		-	6,500,000	-	-	-	6,500,000
2. Amount of share-based payments included in the Shareholders' equity	VII.41	-	6,500,000	-	-	-	6,500,000
(IV) Profit distribution	VII.46	-	-	-	65,384	(1,147,665)	(1,082,281)
1. Withdrawn from surplus reserve		-	-	-	65,384	(65,384)	-
2. Distribution to the owners (or Shareholders)		-	-	-	-	(918,624)	(918,624)
3. Distribution of interests from perpetual bonds		-	-	-	-	(163,657)	(163,657)
IV. Balance at the end of the period		30,020,396	9,500,000	11,457,815	808,210	811,706	52,598,127

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

III. BASIC INFORMATION OF THE COMPANY

1. Company Profile

Applicable Not Applicable

China Energy Engineering Corporation Limited (the "Company") is a joint stock limited company established by way of promotion by China Energy Engineering Group Co., Ltd. ("Energy China Group") and Electric Power Planning & Engineering Institute Co., Ltd. as our promoter, and under the approval document (Guo Zi Gai Ge [2014] No. 1150) issued by State-owned Assets Supervision and Administration Commission of the State Council ("SASAC") on 12 December 2014.

According to the Reply on Matters Concerning the Overall Restructuring and Listing of China Energy Engineering Group Co., Ltd. (Guozi Reform [2013] No. 1053) (關於中國能源建設集團有限公司整體改制上市有關事項的批復 (國資改革[2013]1053號文)) issued by the SASAC on 19 December 2013, Energy China Group and the preparatory leading group of the Company has entered into the Reorganization Agreement. According to the Reorganization Agreement, Energy China Group, as the main promoter, entered into the Promoter Agreement of China Energy Engineering Corporation Limited with its subsidiary Electric Power Planning Engineering Institute Co., Ltd. in November 2014. As the main promoter of the Company, Energy China Group has invested in the Company with its Cash at Bank and on hand and non-monetary assets (such as physical objects, land use rights related to the main business and equity/interest in relevant subsidiaries), together with related liabilities, as capital contributions. Another promoter Electric Power Planning Engineering Institute Co., Ltd. has invested in the company in the form of monetary capital contribution.

As valued by China United Assets Appraisal Group Co., Ltd. and as confirmed by the Reply to the Approval of the Asset Evaluation Results of the Overall Restructuring and Listing Project of China Energy Engineering Group Co., Ltd. (Guozi Chanquan [2014] No. 1112) (《關於中國能源建設集團有限公司整體改制並上市項目資產評估結果核准的批復 (國資產權[2014]1112號)》 issued by the SASAC, the net value of the assets invested by Energy China Group as capital contribution to the Company was RMB33.081 billion on the base date of the restructuring assessment (31 December 2013). Electric Power Planning Engineering Institute Co., Ltd. fully invested in cash at Bank and on hand in the Company, with a capital contribution of RMB157 million.

The Company was established on 19 December 2014. The total capital contribution of the above two promoters at the time of our establishment was RMB33.238 billion. Approved by the Reply on Issues Concerning the State-owned Equity Management of China Energy Engineering Corporation Limited (Guozi Chanquan [2014] No. 1127) (關於中國能源建設股份有限公司國有股權管理有關問題的批復 (國資產權[2014]1127號) issued by the SASAC, the capital contribution was converted into shares at a rate of 64.98%, and the converted shares was 21,600.00 million shares, that is, the total share capital of RMB21.6 billion, and the rest was capital reserves of RMB11.638 billion. Among them, Energy China Group invested RMB33.081 billion, converted to 21,497.46 million shares, accounting for 99.53% of the total shares; Electric Power Planning Engineering Institute Co., Ltd. invested RMB157 million, converted to 102.54 million shares, accounting for 0.47% of the total shares.

On 10 December 2015, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited. The number of new shares to be issued was 8 billion shares. The issue price per share was HK\$1.59 and the par value per share was RMB1. At the same time, the original state-owned shareholders reduced their holdings by 800 million shares and converted into tradable H shares, which were transferred to the National Social Security Fund. On 8 January 2016, the Company issued 462,436,000 over-allotment shares at HK\$1.59 per share. At the same time, the original state-owned shareholders again reduced their holdings of 42,039,636 shares and converted into tradable H shares, which were transferred to the National Social Security Fund.

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III. BASIC INFORMATION OF THE COMPANY (CONTINUED)

1. Company Profile (continued)

In 2017, with the approval of documents including Guozi Chanquan [2014] No. 1127) issued by the SASAC, Energy China Group transferred part of the shares of the Company held by it at nil consideration, of which 522,354,897 shares were transferred to Beijing Chengtong Financial Control Investment Co., Ltd. at nil consideration, and 2,029,378,794 shares were transferred to China Reform Holdings Corporation Ltd. at nil consideration.

Pursuant to the resolutions passed at the the second extraordinary general meeting of 2021, the second domestic shareholders' class meeting of 2021 and the second H shareholders' class meeting of 2021 of the Company held on 9 April 2021, and approved by the Approval of the Absorption and Merger of China Gezhouba Group Company Limited by China Energy Engineering Corporation Limited through the Issuance of Shares (Zheng Jian Xu Ke No. [2021] 2757) (關於核准中國能源建設股份有限公司發行股份吸收合併中國葛洲壩集團股份有限公司的批復(證監許可[2021] 2757号)) from the CSRC on 23 August 2018, the Company has been approved to issue 11,670,767,272 shares to shareholders of China Gezhouba Group Stock Company Limited ("CGGC"), excluding China Gezhouba Group Company Limited ("CGGC Group"), (the "CGGC Conversion Shareholders") for the purpose of absorbing and merging CGGC. The Company completed the issuance of listed shares on 28 September 2021. At the same time, the Company's original domestic shares were converted into A shares and listed on the main board of the Shanghai Stock Exchange (the "SSE"). On 31 December 2021, the Company issued and sold 9,262,436,000 H shares in Global Offering, accounting for 22.22% of the total shares; issued and sold 32,428,727,636 A shares, accounting for 77.78% of the total shares, of which 11,670,767,272 A shares were held by CGGC Conversion Shareholders, accounting for 27.99% of the total shares.

The unified social credit code of the Company is 911100007178398156, the organizational form is other joint stock limited companies (listed); the registered address of the Company is Building 1, No. 26 West Dawang Road, Chaoyang District, Beijing, the PRC. The address of our headquarter is Building 1, No. 26 West Dawang Road, Chaoyang District, Beijing, the PRC. Our legal representative is Song Hailiang. The parent company of the Company is China Energy Engineering Group Co., Ltd., and the ultimate holding company is China Energy Engineering Group Co., Ltd.

The Company and its subsidiaries (the "Group") are mainly engaged in general project contracting, power industry planning and related services, investment and operation of energy and infrastructure, and related equipment manufacturing. Please refer to Note IX for relevant information of the Company's subsidiaries.

Please refer to Note VIII for the information on the addition/reduction of subsidiaries of the Group during the Reporting Period.

2. Scope of Consolidated Financial Statements

Applicable Not Applicable

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Preparation basis

The Group prepared the financial statements on the going concern basis.

2. Going concern

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Tips for specific accounting policies and accounting estimates:

Applicable Not Applicable

1. Announcement of compliance of Accounting Standards

The financial statements have been prepared in accordance with the Accounting Standards of Business Enterprises issued by the MOF. The financial statements present fairly and completely the consolidated financial position and financial position of the Group as at 31 December 2021, and the consolidated results of operations and results of operations and the consolidated cash flows and cash flows of the Group in 2021.

In addition, the Group's financial statements are prepared in accordance with the disclosure requirement on consolidated financial statements and notes stated in regulation on the preparation of information disclosures of companies issuing public shares No. 15 – General provisions on financial reports revised by China Securities Regulatory Commission (CSRC) in 2014.

2. Accounting period

The fiscal year starts on 1 January and ends on 31 December.

3. Operating cycle

Applicable Not Applicable

The Group takes the period from the acquisition of assets for processing to their realisation in cash or cash equivalents as a normal operating cycle. For the engineering construction business and real estate development business of the Group, due to their relatively long period for project construction and real estate development, the operating cycle of this business generally exceeds one year. The operating cycle of other businesses is usually within one year.

4. Reporting currency

The reporting currency of the Group is Renminbi, and the currency used for the preparation of financial statements is Renminbi. The basis for the selection of the reporting currency of the Company and its subsidiaries is the currency of the main economic environment in which they operate. Certain subsidiaries of the Company adopt currencies other than the Company's reporting currency as their reporting currency. When preparing the financial statement, the foreign currency financial statements of these subsidiaries are converted in accordance with Note V. 8.

5. Accounting treatments for business combinations involving entities under common control and not under common control

Applicable Not Applicable

For the transaction that the Group obtains the control over one or more companies (a group of assets or net assets) which constitutes a business, the transaction or matter constitutes a business combination. Business combinations are divided into business combinations involving entities under common control and not under common control.

For transactions not under common control, the acquirer will consider whether to adopt the simplified judgment method of "concentration test" when judging whether the acquired the combination of assets constitute a business. If the combination passes the concentration test, it does not constitute a business. If the combination fails the concentration test, the judgment shall be made according to business conditions.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Accounting treatments for business combinations involving entities under common control and not under common control (continued)

If the Group obtains a group of assets or net assets which does not constitute a business, the Group shall allocate the acquisition costs based on the relative fair values of the acquired identifiable assets and liabilities on the acquisition date, rather than account for it with the following accounting treatment methods for business combinations.

(1) *Business combination involving entities under common control*

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings. Any costs directly attributable to the combination are recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

(2) *Business combination involving entities not under common control*

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the business combination. Where (1) the aggregate of the acquisition-date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (2) the acquirer's interest in the acquisition-date fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill (See Note V.17). If (1) is less than (2), the difference is recognised in profit or loss for the current period. The difference between the fair value of the paid asset and its book value is included in profit and loss. Other acquisition-related costs are expensed in profit and loss when incurred. The acquiree's identifiable assets, liabilities and contingent liabilities, if the recognition criteria are met, are recognised by the Group at their acquisition-date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

For a business combination involving entities not under common control and achieved in stages, the Group remeasures its previously-held equity interest in the acquiree to its acquisition-date fair value and recognises any resulting difference between the fair value and the carrying amount as investment income or other comprehensive income for the current period. Any amount recognised in other comprehensive income that may be reclassified to profit or loss, in prior reporting periods relating to the previously-held equity interest, and any other changes in the owners' equity (See Note V.11(2)(b)) under equity accounting, are transferred to current investment income at the date when the acquisition occurs. Any previously-held equity interest that is designated as equity investment at fair value through other comprehensive income, the other comprehensive income recognised in prior reporting periods is transferred to retained earnings and surplus reserve at the date of acquisition.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**6. Preparation of consolidated financial statements**

Applicable Not Applicable

(1) General principles

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests are presented separately in the consolidated balance sheet within shareholders' equity. Net profit or loss attributable to non-controlling shareholders is presented separately in the consolidated income statement below the net profit line item. Total comprehensive income attributable to non-controlling shareholders is presented separately in the consolidated income statement below the total comprehensive income line item.

When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealised profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, unless they represent impairment losses that are recognised in the financial statements.

(2) Subsidiaries acquired through a business combination

Where a subsidiary was acquired during the Reporting Period, through a business combination involving entities under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the consolidated financial statements are also restated.

Where a subsidiary was acquired during the Reporting Period, through a business combination involving entities not under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

(3) Disposal of subsidiaries

When the Group loses control over a subsidiary, any resulting disposal gains or losses are recognized as investment income for the current period. The remaining equity interests is re-measured at its fair value at the date when control is lost, any resulting gains or losses are also recognised as investment income for the current period.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation of consolidated financial statements (continued)

(3) *Disposal of subsidiaries (continued)*

When the Group loses control of a subsidiary in multiple transactions in which it disposes of its long-term equity investment in the subsidiary in stages, the following are considered to determine whether the Group should account for the multiple transactions as a bundled transaction:

- arrangements are entered into at the same time or in contemplation of each other;
- arrangements work together to achieve an overall commercial effect;
- the occurrence of one arrangement is dependent on the occurrence of at least one other arrangement;
- one arrangement considered on its own is not economically justified, but it is economically justified when considered together with other arrangements.

If each of the multiple transactions does not form part of a bundled transaction, the transactions conducted before the loss of control of the subsidiary are accounted for in accordance with the accounting policies for partial disposal of equity investment in subsidiaries where control is retained (see Note V. 6(4)).

If each of the multiple transactions forms part of a bundled transaction which eventually results in the loss of control in the subsidiary, these multiple transactions are accounted for as a single transaction. In the consolidated financial statements, the difference between the consideration received and the corresponding proportion of the subsidiary's net assets (calculated continuously from the acquisition date) in each transaction prior to the loss of control shall be recognised in other comprehensive income and transferred to profit or loss when the parent eventually loses control of the subsidiary.

(4) *Changes in non-controlling interests*

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve (share premium) in the consolidated balance sheet, with any excess adjusted to retained earnings.

(5) *Structured entity*

Structured entity refers that when judging the control side of the entity, the key elements to consider are the contracts which the entities' main activities are based on or the corresponding arrangements rather than the voting rights or similar rights (for example: the voting rights are just associated with administrative matters only). When the Group acts as the asset manager in structured entity, the Group needs to identify its own role as the agent or the trustee to make decisions for the structured entity. If the Group's role is just an agent, the Group's primary responsibility is to exercise decision-making authority for other parties (other investors of the structured entity), and therefore the Group does not control the structured entity. However, if the Group's primary responsibility is to exercise decision-making authority for itself, thus the Group controls the structured entity.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**7. Determination of cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits that can be readily withdrawn on demand, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

8. Foreign currency transactions and translation of foreign currency financial statements

Applicable Not Applicable

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of the receipt. Other foreign currency transactions are, on initial recognition, translated to Renminbi at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognised in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the construction or production of qualifying assets (see Note V.15). Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the spot exchange rate at the transaction date. Non-monetary projects denominated in foreign currencies that are measured at historical cost are translated to RMB using the exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated using the exchange rates ruling at the dates the fair value is determined. The resulting exchange differences are recognised in profit or loss, except for the differences arising from the re-translation of equity instrument at fair value through other comprehensive income, which are recognised in other comprehensive income.

In translating the financial statements of a foreign operation, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding retained earnings and the translation differences in other comprehensive income, are translated to Renminbi at the spot exchange rates at the transaction dates. Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates at the transaction dates. The resulting translation differences are recognised in other comprehensive income. The translation differences accumulated in other comprehensive income with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments

Applicable Not Applicable

Financial instruments of the Group include cash at bank and on hand, bond investments, equity investments other than long-term equity investments (see Note V.11), trade receivables, accounts payable, borrowings, bonds payable and share capital.

(1) *Recognition and initial measurement of financial assets and financial liabilities*

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial assets and financial liabilities is measured initially at fair value. For financial assets or financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are directly charged to profit or loss; for other categories of financial assets or financial liabilities, any related directly attributable transaction costs are included in their initial costs. A trade receivable without a significant financing component is initially measured at the transaction price according to the Note V.24.

(2) *Classification and subsequent measurement of financial assets*

(a) *Classification of financial assets*

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortised cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first Reporting Period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(2) *Classification and subsequent measurement of financial assets (continued)*(a) *Classification of financial assets (continued)*

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably designate it as financial assets at FVOCI. This election is made on an investment-by-investment basis. The instrument meets the definition of equity from the perspective of the issuer.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows of the financial assets managed will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(2) *Classification and subsequent measurement of financial assets (continued)*

(b) *Subsequent measurement of financial assets*

- Financial assets measured at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss unless the financial assets are part of a hedging relationship.

- Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship shall be recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

- Debt investments measured at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

- Equity investments measured at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(3) *Classification and subsequent measurement of financial liabilities*

Financial liabilities are classified as measured at FVTPL or amortised cost.

- Financial liabilities at FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

Financial liabilities at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss, unless the financial liabilities are part of a hedging relationship.

- Financial liabilities at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(4) Offsetting

Financial assets and financial liabilities are generally presented separately in the balance sheet, and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognised amounts;
- the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

(5) Derecognition of financial assets and financial liabilities

Financial asset is derecognised when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognised in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognised directly in other comprehensive income for the part derecognised.

The Group derecognises a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(6) Impairment

The Group recognises loss allowances for expected credit loss (ECL) on:

- financial assets measured at amortised cost;
- contract assets;
- debt investments measured at FVOCI;
- lease receivables.

Financial assets measured at fair value, including debt investments or equity securities at FVTPL, equity securities designated at FVOCI and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for trade receivables, lease receivables, BT/BOT project receivables in long-term receivables, progress receivables and contract assets are always measured at an amount equal to lifetime ECL. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

Except for trade receivables, lease receivables and contract assets, the Group measures loss allowance at an amount equal to 12-month ECL for the following financial instruments, and at an amount equal to lifetime ECL for all other financial instruments.

- If the financial instrument is determined to have low credit risk at the balance sheet date; or
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(6) Impairment (continued)

Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(6) *Impairment (continued)*

Credit-impaired financial assets

At each balance sheet date, the Group assesses whether financial assets carried at amortised cost and debt investments measured at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- for economic or contractual reasons relating to the borrower's financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for debt investments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income. For debt investments at FVOCI, the Group recognises its loss provision in other comprehensive income and does not offset against the carrying amount of financial assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(7) *Equity instrument*

The consideration received from the issuance of equity instruments net of transaction costs is recognised in shareholders' equity.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (continued)

(8) Perpetual bonds

At initial recognition, the Group classifies the perpetual bonds issued or their components as financial assets, financial liabilities or equity instruments based on their contractual terms and their economic substance after considering the definition of financial assets, financial liabilities and equity instruments.

Perpetual bonds issued that should be classified as equity instruments are recognised in equity based on the actual amount received. Any distribution of dividends or interests during the instruments' duration is treated as profit appropriation. When the perpetual bonds are redeemed according to the contractual terms, the redemption price is charged to equity.

10. Inventories

Applicable Not Applicable

(1) Classification and cost

Inventories include raw materials, work-in-progress, semi-finished products, finished products, turnover materials, real estate development costs, and real estate development products. Turnover materials include low-value consumables, packaging materials and other materials, which can be used repeatedly but do not meet the definition of fixed assets.

Inventories are initially measured at cost. Cost of inventories comprises costs of purchase, costs of conversion and other expenditure incurred in bringing the inventories to their present location and condition. Borrowing costs that can be directly attributable to the production of inventories eligible for capitalization are also included in the cost of inventories (see Note V.15). In addition to the purchasing cost of raw materials, work in progress and finished goods include direct labor costs and an appropriate allocation of production overheads.

(2) Measurement method of cost of inventories

Raw materials, products in process, goods in stock, and delivered goods are measured using the first-in-first-out method, the weighted average method or the individual pricing method.

Turnover materials including low-value consumables and packaging materials are amortised using either one-off amortization method or multiple-stage amortization method. The amortisation charge is included in the cost of the related assets or recognised in profit or loss for the current period.

(3) Basis for determining the net realisable value and method for provision for obsolete inventories

At the balance sheet date, inventories are carried at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value of materials held for use in the production is measured based on the net realisable value of the finished goods in which they will be incorporated. The net realisable value of the inventory held to satisfy sales or service contracts is measured based on the contract price, to the extent of the quantities specified in sales contracts, and the excess portion of inventories is measured based on general selling prices.

Any excess of the cost over the net realisable value of each item of inventories or inventory category is recognised as a provision for obsolete inventories, and is recognised in profit or loss.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Inventories (continued)

(4) *Inventory count system*

The Group maintains a perpetual inventory system.

11. Long-term equity investments

Applicable Not Applicable

(1) *Investment cost of long-term equity investments*

(a) *Long-term equity investments acquired through a business combination*

- The initial cost of a long-term equity investment acquired through a business combination involving entities under common control is the Company's share of the carrying amount of the subsidiary's equity at the combination date. The difference between the initial investment cost and the carrying amount of the consideration given is adjusted to the share premium in the capital reserve, with any excess adjusted to retained earnings.
- For a long-term equity investment obtained through a business combination Not involved entities under common control, the initial cost comprises the aggregate of the fair value of assets transferred, liabilities incurred or assumed, and equity securities issued by the Company, in exchange for control of the acquiree.

(b) *Long-term equity investments acquired other than through a business combination*

- A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Group acquires the investment by cash. For long-term equity investments obtained by issuing equity securities, the Group takes the fair value of the equity securities issued as the initial investment cost.

(2) *Subsequent measurement of long-term equity investment*

(a) *Investments in subsidiaries*

In the Company's separate financial statements, long-term equity investments in subsidiaries are accounted for using the cost method for subsequent measurement, Unless the investment is eligible to be held for sale (see Note V.30). Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses.

For the impairment of the investments in subsidiaries, refer to Note V.19.

In the Group's consolidated financial statements, subsidiaries are accounted for in accordance with the policies described in Note V.6.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**11. Long-term equity investments (continued)****(2) Subsequent measurement of long-term equity investment (continued)***(b) Investment in joint ventures and associates*

A joint venture is an arrangement whereby the Group and other parties have joint control (see Note V.11(3)) and rights to the net assets of the arrangement.

An associate is an enterprise over which the Group has significant influence (see Note V.11(3)).

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment meets the conditions for holding for sale, an investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement (see Note V.30).

The accounting treatments under the equity method adopted by the Group are as follows:

- Where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.
- After the acquisition of the investment, the Group recognises its share of the investee's net profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), is recognized directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly.
- In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition. Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates. Unrealised losses resulting from transactions between the Group and its joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.
- The Group discontinues recognising its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the joint venture and associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the Group resumes recognising its share of those profits only after its share of the profits has fully covered the share of losses not recognised.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Long-term equity investments (continued)

(2) *Subsequent measurement of long-term equity investment (continued)*

(b) *Investment in joint ventures and associates (continued)*

For the impairment test and provisioning of the investments in a joint venture or associate, refer to Note V.19.

(3) *Criteria for determining the existence of joint control and significant influence over an investee*

Joint control is the agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (activities with significant impact on the returns of the arrangement) require unanimous consent of the parties sharing control.

The following factors are usually considered when assessing whether the Group can exercise joint control over an investee:

- Whether no single participant party is in a position to control the investee's relevant activities unilaterally;
- Whether strategic decisions relating to the investee's relevant activities require the unanimous consent of all the parties sharing control.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies.

12. Investment properties

(1). *If the cost measurement model is adopted:*

Depreciation or amortization method

The properties held by the Group for the purpose of earning rentals or for capital appreciation or for both purposes are categorised to investment property. The Group measures investment property under cost model, namely, investment properties are presented in balance sheet by cost deducting accumulated depreciation, amortization and impairment loss. The Group deducts the cost of the investment property after deducting the estimated net residual value and the accumulated impairment loss and accrues depreciation or amortization over its useful life using the straight-line method, unless the investment property is eligible for holding for sale (see Note V.30). Please refer to Note V.19 for the method of impairment test and provision for impairment.

The useful life, depreciation or amortization policies of various investment properties are consistent with those of buildings or land use rights.

If the Group has conclusive evidence that the purpose for holding properties has changed and if one of the following conditions is met, the investment properties shall be converted into other assets, or other assets shall be converted into investment properties:

- (1) The purpose for holding the property is changed to self-use;
- (2) The real estate used as inventory is changed to lease.
- (3) The self-use buildings or land use rights are stopped self-using, and changed to held for earning rentals or capital appreciation;
- (4) Self-use structures stopped self-using, and changed to for renting.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Fixed assets

(1) *Recognitions*

Applicable Not Applicable

Fixed assets represent the tangible assets held by the Group for the production of goods, provision of labor services, lease or operation and management with useful lives over one accounting year.

The initial cost of a purchased fixed asset comprises the purchase price, related taxes, and any attributable expenditure for bringing the asset to working condition for its intended use. The initial cost of self-built fixed assets is determined according to Note III.14.

Where the parts of an item of fixed assets have different useful lives or provide economic benefits to the Group in a different pattern, thus necessitating use of different depreciation rates or methods, each part is recognised as a separate fixed asset.

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognized as assets when it is probable that the economic benefits associated with the costs will flow to the Group, and the carrying amount of the replaced part is derecognised. The costs of the day-to-day maintenance of fixed assets are recognised in profit or loss as incurred.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

(2) *Depreciation methods*

Applicable Not Applicable

The cost of a fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its useful life, unless the fixed assets are eligible to be held for sale (see Note V. 30).

The useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

Class	Useful life (years)	Residual value rate	Annual depreciation rate
Buildings and structures	8 - 40	5%	2.38% - 11.88%
Mechanical equipment	4 - 22	5%	4.32% - 23.75%
Motor vehicles	4 - 30	5%	3.17% - 23.75%
Electronic equipment	3 - 10	5%	9.50% - 31.67%
Office equipment	5 - 10	5%	9.50% - 19.00%
Other fixed assets	4 - 15	5%	6.33% - 23.75%

Useful lives, estimated residual values and depreciation methods are reviewed at least at each year end.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Fixed assets (continued)

(3). *For the impairment of the fixed assets, please refer to Note V.19.*

(4). *Disposal of fixed assets*

The carrying amount of a fixed asset is derecognised:

- when the fixed asset is holding for disposal;
- when no future economic benefit is expected to be generated from its use or disposal.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item, and are recognized in profit or loss on the date of retirement or disposal.

14. Construction in progress

Applicable Not Applicable

The cost of self-constructed assets includes the cost of materials, direct labour, capitalized borrowing costs (see Note V.15), and any other costs directly attributable to bringing the asset to working condition for its intended use.

A self-constructed asset is included in construction in progress before it is transferred to fixed asset when it is ready for its intended use. No depreciation is provided against construction in progress.

Construction in progress is stated in the balance sheet at cost less accumulated impairment losses (see Note V.19).

15. Borrowing costs

Applicable Not Applicable

Borrowing costs incurred directly attributable to the acquisition, construction of a qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognised as financial expenses when incurred.

During the capitalization period, the amount of interest (including amortisation of any discount or premium on borrowing) to be capitalised in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition, construction of a qualifying asset, the amount of interest to be capitalised is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.
- To the extent that the Group borrows funds generally and uses them for the acquisition, construction of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditures on the asset over the above amounts of specific borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Borrowing costs (continued)

The effective interest rate is determined as the rate that exactly discounts estimated future cash flow through the expected life of the borrowing or, when appropriate, a shorter period to the initially recognised amount of the borrowings.

During the capitalization period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalised as part of the cost of the qualifying asset. The exchange differences related to the principal and interest on foreign currency borrowings other than a specific-purpose borrowing are recognised as a financial expense when incurred.

The capitalization period is the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding any period over which capitalization is suspended. Capitalization of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition, construction that are necessary to prepare the asset for its intended use are in progress, and ceases when the assets become ready for their intended use. Capitalization of borrowing costs is suspended when the acquisition, construction activities are interrupted abnormally for a period of more than three months.

16. Intangible assets

(1) Valuation method, useful life and impairment test

Applicable Not Applicable

Intangible assets are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note V.19). For an intangible asset with finite useful life, except for mining rights and concession rights related to highway toll rights, its cost less accumulated impairment losses are amortised using the straight-line method over its estimated useful life, unless the intangible assets are eligible to be held for sale (see Note V.30).

The amortization of mining rights with limited useful life is provided for amortization based on the proved mine reserves using the workload method.

The amortization of franchise rights related to highway toll rights is amortized according to the traffic flow. Amortisation is provided from the date of commercial operation of the relevant toll road, according to the expected useful life or the remaining concession period (whichever is shorter), and on a use unit basis (the ratio of actual traffic flow to the estimated total traffic flow of the relevant toll road, which is estimated by management or with reference to a traffic flow forecast report prepared by an independent traffic flow consultant)

The respective amortisation periods for intangible assets are as follows:

Item	Amortisation period (years)
Land use rights	Land use certificate registration period
Software, Patented and Non-Patented Technology	2-10
Concession rights	The franchise period stipulated in the contract
Others	10-50

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Intangible assets (continued)

(1) Valuation method, useful life and impairment test (continued)

Others mainly include brand, customer relationship, copyright, etc.

Useful lives, estimated residual values and amortization methods of intangible assets are reviewed at least each year-end.

An intangible asset is regarded as having an indefinite useful life and is not amortised when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. As at the balance sheet date, the Group did not have any intangible assets with indefinite useful lives.

(2) Accounting policy for internal research and development expenditures

Applicable Not Applicable

Expenditure on an internal research and development projects is classified into expenditure incurred during the research phase and expenditure incurred during the development phase.

Expenditure during the research phase is expensed when incurred. Expenditure during the development phase is capitalised if development costs can be measured reliably, the product or process is technically and commercially feasible, and the Group intends to and has sufficient resources to complete the development. Capitalised development costs are stated in the balance sheet at cost less impairment losses (See Note V.19). Other development expenditure is recognised as an expense in the period in which it is incurred.

17. Goodwill

Applicable Not Applicable

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer's interest in the fair value of the identifiable net assets of the acquiree under a business combination Not involved entities under common control.

Goodwill is not amortised and is stated in the balance sheet at cost less accumulated impairment losses (see Note V.19). On disposal of an asset group or a set of asset groups, any attributable goodwill is written off and included in the calculation of the profit or loss on disposal.

18. Long-term deferred expenses

Applicable Not Applicable

Long-term deferred expenses are expenses which have occurred but will benefit over 1 year and shall be amortized over the reporting period and subsequent periods. The Group's long-term deferred expenses mainly include leasehold improvement, rental fees, insurance premiums, etc. Longterm deferred expenses will be amortized during expected beneficial period.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**19. Impairment of assets other than inventories and financial assets**

Applicable Not Applicable

The carrying amounts of the following assets are reviewed at each balance sheet date based on the internal and external sources of information to determine whether there is any indication of impairment:

- Fixed assets
- Construction in progress
- Right-of-use assets
- Intangible assets
- Investment properties measured using the cost model
- Long-term equity investment
- Goodwill
- Long-term deferred expenses

If any indication exists, the recoverable amount of the asset is estimated. In addition, The Group estimates the recoverable amounts of goodwill at each year-end, irrespective of whether there is any indication of impairment. Goodwill is allocated to each asset group or set of asset groups, which is expected to benefit from the synergies of the combination for the purpose of impairment testing.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value (see Note V. 21) less costs to sell and its present value of expected future cash flows.

An asset group is composed of assets directly related to cash-generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal, to their present value using an appropriate pre-tax discount rate.

An impairment loss is recognised in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognised accordingly. Impairment losses related to an asset group or a set of asset groups, are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Employee compensation

(1). *Accounting treatment of short-term compensation*

Applicable Not Applicable

During the accounting period in which the employees provide services, the Group's actual short term remuneration is recognized as liabilities and included in the profits or losses of the current year or recognized as respective assets costs. At the time of actual occurrence, The Group's employee benefits are recorded into the profits and losses of the current year or assets associated costs according to the actual amount. The non-monetary employee benefits are measured at fair value.

Regarding to the health insurance, industrial injury insurance, maternity insurance and other social insurances, housing fund and labor union expenditure and personnel education that the Group paid for employees, the Group should recognize corresponding employees benefits payable and include these expenses in the profits or losses of the current year or recognized as respective assets costs.

(2). *Accounting treatment of post-employment benefits – defined contribution plans*

Applicable Not Applicable

The post-employment benefits of the Group are defined contribution plans and defined benefit plans.

During the accounting period in which employees provide services, the Group recognizes the payable amount calculated according to the defined contribution plan as a liability, and includes it in the current profit and loss or related asset costs. Pursuant to the relevant laws and regulations of the PRC, the Group participated in a defined contribution basic pension insurance plan in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions payable are recognised as a liability as the employee provides services, with a corresponding charge to profit or loss or include in the cost of assets where appropriate.

For defined benefit plans, actuarial estimation will be made determine cost of benefits offered and attributable period by using projected unit credit method. Defined benefit costs are categorized as follows:

- (1) Service costs include current service cost, past service cost, as well as gains and losses on and settlements. Current service cost refers to the increase amount of present value of defined benefit obligation arising from service rendered in current year; past service cost refers to the change of present value of defined benefit obligation arising from modification of defined benefit plans;
- (2) Net interest of net liabilities (including interest expenses of defined benefit plan liabilities);
- (3) Changes arising from remeasurement of net liabilities of defined benefit plans.

Items (1) and (2) above are included in profit or loss for the current period; item (3) is included in other comprehensive income and will not be transferred to profit or loss in subsequent accounting periods.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Employee compensation (continued)

(3) Accounting treatment of termination benefits

Applicable Not Applicable

When the Group terminates the employment with employees before the employment contracts expire, or provides compensation under an offer to encourage employees to accept voluntary redundancy, the Group recognizes the employee compensation liabilities arising from the compensation for the termination of the labor relationship with the employees on the following two dates (whichever is earlier), and shall be included in the current profit and loss:

- When the Group cannot unilaterally withdraw the dismissal benefits provided by the labor relationship termination plan or the layoff proposal;
- When the Group recognises costs or expenses related to restructuring involving the payment of termination benefits.

(4) Accounting treatment of other long-term employee benefits

Applicable Not Applicable

21. Fair value measurement

Applicable Not Applicable

Unless otherwise specified, the Group measures fair value as follows:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

22. Estimated liabilities

Applicable Not Applicable

A provision is recognised for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined according to the following circumstances:

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Estimated liabilities (continued)

- Where the contingency involves a single item, the best estimate is the most likely outcome
- Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

23. Share-based payments

Applicable Not Applicable

(1) *Classification of share-based payments*

Share-based payment transactions in the Group are equity-settled share-based payments.

(2) *Accounting treatment of share-based payments*

- Equity-settled share-based payments

When the Group uses shares or other equity instruments as consideration for services received from the employees, the payment is measured at the fair value of the equity instruments granted to the employees at the grant date. If the equity instruments granted do not vest until the completion of services for a period, or until the achievement of a specified performance condition, the Group recognises an amount at each balance sheet date during the vesting period based on the best estimate of the number of equity instruments expected to vest according to the newly obtained subsequent information of the changes of the number of the employees expected to vest the equity instruments. The Group measures the services received at the grant date fair value of the equity instruments and recognises the costs or expenses as the services are received, with a corresponding increase in capital reserve.

When the Group receives services, but has no obligation to settle the transaction because the relevant equity instruments are issued by the Company's ultimate parent or its subsidiaries outside the Group, the Group also classifies the transaction as equity-settled.

During the waiting period, if the granted equity instruments are cancelled (except those cancelled due to failure to meet the vesting conditions), the Group will treat the cancelled granted equity instruments as an accelerated exercise, and the amount to be confirmed during the remaining waiting period will be immediately included in the current profit and loss, and confirmed the capital reserve at the same time.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Income

(1). Accounting policies adopted for revenue recognition and measurement

Applicable Not Applicable

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

The general principles related to the principal activities of the Group in which revenue is derived are described below:

Revenue is recognised when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation. Stand-alone selling price refers to the price of single sales of goods or services. If the stand-alone selling price cannot be observed directly, the Group estimates the stand-alone selling price through comprehensive consideration of all reasonably acquired relative information and maximum use of observable inputs.

For contracts with quality assurance clauses, the Group analyzes the nature of the quality assurance provided by the contracts. If the quality assurance provides a separate service in addition to guaranteeing the customers that the goods sold meet the established standards, the Group will take it as a single performance obligation. Otherwise, the group shall conduct accounting treatment in accordance with the accounting standards for Business Enterprises No. 13 – contingencies.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Where the contract contains a significant financing component, the Group recognises the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortised using an effective interest method over the contract term. The Group does not adjust the consideration for any effects of a significant financing component if it expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer can control the asset created or enhanced during the Group's performance;
- the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Income (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

For performance obligation satisfied at a point in time, the Group recognises revenue at the point in time at which the customer obtains control of relevant goods or services. To determine whether a customer has obtained control of goods or services, the Group considers the following indicators:

- the Group has a present right to payment for the goods or services;
- the Group has transferred physical possession of the goods to the customer;
- the Group has transferred the legal title of the goods or the significant risks and rewards of ownership of the goods to the customer;
- the customer has accepted the goods or services.

The Group determines whether it is a principal or an agent, depending on whether it obtains control of the specified good or service before that good or service is transferred to a customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer, and recognises revenue in the gross amount of consideration to which it has received (or receivable). Otherwise, the Group is an agent, and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration, or is the established amount or proportion.

For a change in the scope or price of a contract that is approved by the parties to the contract, the Group accounts for the contract modification according to the following situations:

- The addition of promised goods or services are distinct and the price of the contract increases by an amount of consideration reflects stand-alone selling prices of the additional promised goods or services, the Group shall account for a contract modification as a separate contract.
- If the above criteria are not met, and the remaining goods or services are distinct from the goods or services transferred on the date of the contract modification, the Group accounts for the contract modification as if it were a termination of the existing contract and the creation of a new contract.
- If the above criteria are not met, and the remaining goods or services are not distinct from the goods or services transferred on the date of the contract modification, the Group accounts for the contract modification as if it were a part of the existing contract. The effect that the contract modification has on the revenue is recognized as an adjustment to revenue in the reporting period.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Income (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. The Group recognizes loss allowances for expected credit loss on contract assets (see Note V.9 (6)). trade receivables is the Group's right to consideration that is unconditional (only the passage of time is required). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Specific accounting policies which related to the Group's main activities to generate revenue are described below:

The Group's revenue is mainly derived from the following business types:

- Survey and design and consulting services: mainly include survey and design, engineering consulting and engineering supervision of domestic and foreign traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal administration, housing construction and other projects;
- Engineering construction: mainly includes the general contracting, engineering construction and project operation and maintenance of domestic and foreign traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal administration, housing construction and other projects;
- Industrial manufacturing: mainly includes the design, manufacture and sales of construction materials, civil blasting, auxiliary machinery equipment, energy-saving and environmental protection equipment and other equipment related to the power industry;
- Investment and operation: mainly include traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation project investment and operation business, real estate (new urbanization) investment and development business and capital finance and other businesses;
- Other businesses: mainly include logistics trade, leasing and business services, software and information services and other services.

(1) Survey, design and consultation

Regarding the survey, design, consulting and other service income between the Group and its customers, since the services provided by the Group during the performance of the contract have irreplaceable purposes, and the Group has the right to accumulatively complete part of the handball payment for the performance of the contract so far during the entire contract period. Therefore, the Group regards it as a performance obligation performed within a certain period of time, and recognizes revenue according to the progress of the performance, unless the progress of the performance cannot be reasonably determined. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Income (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

(2) Engineering construction (construction contracts)

Construction contracts between the Group and customers usually include performance obligations to build power plants or other infrastructure. Since customers can control the assets under construction during the performance of the Group's contracts, the Group regards them as performance obligations to be performed within a certain period of time, and recognize the revenue according to the progress of the performance of the contract, unless the progress of the performance of the contract cannot be reasonably determined. The Group uses the input method to determine the performance progress of providing services based on the costs incurred. When the progress of contract performance cannot be reasonably determined, if the costs incurred by the Group are expected to be compensated, revenue shall be recognized according to the amount of costs incurred until the progress of contract performance can be reasonably determined. If at any time the estimated cost of completing the contract exceeds the remaining amount of the contract, a onerous contract should be recognised.

(3) Industrial manufacturing (sales of goods)

The Group sells engineering equipment and supporting parts, engineering materials, cement and other commodities, and the revenue is recognized when the customer obtains the control of the commodities.

(4) Construction, operation and handover contracts ("BOT business")

The public infrastructure construction business that the Group participates in in the form of franchise project ("PPP project") cooperation shall be accounted for in accordance with the Interpretation No. 14 of Accounting Standards for Business Enterprises when the following conditions are met at the same time: i) the Group uses the PPP project assets to provide public products and services on behalf of the government during the operation period agreed in the contract; ii) the Group obtains compensation for the public products and services it provides during the period agreed in the contract; iii) the government controls or regulates the types, objects and prices of public goods and services that the Group must provide using the PPP project assets; and iv) when the PPP project contract is terminated, the government controls the PPP project assets through ownership, right of benefit or other forms significant residual interest.

According to the PPP project contract, if the Group provides PPP project asset construction services, operation services, maintenance services and other services after completion, it will identify the individual performance obligations in the contract in the manner described above, and assign the transaction price according to each performance obligation. The relative proportion of the stand-alone selling price is allocated to each performance obligation.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Income (continued)

(1) *Accounting policies adopted for revenue recognition and measurement (continued)*(4) *Construction, operation and handover contracts ("BOT business") (continued)*

According to the PPP project contract, the Group has the right to charge fees from the objects for obtaining public products and services during the project operation period. However, if the amount of the fees is uncertain, when the PPP project assets reach the predetermined usable state, the relevant PPP project assets will be charged. The amount of consideration or the amount of confirmed construction revenue is recognized as intangible assets.

According to the PPP project contract, during the operation of the project, if the conditions for the right to receive a determinable amount of cash (or other financial assets) are met, it is recognized as a receivable when the Group has the right to receive the consideration (the right depends only on the passage of time). The difference over the cash (or other financial assets) that has the right to receive a determinable amount is recognized as an intangible asset.

After the assets of the PPP project reach the intended use state, the Group recognizes the income related to the operation services according to the actual services provided.

(5) *Real estate sales*

Revenue from the Group's commercial housing sales business is recognised when the control of the property is transferred to the customer. Based on the terms of the sales contract and the legal provisions applicable to the contract, the Group recognizes the realization of revenue when the house is completed and accepted, the sales contract is signed, the buyer's payment certificate is obtained, and the procedures for delivering the property to the buyer are completed. If the Group has notified the buyer to complete the delivery procedures within the specified time, while the buyer fails to complete the delivery procedures within the specified time without justifiable reasons, if other conditions are met, the Group will recognize the realization of revenue after the expiration of the time limit specified in the notification.

(2) *Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses*

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Contract costs

Applicable Not Applicable

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Group recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. Other costs of obtaining a contract are expensed when incurred.

If the costs to fulfil a contract with a customer are not within the scope of inventories or other accounting standards, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract;
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future;
- the costs are expected to be recovered.

Assets recognised for the incremental costs of obtaining a contract and assets recognised for the costs to fulfil a contract (the “assets related to contract costs”) are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognised in profit or loss for the current period. The Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of an asset related to contract costs exceeds:

- remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

26. Government grants

Applicable Not Applicable

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contributions from the government in the capacity as an investor in the Group.

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**26. Government grants (continued)**

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets. A government grant related to assets is recognised as deferred income and amortised over the useful life of the related asset on a reasonable and systematic manner as other income or non-operating income. A grant that compensates the Group for expenses or losses to be incurred in the future is recognised as deferred income, and included in other income or non-operating income in the periods in which the expenses or losses are recognised, otherwise, the grant is included in other income or non-operating income directly.

27. Specific reserve

Applicable Not Applicable

The Group recognises a safety fund in the specific reserve pursuant to relevant government regulations, with a corresponding increase in the costs of the related products or expenses.

When the safety fund is subsequently used for revenue expenditure, the specific reserve is reduced accordingly. On utilisation of the safety fund for fixed assets, the specific reserve is reduced as the fixed assets are recognised, which is the time when the related assets are ready for their intended use; in such cases, an amount that corresponds to the reduction in the specific reserve is recognised in accumulated depreciation with respect to the related fixed assets. As a consequence, such fixed assets are not depreciated in subsequent periods.

28. Income Tax

Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination or items recognised directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset only if the Group has a legally enforceable right to set them off and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not recognised for the temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss). Deferred tax is not recognised for taxable temporary differences arising from the initial recognition of goodwill.

At the balance sheet date, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amounts of the assets and liabilities, using tax rates enacted at the balance sheet date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date, and is reduced to the extent that it is no longer probable that the related tax benefits will be utilised. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Income Tax (continued)

At the balance sheet date, deferred tax assets and deferred tax liabilities are offset if all of the following conditions are met:

- the taxable entity has a legally enforceable right to offset current tax assets and current tax liabilities;
- they relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities which intend either to settle the current tax liabilities and current tax assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or deferred tax assets are expected to be settled or recovered.

29. Leasing

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the lessee has the right to direct the use of the asset.

For a contract that contains multiple lease components, the lessee and the lessor separate lease components and account for each lease component as a lease separately. For a contract that contains lease and non-lease components, the lessee and the lessor separate lease components from non-lease components. For a contract that contains lease and non-lease components, the lessee allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The lessor allocates the contract consideration in accordance with the provisions on transaction price allocation in the accounting policy described in Note V.24.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leasing (continued)

(1). *The Group acts as a lessee*

Applicable Not Applicable

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the straight-line method. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note V.19.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Leasing (continued)

(2). *The Group acts as a lessor*

Applicable Not Applicable

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is a sub-lessor, it assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Group recognises the finance lease receivable and derecognises the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. The derecognition and impairment of the finance lease receivable are recognised in accordance with the accounting policy in Note V.9. Variable lease payments not included in the measurement of net investment in the lease are recognised as income as they are earned.

Lease receipts from operating leases is recognised as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalised and subsequently amortised in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognised as income as they are earned.

(3). *Determination and accounting treatment of leases under the new lease standards*

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**30. Held for Sale and Discontinued Operation****(1) Held for sale**

The Group classified a non-current asset or disposal group as held for sale when the carrying amount of a non-current asset or disposal group will be recovered through a sale transaction rather than through continuing use.

A disposal group refers to a group of assets to be disposed of, by sale or otherwise, together as a whole in a single transaction and liabilities directly associated with those assets that will be transferred in the transaction.

A non-current asset or disposal group is classified as held for sale when all the following criteria are met:

- According to the customary practices of selling such asset or disposal group in similar transactions, the non-current asset or disposal group must be available for immediate sale in their present condition subject to terms that are usual and customary for sales of such assets or disposal groups; and
- Its sale is highly probable, that is, the Group has made a resolution on a sale plan and has obtained a firm purchase commitment. The sale is to be completed within one year.

Non-current assets or disposal groups held for sale are stated at the lower of carrying amount and fair value (see Note V. 21) less costs to sell (except financial assets (see Note V.9), deferred income tax assets (see Note V. 28) initially and subsequently. Any excess of the carrying amount over the fair value (see Note V. 21) less costs to sell is recognised as an impairment loss in profit or loss.

(2) Discontinued operation

Discontinued operations refer to components of the Group which satisfies the following conditions and can be independently distinguished, and such components has been disposed of or classified as held as available-for-sale:

- the component represents an independent major business or an independent major region of activity;
- the component is an intended disposal of part of a relevant plan of an independent major business or an independent major region of activity;
- the component is a subsidiary acquired specifically for resale.

For discontinued operations presented in the current period, the Group presents profits or losses from continuing operations and discontinued operations separately in the income statement for the current period and restates the information originally reported as profit or loss from continuing operations in the income statement for the comparative periods as profit or loss from discontinued operations for the comparative accounting periods.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Profit Distributions

Dividends or profit distributions proposed in the profit appropriation plan, which will be approved after the balance sheet date, are not recognised as a liability at the balance sheet date but are disclosed in the notes separately.

32. Related Parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

In addition to the related parties stated above, the Company determines related parties based on the disclosure requirements of Administrative Procedures on the Information Disclosures of Listed Companies issued by the CSRC.

33. Segment Reporting

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment.

When the Group prepares the segment report, the inter-segment transaction revenue is measured based on the actual transaction price. The accounting policies used in the preparation of segment reporting are consistent with the accounting policies used in the preparation of the Group's financial statements.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**34. Significant Accounting Estimates and Accounting Judgments**

Applicable Not Applicable

The preparation of the financial statements requires management of the Group to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates as well as underlying assumptions and uncertainties involved are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(1) Significant accounting estimates

Except for the accounting estimates involved in the depreciation and amortization of assets such as fixed assets and intangible assets (see Notes V.13 and 16) and the impairment of various assets (see Notes VII. 5, 8, 9, 19, 20, 21 and 22 and Note XVIII.1), other major accounting estimates are as follows:

- (i) Recognition of revenue – As mentioned in Note V. 24, the related revenue of the Group's construction contracts is recognized over a period of time. The recognition of construction contract revenue and profits depends on the Group's estimates of the contract results and performance progress. If the actual amount of total revenue and total cost is higher or lower than the management's estimated value, it will affect the amount of revenue and profit recognized by the Group in future periods.
- (ii) Note VII. 23 – Recognition of deferred tax assets;
- (iii) Note VII. 37 – Post-employment benefits in the category of defined benefit plans;
- (iv) Note XI – Fair value valuation of financial instruments.

(2) Major accounting judgments

The important judgments made by the Group in the process of applying accounting policies are as follows:

- (i) Note VII. 41 – Perpetual bonds are classified as financial liabilities or equity instruments.
- (ii) Note VII. 1(1) and 2(1) – Disclosure of significant judgments and assumptions regarding the exercise of control, joint control or significant influence over other entities;

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Changes in Significant Accounting Policies and Accounting Estimates

(1) *Changes in significant accounting policies*

Applicable Not Applicable

Other explanation

In 2021, the Group implemented the following amendments to the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance in recent years and the Q&A and cases on the implementation of the Accounting Standards for Business Enterprises issued by the Ministry of Finance in 2021, mainly including:

- Interpretation No. 14 of Accounting Standards for Business Enterprises (Cai Kuai [2021] No. 1) (“Interpretation No. 14”)
- Notice on Adjusting the Scope of Application of the Regulations on the Accounting Treatment of Rent Concessions Related to the New Coronary Pneumonia Epidemic (Cai Kuai [2021] No. 9)
- Shipping cost presentation
- (a) Interpretation No. 14

Interpretation No. 14 came into force on 26 January 2021 (the date of implementation).

(i) Public-Private Partnership Projects

Interpretation No. 14 and Implementation Questions and Answers and application cases of Accounting Treatment of Private Partners in PPP Project Contracts clarified the characteristics and conditions of government-private partnership (PPP) project contracts, and specified the specific accounting treatment of private partners for PPP project contracts and disclosure requirements. The stipulations in the Interpretation No. 2 of Accounting Standards for Business Enterprises (Cai Kuai [2008] No. 11) on “V. What should an enterprise do when participating in the public infrastructure construction business using the construction and operation transfer method (BOT)” was repealed at the same time.

The Group has retrospectively adjusted the relevant PPP project contracts that were implemented before 31 December 2020 and have not been completed until the implementation date, as well as newly added PPP project contracts from 1 January 2021 to the implementation date, and adjusted the cumulative impact at the beginning of 2021. The amount of retained earnings at the beginning of the year and other related items in the financial statements in 2021 was adjusted for comparable period information.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Changes in Significant Accounting Policies and Accounting Estimates (continued)

(1) Changes in significant accounting policies (continued)

Other explanation (continued)

- (a) Interpretation No. 14 (continued)
- (i) Public-Private Partnership Projects (continued)
- The impact of the above changes in accounting policies on the items in the consolidated balance sheet as of 1 January 2021 is summarized as follows:

	The Group		
	Carrying amount before adjustment	Adjustment amount	Adjusted carrying amount
Assets:			
Long-term receivables	28,077,941	-6,747,125	21,330,810
Other non-current assets	11,762,936	6,747,125	18,510,061

The above changes in accounting policies have no impact on the items of the Company's balance sheet.

- (ii) Benchmark interest rate reform
- Bulletin No.14 introduces the accounting and disclosure requirements for the modification of financial instruments and lease liabilities resulting from the benchmark interest rate reform. Transactions related to the benchmark interest rate reform that occurred before 31 December 2020 and during 1 January 2021 to the implementation date are subject to retrospective adjustments. Cumulative effects are adjusted to the opening retained earnings or other comprehensive income for the year 2021. Comparative information is not restated.

The adoption of the interpretation does not have significant effect on the financial position and operating performance of the Group and the Company.

- (b) Cai Kuai [2021] No.9
- The Accounting Treatment of COVID-19 Related Rent Concessions (Cai Kuai [2020] No. 10) provides practical expedient under certain conditions for rent concessions occurring as a direct consequence of the COVID-19 pandemic, and combining the requirements of Cai Kuai [2021] No.9, such practical expedient is only applicable to any reduction in lease payments due before 30 June 2022. Cumulative effects of adopting [2021] No.9 are adjusted to the opening retained earnings or other comprehensive income for the year 2021. Comparative information is not restated.

The adoption of the above regulations does not have significant effect on the financial position and operating performance of the Group and the Company.

- (c) Presentation of transportation costs
- The Group implements a question and answer on transportation costs issued by the Ministry of Finance. For the transportation costs incurred by the Group for the performance of the contract before the transfer of the control of the goods, the Group regards it as the contract performance cost and lists it in the "operating cost" item of the income statement, and no longer lists it in "selling expenses". The Group adopted the retrospective adjustment method to change the relevant accounting policies.

The adoption of the above regulations does not have significant effect on the financial position and operating performance of the Group and the Company.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Changes in Significant Accounting Policies and Accounting Estimates (continued)

(2). *Changes in significant accounting estimates*

Applicable Not Applicable

(3). *Adjustment of the new lease standard implemented for the first time from 2021 in the financial statements at the beginning of the year*

Applicable Not Applicable

(4). *Explanation on retrospective adjustment of previous comparative data when the new lease standards are implemented for the first time from 2021*

Applicable Not Applicable

VI. TAXATION

1. Main Types of Taxes and Corresponding Rates

Main types of taxes and corresponding rates

Applicable Not Applicable

Tax Type	Tax basis	Tax rate
Value-added Tax	Output VAT is calculated on product sales and taxable services revenue according to taxation laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable.	3%-13%
City maintenance and construction tax	Based on VAT effectively paid	1%-7%
Land value added tax	Based on appreciation amount in transferred property and applicable tax rate	30%-60%
Corporate income tax	Based on taxable profits	Except for certain preferential treatments available to the Company's domestic subsidiaries and overseas subsidiaries which are required to accrue CIT based on tax laws and regulations of foreign jurisdictions, the corporations within the Group are subject to CIT at a rate of 25%.

Disclosure of companies subject to different income tax rates

Applicable Not Applicable

Financial Report

VI. TAXATION (CONTINUED)

2. Tax Preference

Applicable Not Applicable

(1) *Tax incentives for high-tech enterprises*

According to the Notice of the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation on Revising and Issuing the Administrative Measures for the Recognition of High-tech Enterprises (Guo Ke Fa [2016] No. 32), Announcement of "Guidelines for Management Work" (Guo Ke Fa huo [2016] No. 195), "Announcement of the State Administration of Taxation on Issues Concerning the Implementation of Preferential Income Tax Policies for High-tech Enterprises" (Guo Shui [2017] No. 24), a qualified enterprises can be levied corporate income tax at a reduced rate of 15%, starting from the year in which the approval is valid.

The details of the Group's identification as a high-tech enterprise are as follows:

Name of tax entity	Certificate number	Start date	End date
China Gezhouba Group Stock Company Limited	GR201942000080	2019-11-15	2022-11-15
China Gezhouba Group International Engineering Co., Ltd. (中國葛洲壩集團國際工程有限公司)	GR202011004046	2020-12-02	2023-12-02
China Gezhouba Group No.1 Engineering Co., Ltd. (中國葛洲壩集團第一工程有限公司)	GR202142000795	2021-11-15	2023-11-15
China Gezhouba Group No.2 Engineering Co., Ltd. (中國葛洲壩集團第二工程有限公司)	GR201851000180/ GR202151003802	2018-09-14	2024-10-08
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	GR202061001899	2020-12-01	2023-12-01
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	GR201942000472	2019-11-15	2022-11-15
China Gezhouba Group Construction Engineering Co., Ltd. (中國葛洲壩集團建設工程有限公司)	GR201953000076	2019-11-12	2022-11-11
China Gezhouba Group Three Gorges Construction Engineering Co., Ltd. (中國葛洲壩集團三峽建設工程有限公司)	GR201842000975	2021-11-15	2024-11-15
China Gezhouba Group Municipal Engineering Co., Ltd. (中國葛洲壩集團市政工程有限公司)	GR201942001189	2019-11-15	2022-11-15
China Gezhouba Group Mechanical and Power Construction Co., Ltd. (中國葛洲壩集團機電建設有限公司)	GR202151000417	2021-10-09	2024-10-08
China Gezhouba Group Machinery & Ship Co., Ltd. (中國葛洲壩集團機械船舶有限公司)	GR201942001254	2019-11-15	2022-11-14

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

The details of the Group's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Start date	End date
Gezhouba Oil & Natural Gas Engineering Co., Ltd. (葛洲壩石油天然氣工程有限公司)	GR202051000121	2020-09-11	2023-09-10
China Gezhouba Group Electric Power Co., Ltd. (中國葛洲壩集團電力有限責任公司)	GR202142000756	2021-11-15	2024-11-15
Gezhouba Group Testing and Inspection Co., Ltd. (葛洲壩集團試驗檢測有限公司)	GR201942000190	2021-01-01	2021-12-31
Gezhouba Surveying and Mapping Geographic Information Technology Co., Ltd. (葛洲壩測繪地理信息技術有限公司)	GR202042003781	2021-01-01	2021-12-31
Gezhouba Shimen Special Cement Co., Ltd. (葛洲壩石門特種水泥有限公司)	GR201943000220	2019-01-01	2021-12-31
Gezhouba Explosive Hubei Changtai Civil Explosive Co., Ltd. (葛洲壩易普力湖北昌泰民爆有限公司)	GR202142000075	2021-11-16	2024-11-15
Hunan Erhua Civil Explosive Co., Ltd. (湖南二化民爆有限公司)	GR201943000673	2019-09-05	2022-09-05
Gezhouba Energy and Engineering Co., Ltd. (葛洲壩能源重工有限公司)	GR201811009256/ GR202111007563	2018-11-30	2024-11-29
Hangzhou Huadian Huayuan Environmental Engineering Co., Ltd. (杭州華電華源環境工程有限公司)	GR202033002839	2021-01-01	2023-12-31
Shanghai Huadian Runpaq Environmental Engineering Co., Ltd. (上海華電源牌環境工程有限公司)	GR201931004936	2019-01-01	2021-12-31
Gezhouba Zhonggu Technology Corporation Limited (葛洲壩中固科技股份有限公司)	GR201942000945	2019-11-15	2022-11-14
Gezhouba Communication Technology Co., Ltd. (葛洲壩通信技術有限公司)	GR202142002701	2021-01-01	2024-01-01
Gezhouba Water Affairs Zibo Boshan Co., Ltd. (葛洲壩水務淄博博山有限公司)	GR202037001340	2020-12-08	2023-12-07
Gezhouba Water Affairs (Binzhou) Co., Ltd. (葛洲壩水務(濱州)有限公司)	GR202037002047	2020-12-08	2023-12-07
China Gezhouba Group Explosive Stock Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	GR201951101276	2019-11-21	2022-11-21
Hangzhou Huayuan Frontline Energy Equipment Co., Ltd. (杭州華源前線能源設備有限公司)	GR201633000959/ GR201933002098	2016-11-21	2022-12-04

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

The details of the Group's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Start date	End date
Tianjin Binhai New Area Tanggu Huanke Xinhe Sewage Treatment Co., Ltd. (天津濱海新區塘沽環科新河污水處理有限公司)	GR201712001177/ GR202012001025	2017-12-24	2023-12-24
Gezhouba Laohekou Cement Company Limited (葛洲壩老河口水泥有限公司)	GR201642000423/ GR201942003099	2016-12-13	2022-11-28
Gezhouba Zhongcaijiexin (Wuhan) Technology Co., Ltd. (葛洲壩中材潔新(武漢)科技有限公司)	GR201942001828	2019-11-28	2022-11-27
China Electric Power Engineering Consulting Group Northeast Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團東北電力設計院有限公司)	GR201922000565	2019-09-02	2022-09-01
China Electric Power Engineering Consulting Group East China Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團華東電力設計院有限公司)	GR202031005940	2021-01-01	2021-12-31
China Electric Power Engineering Consulting Group Zhongnan Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團中南電力設計院有限公司)	GR201842001086/ GR202142000713	2018-11-15	2024-11-15
China Electric Power Engineering Consulting Group Southwest Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團西南電力設計院有限公司)	BR201951000162	2019-10-14	2022-10-14
China Electric Power Engineering Consulting Group North China Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團華北電力設計院有限公司)	GR202111002437	2021-10-25	2024-10-25
Beijing Guodian De'an Electric Power Engineering Co., Ltd. (北京國電德安電力工程有限公司)	GR201911002627	2019-10-15	2022-10-15
Beijing Guodian Desheng Engineering Project Management Co., Ltd. (北京國電德勝工程項目管理有限公司)	GR201911002096	2019-10-15	2022-10-15
China Energy Construction Group Heilongjiang Electric Power Design Institute Co., Ltd. (中國能源建設集團黑龍江省電力設計院有限公司)	GR202123001127	2021-10-28	2024-10-27

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

The details of the Group's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Start date	End date
China Energy Engineering Group Tianjin Electric Power Design Institute Co., Ltd. (中國能源建設集團天津電力設計院有限公司)	GR20192000315	2019-10-28	2022-10-28
Tianjin Jindian Power Supply Design Institute Co., Ltd. (天津津電供電設計所有限公司)	GR20192000345	2019-10-28	2022-10-28
China Energy Engineering Group Shanxi Electric Power Design Institute Co., Ltd. (中國能源建設集團山西省電力勘測設計院有限公司)	GR202014000670	2020-12-03	2023-12-03
China Energy Engineering Group Jiangsu Electric Power Design Institute Co., Ltd. (中國能源建設集團江蘇省電力設計院有限公司)	GR201832001492	2021-11-03	2024-11-03
Jiangsu Keneng Electric Power Engineering Consulting Co., Ltd. (江蘇科能電力工程諮詢有限公司)	GR201932005887	2019-12-05	2022-12-05
China Energy Construction Group Zhejiang Electric Power Design Institute Co., Ltd. (中國能源建設集團浙江省電力設計院有限公司)	GR201833002029/ GR202133007796	2018-11-30	2024-12-15
Anhui Huadian Engineering Consulting Design Co., Ltd. (安徽華電工程諮詢設計有限公司)	GR201934001029	2019-09-09	2022-09-09
China Energy Engineering Group Hunan Electric Power Design Institute Co., Ltd. (中國能源建設集團湖南省電力設計院有限公司)	GR202143001445	2021-09-18	2024-09-18
Hunan Kexin Power Design Co., Ltd. (湖南科鑫電力設計有限公司)	GR202043001720	2021-01-01	2022-12-31
China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd. (中國能源建設集團廣東省電力設計研究院有限公司)	GR202044006231	2020-12-09	2023-12-09
Guangdong Kenuo Surveying Engineering Co., Ltd. (廣東科諾勘測工程有限公司)	GR201844005927/ GR202144010719	2018-11-28	2024-12-31

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

The details of the Group's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Start date	End date
Guangdong Tianan Project Management Co., Ltd. (廣東天安項目管理有限公司)	GR201944005629	2019-12-02	2022-12-02
Guangdong Tianlian Power Design Co., Ltd. (廣東天聯電力設計有限公司)	GR201944008216	2019-12-02	2022-12-02
Guangdong Tianxin Electric Power Engineering Testing Co., Ltd. (廣東天信電力工程檢測有限公司)	GR201844008308/ GR202144009909	2018-11-28	2024-12-31
Guangxi Guineng Software Co., Ltd. (廣西桂能軟件有限公司)	GR202045000787	2021-01-01	2021-12-31
China Energy Engineering Group Liaoning Electric Power Survey and Design Institute Co., Ltd. (中國能源建設集團遼寧電力勘測設計院有限公司)	GR201921001413	2019-12-12	2022-12-12
China Energy Engineering Group Anhui Electric Power Design Institute Co., Ltd. (中國能源建設集團安徽省電力設計院有限公司)	GR202034002327	2020-01-01	2022-12-31
Hunan Kechuang Electric Power Engineering Technology Co., Ltd. (湖南科創電力工程技術有限公司)	GR202143001111	2021-09-18	2024-09-17
Chengdu Best Digital Technology Co., Ltd. (成都貝斯特數碼科技有限責任公司)	GR202051003619	2020-12-03	2023-12-03
Guoyan North China Engineering Technology (Beijing) Co., Ltd. (國岩華北工程技術(北京)有限公司)	GR201811001171	2021-12-30	2023-12-30
Beijing Guoxin Youkong System Technology Co., Ltd. (北京國信優控系統技術有限公司)	GR201711000618	2020-10-21	2023-10-20
Lanzhou Electric Power Repair Co., Ltd. (蘭州電力修造有限公司)	GR202162000395	2021-10-22	2024-10-22
Nanjing Electric Power Fittings Design and Research Institute Co., Ltd. (南京電力金具設計研究院有限公司)	GR202032010075	2010-12-02	2013-12-02
Zhenjiang East China Electric Power Equipment Company Ltd. (鎮江華東電力設備製造廠有限公司)	GR202032002539	2020-12-02	2023-12-02
Yangzhou Power Equipment Repair Factory Co., Ltd. (揚州電力設備修造廠有限公司)	GR201832002495/ GR202132000015	2018-11-28	2024-11-02
Jiangsu Power Equipment Co., Ltd. (江蘇電力裝備有限公司)	GR202132001643	2021-11-03	2024-11-03
Beijing General Power Equipment Plant Co., Ltd. (Headquarter) (北京電力設備總廠有限公司(本部))	GR201611005969/ GR201911006307	2016-01-01	2021-12-31

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

The details of the Group's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Start date	End date
Beijing Electric Power Automatic Equipment Co., Ltd. (北京電力自動化設備有限公司)	GR201711007661/ GR202011003087	2017-01-01	2022-12-31
China Energy Construction Group Shenyang Electric Machinery General Factory Co., Ltd. (中國能源建設集團瀋陽電力機械總廠有限公司)	GR202121000976	2021-11-01	2024-11-01
China Energy Construction Group North China Electric Power Research Institute Co., Ltd. 中國能源建設集團華北電力試驗研究院有限公司	GR201912002317	2019-11-28	2022-11-27
China Energy Construction Group Huazhong Electric Power Research Institute Co., Ltd. (中國能源建設集團華中電力試驗研究院有限公司)	GR202043002753	2020-12-03	2023-12-03
China Energy Construction Group Northwest Electric Power Research Institute Co., Ltd. (中國能源建設集團西北電力試驗研究院有限公司)	GR202161000974	2021-11-03	2024-11-03
China Energy Construction Group South China Electric Power Research Institute Co., Ltd. (中國能源建設集團華南電力試驗研究院有限公司)	GR201844007957/ GR202144008096	2018-11-28	2024-12-19
China Energy Construction Geothermal Co., Ltd. (中能建地熱有限公司)	GR201911006447	2019-12-02	2022-12-01
Northwest Electric Power Construction Engineering Co., Ltd. (西北電力建設工程有限公司)	GR202061001672	2020-12-01	2023-12-01
China Energy Engineering Group Hunan Thermal Power Construction Co., Ltd. (中國能源建設集團湖南火電建設有限公司)	GR201943002104	2019-12-02	2021-12-31
Hunan Kexin Testing Co., Ltd. (湖南科信檢測有限公司)	GR202143001612	2021-09-18	2023-12-31
China Energy Construction Group Guangxi Hydropower Engineering Bureau Co., Ltd. (中國能源建設集團廣西水電工程局有限公司)	GR201945000242	2019-08-28	2022-08-27
Nanning Xingdian Concrete Co., Ltd. (南寧興典混凝土有限責任公司)	GR202045000322	2020-10-23	2023-10-23
Anhui Jinli Energy Technology Development Co., Ltd. (安徽津利能源科技發展有限責任公司)	GR201934001699	2021-01-01	2021-12-31
Guangdong Tuoqi Electric Power Technology Development Co., Ltd. (廣東拓奇電力技術發展有限公司)	GR202044010550	2020-12-09	2023-12-09

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1) Tax incentives for high-tech enterprises (continued)

Name of tax entity	Certificate number	Start date	End date
China Energy Engineering Group Anhui No. 1 Electric Power Construction Co., Ltd. (中國能源建設集團安徽電力建設第一工程有限公司)	GR202134004373	2021-01-01	2023-12-31
Hunan Lide Metal Structure Co., Ltd. (湖南利德金屬結構有限責任公司)	GR201943000994	2019-09-30	2022-09-29
China Energy Engineering Group Northeast No. 2 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第二工程有限公司)	GR201921200731	2019-01-01	2021-12-31
Northeast Electric Power Smoke Tower Engineering Co., Ltd. (東北電力煙塔工程有限公司)	GR201921001058	2019-12-02	2022-12-02
China Energy Engineering Group Tianjin Electric Power Construction Co., Ltd. (中國能源建設集團天津電力建設有限公司)	GR202012000603	2020-10-28	2023-10-28
Tianjin Lanchao Electric Power Maintenance Co., Ltd. (天津藍巢電力檢修有限公司)	GR202012001015	2020-10-28	2023-10-28
Tianjin Lanchao Special Hoisting Engineering Co., Ltd. (天津藍巢特種吊裝工程有限公司)	GR202012000998	2020-10-28	2023-10-28
Tianjin Chengxinda Metal Detection Technology Co., Ltd. (天津誠信達金屬檢測技術有限公司)	GR202012000784	2020-10-28	2023-10-28
China Energy Engineering Group Shanxi Electric Power Construction Co., Ltd. (中國能源建設集團山西電力建設有限公司)設有限公司)	GR202014000112	2020-08-03	2023-08-03
Zhongnengjian Road and Bridge Engineering Co., Ltd. (中能建路橋工程有限公司)	GR202112001082	2021-10-09	2024-10-08
China Energy Engineering Group Northeast No. 1 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第一工程有限公司)	GR201921000766	2019-10-11	2022-10-10
China Energy Engineering Group Northeast No. 3 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第三工程有限公司)	GR202021001185	2020-11-10	2023-11-10
Tianjin Chengshunda Building Material Testing Co., Ltd. (天津誠順達建築材料檢測有限公司)	GR202112000463	2019-01-01	2021-12-31

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(2) *Tax incentives for the Western Development*

According to the Notice on Preferential Tax Policies for Western Development (關於西部開發稅收優惠政策問題的通知) (Cai Shui [2001] No. 202) issued by the Ministry of Finance and the State Administration of Taxation and the General Administration of Customs, and the Notice on the Implementation of the Opinions on the Implementation of the Tax Policies Related to the Western Development (關於落實西部大開發有關稅收政策具體實施意見的通知) (Guo Shui [2002] No. 47) issued by the State Administration of Taxation, for enterprise satisfies the conditions of “located in the western region, with the encouraged industrial projects stipulated by the state as its main business, and the main business income for the year accounts for 70% of the total income of the enterprise”, and approved by the local tax authority, it enjoys the preferential tax policy of the Western Development from 2001 to 2010, and the income tax is subject to a preferential tax rate of 15%.

According to the Notice on Tax Policy Issues Concerning the Deep Implementation of the Western Development Strategy (關於深入實施西部大開發戰略有關稅收政策問題的通知) (Cai Shui [2011] No. 58) issued by the Ministry of Finance and the State Administration of Taxation and the General Administration of Customs, preferential tax policies for the Western Development will be extended to 31 December 2020. In accordance with the Announcement on Corporate Income Tax Issues Concerning the Deep Implementation of the Western Development Strategy (關於深入實施西部大開發戰略有關企業所得稅問題的公告) (Guo Shui [2012] No. 12) promulgated by the State Administration of Taxation on 6 April 2012, before the publication of the “Catalogue of Encouraged Industries in the Western Region”, for enterprises in line with the Industrial Structure Adjustment Guidance Catalogue (2005 Edition), Industrial Structure Adjustment Guidance Catalogue (2011 Edition), Foreign Investment Industry Guidance Catalogue (2007 Revised) and Central and Western Regions Advantageous Industries Catalogue (2008 Revised”), after being confirmed by the tax authorities, corporate income tax can be levied at a reduced rate of 15%.

In 2020, the Announcement No. 23 in 2020 issued by Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission stipulated that the corporate income tax policy for the development of the western region will be extended to 31 December 2030. For enterprises in encouraged industries located in the western region, corporate income tax is levied at a reduced rate of 15%. The term “encouraged industrial enterprises” as mentioned in this article refers to enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in the Western Region, and whose main business income accounts for more than 60% of the total enterprise income.

Entities of the Group enjoying the tax incentives for the Western Development are as follows:

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(2) Tax incentives for the Western Development (continued)

Entities enjoying tax incentives for the Western Development are as follows:

Name of entity	Started year	Ended year
Gezhouba Chongqing Daxihe Hydropower Development Co., Ltd. (葛洲壩重慶大溪河水電開發有限公司)	2011-01-01	2030-12-31
Gezhouba Explosive Xinjiang Explosive Engineering Co., Ltd. (葛洲壩易普力新疆爆破工程有限公司)	2012-01-01	2030-12-31
Gezhouba Epuli Guangxi Weiqi Chemical Co., Ltd. (葛洲壩易普力廣西威奇化工有限責任公司)	2011-01-01	2030-12-31
Gezhouba Explosive Chongqing Lineng Civil Explosive Stock Co., Ltd. (葛洲壩易普力重慶力能民爆股份有限公司)	2018-01-01	2030-12-31
Enshi Yuefeng Yunlong River Hydropower Development Co., Ltd. (恩施市越峰雲龍河水電開發有限公司)	2012-08-12	2030-12-31
Ningxia Tianchangmin Explosive Equipment Franchise Co., Ltd. (寧夏天長民爆器材專營有限責任公司)	2014-01-01	2030-12-31
China Gezhouba Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	2011-01-01	2030-12-31
Gezhouba Yipuli Sichuan Blasting Engineering Co., Ltd. (葛洲壩易普力四川爆破工程有限公司)	2014-01-01	2030-12-31
Gezhouba Xingye Baotou Renewable Resources Co., Ltd. (葛洲壩興業包頭再生資源有限公司)	2019-01-01	2030-12-31
China Electric Power Engineering Consulting Group Northwest Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團西北電力設計院有限公司)	2008-01-01	2030-12-31
Sichuan Jiangdian Construction Supervision Co., Ltd. (四川省江電建設監理有限責任公司)	2012-06-12	2030-12-31
China Energy Engineering Group Shaanxi Electric Power Design Institute Co., Ltd. (中國能源建設集團陝西省電力設計院有限公司)	2015-01-01	2030-12-31
China Energy Engineering Group Gansu Electric Power Design Institute Co., Ltd. (中國能源建設集團甘肅省電力設計院有限公司)	2011-01-01	2030-12-31
China Energy Engineering Group Xinjiang Electric Power Design Institute Co., Ltd. (中國能源建設集團新疆電力設計院有限公司)	2021-01-01	2021-12-31
Xinjiang Dingyao Engineering Consulting Co., Ltd. (新疆鼎耀工程諮詢有限公司)	2015-01-01	2030-12-31
China Energy Engineering Group Yunnan Electric Power Design Institute Co., Ltd. (中國能源建設集團雲南省電力設計院有限公司)	2013-08-02	2030-12-31
Guangxi Anke Geotechnical Engineering Co., Ltd. (廣西安科岩土工程有限責任公司)	2006-01-01	2030-12-31
Guangxi Guineng Engineering Consulting Group Co., Ltd. (廣西桂能工程諮詢集團有限公司)	2012-01-01	2030-12-31

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(2) Tax incentives for the Western Development (continued)

Entities enjoying tax incentives for the Western Development are as follows: (continued)

Name of entity	Started year	Ended year
Guangxi Hydropower Research Institute Co., Ltd. (廣西水電科學研究院有限公司)	2011-01-01	2030-12-31
Guangxi Zhongyu Engineering Consulting Co., Ltd. (廣西中宇工程諮詢有限公司)	2011-01-01	2030-12-31
Lanzhou Kaiyuan Engineering Supervision Co., Ltd. (蘭州開元工程監理有限責任公司)	2011-01-01	2030-12-31
Northwest Electric Power Construction Third Engineering Co., Ltd. (西北電力建設第三工程有限公司)	2006-01-01	2030-12-31
China Energy Engineering Group Northwest Power Construction Gansu Engineering Corporation(中國能源建設集團西北電力建設甘肅工程有限公司)	2021-01-01	2021-12-31
Northwest Electric Power Construction Engineering Supervision Co., Ltd. (西北電力建設工程監理有限責任公司)	2021-01-01	2030-12-31
Honghe County Tongcheng Hydropower Development Co., Ltd. (紅河縣同誠水電開發有限公司)	2015-01-01	2030-12-31
Guangxi Longjiang Electric Power Development Co., Ltd. (廣西龍江電力開發有限責任公司)	2011-01-01	2030-12-31
Yunnan Hengyi Hydropower Development Co., Ltd. (雲南恒益水電開發有限公司)	2021-01-01	2021-12-31
Honghe County Guanghong Hydropower Development Co., Ltd. (紅河縣廣鴻水電開發有限公司)	2018-01-01	2030-12-31
Guangxi Liyuan Engineering Project Management Co., Ltd. (廣西力元工程項目管理有限公司)	2018-01-01	2030-12-31
The parent company of Guangxi Hongyuan Electric Power Co., Ltd. (廣西泓源電力有限公司)母公司	2020-01-01	2030-12-31
Xinjiang Electric Power Construction Co., Ltd. (新疆電力建設有限公司)	2001-01-01	2030-12-31
China Energy Engineering Group Yunnan Thermal Power Construction Co., Ltd (中國能源建設集團雲南火電建設有限公司)	2021-01-01	2030-12-31

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(3) Tax incentives for public infrastructure projects

According to the relevant provisions of Article 27 of the “Enterprise Income Tax Law of the People’s Republic of China” (Order of the President of the People’s Republic of China [2007] No. 63), income of the subsidiaries of the Company engaged in the investment and operation of public infrastructure projects supported by the state, shall be exempted from corporate income tax from the first year to the third year, and halved from the fourth to sixth year starting from the tax year in which the project receives the first income from production and operation.

In accordance with the relevant provisions of Article 88 of the Regulations on the Implementation of the Enterprise Income Tax Law of the People’s Republic of China (State Council Order [2007] No. 512), income of the subsidiaries of the Company engaged in projects such as environmental protection, energy-saving and water-saving projects such as public sewage treatment, public waste treatment, comprehensive development and utilization of biogas, technological transformation of energy conservation and emission reduction, and seawater desalination, shall be exempted from corporate income tax from the first year to the third year, and halved from the fourth to sixth year starting from the tax year in which the project receives the first income from production and operation.

The Group’s enterprises enjoying tax incentives for public infrastructure projects are as follows:

Name of entity	Tax incentive reasons	Started year
Gezhouba Water (Jingmen) Co., Ltd. (葛洲壩水務(荊門)有限公司)	Periodic reduction or exemption of corporate income tax on income from qualified environmental protection, energy and water saving projects	2019-01-01
Gezhouba Zhongcaijixin (Wuhan) Technology Co., Ltd. (葛洲壩中材潔新(武漢)科技有限公司)	Periodic reduction or exemption of corporate income tax on income from qualified environmental protection, energy and water saving projects	2014-01-01
Gezhouba Water Affairs (Taizhou) Co., Ltd. (葛洲壩水務(台州)有限公司)	Periodic reduction or exemption of corporate income tax on income from qualified environmental protection, energy and water saving projects	2018-02-11
Gezhouba Water Affairs (Baoding) Co., Ltd. (葛洲壩水務(保定)有限公司)	Periodic reduction or exemption of corporate income tax on income from qualified environmental protection, energy and water saving projects	2015-01-01
Gezhouba Water Affairs Wenling Co., Ltd. (葛洲壩水務溫嶺有限公司)	Periodic reduction or exemption of corporate income tax on income from qualified environmental protection, energy and water saving projects	2017-01-01
China Energy Construction Group Yongsheng New Energy Co., Ltd. (中國能源建設集團永勝新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2016-01-01
Qinshui Yuanjinghui Wind Power Co., Ltd. (沁水遠景匯合風電有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
China Energy Construction Investment Xilin Gol League New Energy Co., Ltd. (中能建設錫林郭勒盟新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2020-12-01
Langxi County Shengshi Energy Investment Management Co., Ltd. (郎溪縣盛世能源投資管理有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2017-04-01
Lianyungang Hefeng Wind Power Co., Ltd. (連雲港和風風電有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(3) Tax incentives for public infrastructure projects (continued)

Name of entity	Tax incentive reasons	Started year
China Power Engineering Consulting Group Quzhou Wind Power Co., Ltd. (中國電力工程顧問集團衢州風電有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2016-01-01
Yongjia Zhongdain Engineering New Energy Co., Ltd. (永嘉中電工程新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
Pingding Zhongneng Construction Investment New Energy Co., Ltd. (平定中能建設新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2020-01-01
China Energy Construction Group Changzhou New Energy Co., Ltd. (中國能源建設集團常州新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2016-01-01
China Energy Construction Investment Nanxiong New Energy Co., Ltd. (中能建設南雄新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2017-01-01
China Energy Construction Group Shaoguan Electric Power Co., Ltd. (中國能源建設集團韶關電力有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2018-01-01
China Energy Construction Investment Jinlongshan Wind Power (Nanxiong) Co., Ltd. (中能建設金龍山風電(南雄)有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
China Energy Construction Investment Wuwei New Energy Co., Ltd. (中能建設無為新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
China Energy Construction Group Taihe New Energy Co., Ltd. (中國能源建設集團太和新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2017-01-10
Jianruiyang New Energy Co., Ltd. (建汝陽新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
Hunan Lanshan Zhongdain Engineering New Energy Co., Ltd. (湖南藍山中電工程新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2020-01-01
Hunan Liling CLP Engineering New Energy Co., Ltd. (湖南醴陵中電工程新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2020-01-01
Zhongdian Engineering Yexian New Energy Co., Ltd. (中電工程葉縣新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2019-01-01
Dali Zhongneng Construction Investment New Energy Co., Ltd. (大荔中能建設新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021-01-01
Lushan County Toudaomiao Photovoltaic Power Technology Development Co., Ltd. (魯山縣頭道廟光伏電力科技開發有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2018-06-01

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(4) *In addition, certain subsidiaries of the Group are entitled to 15% to 20% of income tax preferential tax as they meet the conditions of small and low-profit enterprises.*

(5) *Others tax incentives*

According to the Notice on Directory of VAT Concessions on Comprehensive Utilization of Goods and Services (Cai Shui [2015] No. 78) (《關於印發〈資源綜合利用產品和勞務增值稅優惠目錄〉的通知》(財稅[2015]78號文件)), the Company's subsidiary China Gezhouba Group Cement Co., Ltd. (中國葛洲壩集團水泥有限公司) and its affiliated subsidiaries meet the requirement of Comprehensive Utilization of Resources, enjoying refund of 70% of VAT upon collection for revenue from cement of PC42.5 and above grades produced by comprehensive utilization of waste slag resources, with over 20% of raw materials and over 40% of other cement and cement clinker from waste slag resources; subsidiaries engaging in sewage treatment business of China Gezhouba Group Water Operation Co., Ltd. (中國葛洲壩集團水務運營有限公司), a subsidiary of the Company, meet the requirement of Comprehensive Utilization of Resources, enjoying refund of 70% of VAT upon collection.

According to Notice of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of the VAT Policy for Photovoltaic Power Generation (Cai Shui [2016] No. 81), from 1 January 2016 to 31 December 2018, taxpayers who sell self-produced electricity products produced by using solar energy are subject to the policy of 50% VAT refund immediately after collection. In September 2017, the General Department of the National Energy Administration issued the Notice on Reducing the Burden of Taxes and Fees Related to Enterprises in the Field of Renewable Energy, for taxpayers who sell self-produced power products produced by using solar energy are subject to the policy of 50% VAT refund immediately after collection, which has been extended from 31 December 2018 to 31 December 2020.

According to the Notice on the Value-Added Tax Policies for Wind Power Generation (Cai Shui [2015] No. 74), starting from 1 July 2015, taxpayer who sales of self-produced power products using wind power will be subject to the policy of 50% VAT refund immediately after collection.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT

1. Cash at Bank and on Hand

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Cash at Bank and on hand	40,231	48,988
Bank deposit	52,806,059	50,549,418
Other currency	5,452,808	5,836,505
Total	58,299,098	56,434,911
Including: Total amount deposited abroad	5,676,038	6,075,284

Other explanations

Other Cash at Bank and on hand of the Group mainly include deposits for bank acceptance bills, deposits for letters of credit, deposits for letter of guarantee and other funds with limited use, please refer to Note VII.65.

Some of the Cash at Bank and on hand of the Group deposited abroad are subject to foreign exchange controls in relevant countries or regions, and cannot be freely converted into foreign currencies or remitted from these countries or regions. On 31 December 2021, the Cash at Bank and on hand denominated in foreign currencies deposited by the Group in these countries or regions accounted for less than 3% of the balance of Cash at Bank and on hand in the Group's consolidated balance sheet.

2. Financial assets held for trading

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Investment in unlisted fund products	2,966,626	2,895,415
Investment in shares of listed companies	54,088	62,278
Total	3,020,714	2,957,693

3. Financial assets Purchased with Agreement to Re-sale

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	31 December 2021	31 December 2020
Financial assets purchased with agreement to re-sale	–	4,002,000
Total	–	4,002,000

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

4. Bills receivables

(1). Presentation of bills receivables by classification

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	5,108,272	3,909,851
Commercial acceptance bills	3,480,435	4,681,988
Sub-total	8,588,707	8,591,839
Less: Bad debts provision	6,136	–
Total	8,582,571	8,591,839

The above bills receivable are due within one year.

(2). Bills receivables pledged by the Company at the end of the period

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount pledged at the end of the period
Bank acceptance bills	96,147
Commercial acceptance bills	2,500
Total	98,647

(3). Bills receivables endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptances	597,017	3,895,169
Commercial acceptances	–	1,328,412
Total	597,017	5,223,581

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

4. Bills receivables (continued)

(4). Bills of the Company that were transferred to accounts receivable due to the drawer's failure to perform the contract as at the end of the period

Applicable Not Applicable

(5). Disclosure by classification with the method of provision for bad debt

Applicable Not Applicable

The Group's notes receivables are generated from daily business activities such as the sale of goods and the provision of labor services. Regardless of whether there is a significant financing component, loss provisions are measured in accordance with the expected credit losses throughout the lifetime.

- (i) As of 31 December 2021, the Group had no bill receivable for which bad debt provision made on an individual basis.
- (ii) As of 31 December 2021, the analysis of bills receivable for which bad debt provision is made on group basis is as follows:

On 31 December 2021, the Group measured the bad debt provision for commercial acceptance bills based on the lifetime expected credit losses. The relevant amount was RMB6,136,000, and the lifetime expected credit loss ratio is 0.18%.

On 31 December 2021, the Group measures the bad debt provision for bank acceptance bills based on the lifetime expected credit losses. The Group believes that there is no significant credit risk in the bank acceptance bills it holds, and no significant losses will be incurred due to the default of the bank or other drawers.

5. Trade Receivables

(1). Disclosure by customer category

Unit: '000 Currency: RMB

Customer category	31 December 2021	31 December 2020
Related parties	5,553,090	3,062,338
Third parties	55,389,015	51,775,004
Subtotal	60,942,105	54,837,342
Less: Impairment Provision	3,986,199	3,751,199
Total	56,955,906	51,086,143

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

5. Trade Receivables (continued)

(2). Disclosure by aging

Applicable Not Applicable

Unit: '000 Currency: RMB

Aging	31 December 2021		31 December 2020
	Amount	Proportion (%)	Amount
Within 1 year (inclusive)	43,883,814		39,053,124
1 to 2 years (inclusive)	7,535,427		6,232,272
2 to 3 years (inclusive)	3,066,435		4,225,552
Over 3 years	6,456,429		5,326,394
Sub-total	60,942,105		54,837,342
Less: Bad debts provision	3,986,199		3,751,199
Total	56,955,906		51,086,143

The aging of trade receivable is calculated from the date of confirmation of trade receivable.

(3). Disclosure by classification with the method of provision for bad debt

Applicable Not Applicable

Unit: '000 Currency: RMB

Class	31 December 2021				Book value
	Book balance		Bad debt provision		
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on group basis					
– Central enterprises	23,887,967	39.20	238,880	1.00	23,649,087
– Local governments and other state-owned enterprises	12,369,631	20.30	371,089	3.00	11,998,542
– Private enterprises and others	24,684,507	40.50	3,376,230	13.68	21,308,277
Total	60,942,105	100.00	3,986,199	6.54	56,955,906

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

5. Trade Receivables (continued)

(3). Disclosure by classification with the method of provision for bad debt (continued)

Unit: '000 Currency: RMB

Class	31 December 2020				
	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on group basis					
– Central enterprises	19,752,846	36.02	197,528	1.00	19,555,318
– Local governments and other state-owned enterprises	8,041,156	14.66	241,235	3.00	7,799,921
– Private enterprises and others	27,043,340	49.32	3,312,436	12.25	23,730,904
Total	54,837,342	100.00	3,751,199	6.84	51,086,143

Assessment of expected credit losses on accounts receivable:

Applicable Not Applicable

The Group has always measured the provision for impairment of accounts receivable of each segmented customer group based on the amount equivalent to the expected credit loss during the entire duration. The Group has classified customers according to their type. For central enterprises, local governments and other state-owned enterprise customers, their expected credit losses are measured at 1% and 3% respectively. For private enterprises and other customers, the expected credit loss is calculated based on the comparison table of days overdue and expected credit loss rate after taking into account collateral or other credit enhancement, and the analysis is as follows.

Unit: '000 Currency: RMB

	31 December 2021			31 December 2020		
	Book balance	Expected credit loss rate	Bad debt provision	Book balance	Expected credit loss rate	Bad debt provision
Private enterprises and others	24,684,507	/	3,376,230	27,043,340	/	3,312,436
– Not past due	15,439,034	1.49%	230,042	16,917,912	1.46%	247,002
Within 6 months	1,500,376	11.45%	171,793	2,898,297	11.42%	330,986
– 6 to 18 months	3,160,325	17.11%	540,732	2,686,499	17.06%	458,317
– 18 to 30 months	1,175,149	28.33%	332,920	1,820,057	28.23%	513,802
– 30 to 42 months	1,686,835	47.48%	800,909	1,021,659	47.36%	483,858
– 42 to 54 months	694,380	68.71%	477,108	618,572	66.96%	414,196
– More than 54 months	1,028,408	80.00%	822,726	1,080,344	80.00%	864,275

Expected loss rates are calculated based on the actual credit loss experiences in the past certain period and is adjusted based on the differences among the economic conditions of the period of historic data collection, the current economic conditions and the Group's view of economic conditions over the expected lives.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

5. Trade Receivables (continued)

(4). Provision for bad debt

Applicable Not Applicable

Unit: '000 Currency: RMB

	Note	31 December 2021	31 December 2020
Balance at the beginning of the year		3,751,199	3,374,910
Provision for the year		995,656	647,262
Recovered or reversed for the year		(446,785)	(171,305)
Write-off for the year	(i)	(313,871)	(99,668)
Balance at the end of the year		3,986,199	3,751,199

During the year, the Group did not have significant recoveries or reversals for single account receivable that had been fully impaired or provided with a relatively large proportion of allowance provisions debt collected or reversed.

(5). Trade receivables written off in the period

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Write-off amount
Trade receivables actually written off	313,871

Information on write-off of significant trade receivables

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of entity	Nature of trade receivables	Write-off amount	Write-off reason	Write-off procedure performed	Whether the amount is caused by a related transaction
Zuhai Zhengxing Energy Co., Ltd. (珠海正興能源有限公司)	Receivables from product sales	128,216	Creditor insolvency	It was decided by the chairman's office meeting of the second-level company and reported to CEEC for the record.	No
Guangxi Meiyuan Trading Co., Ltd. (廣西美源貿易有限公司)	Receivables from product sales	108,990	Creditor insolvency	It was decided by the chairman's office meeting of the second-level company and reported to CEEC for the record.	No
Total	/	237,206	/	/	/

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

5. Trade Receivables (continued)

(6). Status of top five trade receivables according to the closing balance collected by the debtor

Applicable Not Applicable

Other explanation

As at 31 December 2021, the top five trade receivables of the Group at the end of the year were RMB3,207,132,000 (2020: RMB2,826,038,000), accounting for 5.27% of the total amount of accounts receivable at the end of the year (2020: 5.15%), the closing balance of the corresponding provision for bad debts totaled RMB47,786,000 (2020: RMB71,740,000).

(7). Trade receivables derecognized due to the transfer of financial assets

Applicable Not Applicable

On 31 December 2021, the Group's trade receivables derecognized due to the transfer of financial assets totaled RMB5,988,852,000 (2020: RMB5,434,844,000).

6. Receivables financing

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	2,315,441	4,637,568
Total	2,315,441	4,637,568

7. Prepayments

(1). By category

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Related party	213,755	235,967
Third party	28,248,276	25,021,737
Total	28,462,031	25,257,704

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Prepayments (continued)

(2). *By aging*

Applicable Not Applicable

Unit: '000 Currency: RMB

Ageing	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year (inclusive) (i)	20,119,948	70.70	21,391,504	84.69
1 to 2 years (inclusive)	6,854,681	24.08	2,193,043	8.68
2 to 3 years (inclusive)	586,761	2.06	600,715	2.38
Over 3 years (inclusive)	900,641	3.16	1,072,442	4.25
Total	28,462,031	100.00	25,257,704	100.00

Aging starts to be calculated from the date of confirmation of prepayment.

Explanation of the reasons for not timely settlement of significant prepayments with an age of over one year:

As at 31 December 2021, the prepaid accounts aged over one year mainly consisted of prepaid construction fees and prepaid construction raw materials, which will be settled with the progress of the construction.

(3). *Top five prepayments at the end of the period by the balance collected regarding receivers of advances*

Applicable Not Applicable

Other explanation

As at 31 December 2021, the Group's top five prepayments as at the end of the year by the balance collected totaled RMB5,883,493,000 (2020: RMB4,358,736,000), accounting for 19% of the total balance of prepayments as at the end of the year (2020: 17%).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Interest receivable	22,030	335
Dividends receivable	39,296	86,112
Other receivables	18,297,779	16,835,934
Total	18,359,105	16,922,381

Other receivables

(1). Disclosure by customer type

Unit: '000 Currency: RMB

Customer category	Closing balance	Opening balance
Related parties	5,843,486	5,718,733
Third parties	15,808,997	14,143,923
Subtotal	21,652,483	19,862,656
Less: Provision for bad debts	3,354,704	3,026,722
Total	18,297,779	16,835,934

(2). Disclosure by aging

Applicable Not Applicable

Unit: '000 Currency: RMB

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	11,738,395	15,482,712
1 to 2 years (inclusive)	7,105,345	2,339,120
2 to 3 years (inclusive)	1,095,319	526,400
Over 3 years	1,713,424	1,514,424
Subtotal	21,652,483	19,862,656
Less: Provision for bad debts	3,354,704	3,026,722
Total	18,297,779	16,835,934

Aging is calculated from the date of recognition of other receivables.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables (continued)

Other receivables (continued)(3). *Classification by nature*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Nature	31 December 2021		
	Booking balance	Provision for bad debts	Percentage of provision
Security deposit and pledge	6,509,194	482,433	7.41%
Other advances	8,562,559	2,541,109	29.68%
Total borrowed funds	3,875,368	105,620	2.73%
Tax payable	354,751	2,149	0.61%
Other	2,350,611	223,393	9.50%
Total	21,652,483	3,354,704	15.49

Unit: '000 Currency: RMB

Nature	31 December 2020		
	Booking balance	Provision for bad debts	Percentage of provision
Security deposit and pledge	6,978,657	409,743	5.87%
Other advances	6,176,541	2,265,349	36.68%
Total borrowed funds	3,879,493	44,798	1.15%
Tax payable	493,159	774	0.16%
Other	2,334,806	306,058	13.11%
Total	19,862,656	3,026,722	15.24%

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables (continued)

Other receivables (continued)

(4). *Disclosure according to the classification of the provision for bad debts*

Unit: '000 Currency: RMB

Type	Note	31 December 2021				Book value
		Booking balance Amount	Percentage of provision (%)	Provision for bad debts Amount	Percentage of provision (%)	
Provision for bad debts on an individual basis		2,018,606	9.32	1,869,198	92.60	149,408
Provision for bad debts on group basis	(i)	19,633,877	90.68	1,485,506	7.57	18,148,371
Total		21,652,483	100.00	3,354,704	15.49	18,297,779

Unit: '000 Currency: RMB

Class	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on an individual basis	1,732,814	8.72	1,732,814	100.00	–
Provision for bad debts on group basis	18,129,842	91.28	1,293,908	7.14	16,835,934
Total	19,862,656	100.00	3,026,722	15.24	16,835,934

(i) Provision for bad debts on group basis:

Unit: '000 Currency: RMB

Aging	31 December 2021				Book value
	Book balance Amount	Proportion (%)	Bad debt provision Amount	Proportion (%)	
1 to 2 years	9,719,789	49.51	236,350	2.43	9,483,439
2 to 3 years	7,105,345	36.19	175,093	2.46	6,930,252
Over 3 years	1,095,319	5.58	85,168	7.78	1,010,151
1 to 2 years	1,713,424	8.73	988,895	57.71	724,529
Total	19,633,877	100.00	1,485,506	7.57	18,148,371

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables (continued)

Other receivables (continued)(5). *Provision for bad debts*

Applicable Not Applicable

Unit: '000 Currency: RMB

	31 December 2021			Total
	Stage I ECL over the next 12 months	Stage II Lifetime ECL (non- credit impaired)	Stage III Lifetime ECL (credit impaired)	
Provision for bad debts				
Balance at the beginning of the year	1,293,908	–	1,732,814	3,026,722
Provision for the year	238,614	–	223,417	462,031
Recovered or reversed for the year	-70,972	–	–	-70,972
Write-off for the year	-63,077	–	–	-63,077
Balance at the end of the year	1,398,473	–	1,956,231	3,354,704

Unit: '000 Currency: RMB

	31 December 2020			Total
	Stage I ECL over the next 12 months	Stage II Lifetime ECL (non- credit impaired)	Stage III Lifetime ECL (credit impaired)	
Provision for bad debts				
Balance at the beginning of the year	1,132,436	–	1,158,596	2,291,032
Provision for the year	206,102	–	574,218	780,320
Recovered or reversed for the year	-34,649	–	–	-34,649
Write-off for the year	-9,981	–	–	-9,981
Balance at the end of the year	1,293,908	–	1,732,814	3,026,722

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables (continued)

Other receivables (continued)

(5). *Provision for bad debts (continued)*

- (i) Reasons for making provision for bad debts on an individual a portfolio basis:

Unit: '000 Currency: RMB

Name	Carrying amount	Provision for bad debts	Reason for provision in 2021
Other receivables of Gezhouba Huanjia	1,760,568	1,611,160	Note (i)
Guangxi Jinwuyue Energy Group Co., Ltd. (廣西金伍岳能源集團有限公司)	258,038	258,038	Both original debtor and guarantor are insolvent
Total	2,018,606	1,869,198	

Unit: '000 Currency: RMB

Name	Carrying amount	Provision for bad debts	Reason for provision in 2020
Huanjia Connected Suppliers	1,474,776	1,474,776	Note (i)
Guangxi Jinwuyue Energy Group Co., Ltd. (廣西金伍岳能源集團有限公司)	258,038	258,038	Both original debtor and guarantor are insolvent
Total	1,732,814	1,732,814	

Note (i): Since 2019, the minority shareholders, some directors and management personnel of Gezhouba Huanjia (Dalian) Renewable Resources Company Limited (葛洲壩環嘉(大連)再生資源有限公司, "Gezhouba Huanjia"), a subsidiary of the Group, have been kept in detention by the Committee of Supervisory of Wuhan City (武漢市監察委員會) for the investigation of criminal cases of economic crimes (the "Supervision Commission Investigation"). As of 31 December 2021, the investigation by the Supervisory Committee has been completed, and relevant personnel have been transferred to the Wuhan Municipal People's Procuratorate. Due to the above Supervision Commission Investigation, the business of Gezhouba Huanjia was basically stagnant. Based on the information available to the Group at the relevant time point, the Group has made provision for impairment of other receivables of Gezhouba Huanjia of RMB1,611,160,000 (as at 31 December 2020: RMB1,501,111,000). Among them, other receivables of Gezhouba Huanjia are mainly from s Huanjia Group Co., Ltd. (環嘉集團有限公司) and its related companies ("Huanjia Connected Suppliers") related to the minority shareholders of Gezhouba Huanjia.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Other Receivables (continued)

Other receivables (continued)(6). *Five largest other receivables by debtor at the end of the period*

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Name of company	Nature of receivable	Closing balance	Aging	Proportion of the closing balance of other receivables (%)	Closing balance of provision for bad debt
Nanjing Economic and Technology Development Zone Management Committee	Deposits	3,000,000	1-2 years (inclusive)	13.86%	-
Huanjia Connected Suppliers	Other prepayments	1,474,776	Over 3 years	6.81%	1,474,776
Gekuangli Nanjing Property Development Co., Ltd. (葛礦利南京房地產開發有限公司)	Placements	1,084,244	1-2 years (inclusive)	5.01%	-
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	Placements	639,400	1-2 years (inclusive)	2.95%	-
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	Placements	479,574	Within 1 year (inclusive)	2.21%	-
Total	/	6,677,994	/	30.84%	1,474,776

Unit: '000 Currency: RMB

Name of company	Nature of receivable	Balance as at 31 December 2020	Aging	Proportion of the closing balance (%)	Closing balance of provision for bad debt
Gekuangli Nanjing Property Development Co., Ltd. (葛礦利南京房地產開發有限公司)	Placements	2,024,630	Within 1 year (inclusive)	10.19%	-
Nanjing Economic and Technology Development Zone Management Committee	Deposits	2,000,000	Within 1 year (inclusive)	10.07%	-
Huanjia Connected Suppliers	Other prepayments	1,474,776	2-3 years (inclusive)	7.42%	1,474,776
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	Placements	631,207	Within 1 year (inclusive)	3.18%	-
China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設公司)	Deposits	515,088	Within 1 year (inclusive)	2.59%	-
Total		6,645,701		33.45%	1,474,776

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

9. Inventories

(1). Classification of inventories

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for inventory impairment/impairment provision for contract performance cost	Carrying amount	Book balance	Provision for inventory impairment/impairment provision for contract performance cost	Carrying amount
Materials in transit	31,441	–	31,441	89,622	–	89,622
Raw materials	4,590,587	150,197	4,440,390	4,381,917	86,420	4,295,497
Product in progress	1,692,035	86,764	1,605,271	1,653,193	28,301	1,624,892
Finished products	6,057,056	248,022	5,809,034	5,756,614	170,188	5,586,426
Circulating material	280,890	6,593	274,297	365,569	6,471	359,098
Property development cost	42,684,589	154,708	42,529,881	44,937,703	–	44,937,703
Property development cost products	3,919,064	–	3,919,064	4,636,074	–	4,636,074
Total	59,255,662	646,284	58,609,378	61,820,692	291,380	61,529,312

The amount of capitalised borrowing costs included in closing balance of inventories of the Group was RMB4,859,880,000 (2020: RMB4,100,985,000).

At the end of the year, the value of inventories used for pledge by the Group was RMB10,662,147,000 (2020: RMB17,291,460,000).

Some scrap steel, scrap non-ferrous metals and other inventories of Gezhouba Huanjia were stored in the sites leased from Huanjia Group for operational needs. Due to the involvement of Huanjia Group in numerous legal proceedings, the inventories of Gezhouba Huanjia with a book value of RMB708,000,000 stored at the site of Huanjia Group was seized by court orders for enforcement in 2019. The impairment provision made for inventories by the Group during the year was RMB27,323,000. According to the legal opinion issued by the legal counsel of the Group and the relevant documents and documents issued by the court, the Group considered that the inventory is legally owned by Gezhouba Huanjia.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

9. Inventories (continued)

(2). Provision for inventory impairment/impairment provision for contract performance cost

Applicable Not Applicable

Unit: '000 Currency: RMB

Type of inventories	Balance as at 1 January 2021	Increase for the year Provision	Decrease for the year Reversal or write-off	Balance as at 31 December 2021
Raw materials	86,420	72,752	8,975	150,197
Product in progress	28,301	63,564	5,101	86,764
Finished products	170,188	108,988	31,154	248,022
Circulating material	6,471	1,478	1,356	6,593
Property development cost	–	154,708	–	154,708
Total	291,380	401,490	46,586	646,284

Unit: '000 Currency: RMB

Type of inventories	Balance as at 1 January 2020	Increase for the year Provision	Decrease for the year Reversal or write-off	Balance as at 31 December 2020
Raw materials	31,885	60,947	6,412	86,420
Product in progress	12,614	21,097	5,410	28,301
Finished products	166,731	35,163	31,706	170,188
Property development cost	5,655	816	–	6,471
Total	216,885	118,023	43,528	291,380

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

10. Contract Assets

(1). Contract assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	31 December 2021	31 December 2020
Contract assets arising from construction contracts	66,470,832	49,507,100
Less: Impairment provision	1,517,455	1,269,473
Total	64,953,377	48,237,627

The contract assets are mainly generated from the construction and contracting business of the Group. The Group provides engineering contracting and construction services in accordance with the engineering construction contracts signed with customers, and recognizes revenue during the contract period based on the performance progress. The Group's customers settle with the Group on the performance progress of engineering contracting and construction service according to contracts, and pay the project costs according to the credit period stipulated in the contracts after settlement. The excess of the revenue recognized by the Group based on the performance progress over the settled costs is recognized as contract assets, and the excess of the settled costs over the revenue recognized by the Group based on the performance progress is recognized as contract liabilities.

(2). Provision for impairment of contract assets in the current period

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	2021	2020
Opening balance	1,269,473	1,080,033
Provision for the year	459,428	307,054
Recovery or reversal for the year	(148,842)	(117,402)
Decrease in disposal of subsidiaries for the year	(61,799)	–
Cancellation or write-off for the year	(805)	(212)
Closing balance	1,517,455	1,269,473

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

10. Contract Assets (continued)

(3). *Disclosure of contract assets by classification under the method of provision for impairment:*

The Group always measures the impairment provision of contract assets in accordance with the amount of lifetime expected credit losses. The expected credit loss rate is calculated based on the historical actual credit loss experience, and is adjusted according to the difference among the economic condition during the historical data collection period, the current economic condition and the economic condition during the expected duration considered by the Group.

Unit: '000 Currency: RMB

Type	31 December 2021			Net carrying amount
	Book balance	Expected credit loss rate	Impairment provision	
Contract assets with provision for impairment on group basis	66,470,832	2.28%	1,517,455	64,953,377
Total	66,470,832	2.28%	1,517,455	64,953,377

Unit: '000 Currency: RMB

Type	31 December 2020			Net carrying amount
	Book balance	Expected credit loss rate	Impairment provision	
Contract assets with provision for impairment on group basis	49,507,100	2.56%	1,269,473	48,237,627
Total	49,507,100	2.56%	1,269,473	48,237,627

(4). *For details of related party balance included in the balance of contracted assets at the end of the year, please refer to Note XII. 6.*

11. Non-current Assets Due within One Year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Long-term receivables due within one year	971,540	1,119,512
Other non-current assets due within one year	–	2,348
Total	971,540	1,121,860

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

12. Other Current Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
VAT to be deducted	7,633,728	6,136,598
Prepaid taxes	1,341,295	947,304
Short-term national debt	–	193,722
Interbank deposit	170,707	–
Other	96,097	80,405
Total	9,241,827	7,358,029

13. Loans and Advances to Customers

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Loans and advances to customers	2,864,136	1,235,435
Less: Impairment provision	71,604	30,886
Total	2,792,532	1,204,549

(1) Changes in bad debt provision

Applicable Not Applicable

Unit: '000 Currency: RMB

Provision for bad debt	31 December 2021			Total
	Stage 1 12-month ECL	Stage 2 ECL - non- credit impaired	Stage 3 ECL – credit impaired	
Opening balance	30,886	–	–	30,886
Provision for the year	40,718	–	–	40,718
Recovery or reversal for the year	–	–	–	–
Cancellation for the year	–	–	–	–
Other	–	–	–	–
Closing balance	71,604	–	–	71,604

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Loans and Advances to Customers (continued)

(1) Changes in bad debt provision (continued)

Unit: '000 Currency: RMB

Provision for bad debt	31 December 2020			Total
	Stage 1	Stage 2	Stage 3	
	12-month ECL	ECL - non-credit impaired	ECL - credit impaired	
Opening balance	30,105	–	–	30,105
Provision for the year	781	–	–	781
Recovery or reversal for the year	–	–	–	–
Cancellation for the year	–	–	–	–
Other	–	–	–	–
Closing balance	30,886	–	–	30,886

For details of related party balance included in the balance of loans and advances to customers at the end of the year, please refer to Note XII. 6.

14. Long-term Receivables

(1) Long-term receivables

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Note	Closing balance	Opening balance
Finance lease receivables		–	4,525,335
– Original value		–	5,671,519
– Unrecognized financing income		–	1,146,184
Construction progress payments receivable		6,903,300	5,648,941
PPP project payments receivable		12,608,466	19,192,704
Other		757,772	213,645
Subtotal		20,269,538	29,580,625
Less: Provision for bad debts of long-term receivables		360,256	383,172
Subtotal		19,909,282	29,197,453
Less: The portion due within one year	V.11	970,195	1,119,512
Total		18,939,087	28,077,941

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

14. Long-term Receivables (continued)

(1). Long-term receivables (continued)

Disclosure by the method of provision for bad debts:

Unit: '000 Currency: RMB

Type	31 December 2021				
	Book balance		Bad debts provision		Carrying amount
	Amount	Percentage %	Amount	Provision Percentage %	
Provision for bad debts on group basis					
– Construction progress payments receivable	7,611,889	39.44	360,256	4.73	7,251,633
– PPP project payments receivable	11,687,454	60.56	–	–	11,687,454
Total	19,299,343	100.00	360,256	1.87	18,939,087

Unit: '000 Currency: RMB

Type	31 December 2020				
	Book balance		Bad debts provision		Carrying amount
	Amount	Percentage %	Amount	Provision Percentage %	
Provision for bad debts on group basis					
– Finance lease receivables	4,525,335	15.90	32,292	0.71	4,493,043
– Construction payments receivables	4,743,074	16.67	350,880	7.40	4,392,194
– PPP project payments receivable	19,192,704	67.43	–	–	19,192,704
Total	28,461,113	100.00	383,172	1.35	28,077,941

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

14. Long-term Receivables (continued)

(2). Provision for bad debts

Applicable Not Applicable

Unit: '000 Currency: RMB

	2021	2020
Opening balance	383,172	327,157
Provision for the year	115,368	334,227
Recovery or reversal for the year	(108,779)	(135,784)
Cancellation for the year	(29,505)	(142,428)
Closing balance	360,256	383,172

(3). For details of related party balance included in the balance of long-term receivables at the end of year, please refer to Note XII. 6

15. Long-term Equity Investment

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Investment in joint ventures	8,367,667	7,450,187
Investment in associates	30,031,800	21,600,034
Subtotal	38,399,467	29,050,221
Less: Impairment provision		
– Joint ventures	544	–
– Associates	96,177	96,177
Total	38,302,746	28,954,044

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

15. Long-term Equity Investment (continued)

Changes for the year are as follows:

2021

Unit: '000 Currency: RMB

Investee	Opening balance	Opening balance of		Increase or decrease for the year						Closing balance	Closing balance of provision for impairment	
		provision for impairment	Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment			Other
Joint ventures												
Jingzhou Chengbei Expressway Investment and Construction Co., Ltd. (荆州城北快速路投资建设有限公司)	1,732,010	-	-	-	-	-	-	-	-	-	1,732,010	-
Guangzhou Zhenqin Real Estate Development Co., Ltd. (广州市正林房地产发展有限公司)	1,163,024	-	-	-	8,298	-	-	-	-	-	1,171,322	-
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲坝城市地下空间综合建设开发有限公司)	659,860	-	311,800	-	94	-	-	-	-	-	971,636	-
Guangzhou Rumao Real Estate Development Co., Ltd. (广州市如茂房地产发展有限公司)	850,333	-	-	-	4,524	-	-	-	-	-	852,857	-
CLP Guangxi Fangchenggang Electric Power Co., Ltd. (广西中电防城港电力有限公司)	855,133	-	-	-	(35,956)	-	-	-	-	-	819,177	-
Yunnan Gezhouba Xuanqiang Expressway Development Co., Ltd. (云南葛洲坝宣杨高速公路开发有限公司)	710,000	-	-	-	(42,796)	-	-	-	-	-	667,204	-
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙国际金融岛(广州)有限公司)	613,265	-	-	-	13,996	-	-	-	-	-	627,261	-
Urumqi Gezhouba Electric Construction Road & Bridge Ring Expressway Co., Ltd. (乌鲁木齐葛洲坝电建路桥绕城高速公路有限公司)	-	-	246,954	-	-	-	-	-	-	-	246,954	-
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (广西钦州葛洲坝过境高速公路有限公司)	-	-	230,658	-	-	-	-	-	-	-	230,658	-
China Energy (Fengyang) Construction Investment Co., Ltd. (中能建(凤阳)建设投资有限公司)	237,423	-	-	-	(8,158)	-	-	-	-	-	229,265	-
Anhui Zhijing (Linquan) Investment Construction Co., Ltd. (安徽至精(临泉)投资建设有限公司)	93,600	-	-	-	(12,778)	-	-	-	-	-	80,822	-
Other	535,539	-	236,879	(23,975)	(10,060)	-	-	(2,000)	(544)	-	738,501	(544)
Subtotal	7,450,187	-	1,026,291	(23,975)	(82,836)	-	-	(2,000)	(544)	-	8,367,667	(544)

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

15. Long-term Equity Investment (continued)

Changes for the year are as follows: (continued)

2020

Unit: '000 Currency: RMB

Investee	Opening balance	Opening balance of provision for impairment	Increase or decrease for the year							Closing balance	Closing balance of provision for impairment	
			Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment			Other
Associates												
Gezhouba Baoding Construction and Development Co., Ltd. (葛洲壩保定建設開發有限公司)	-	-	3,325,000	-	-	-	-	-	-	-	3,325,000	-
Pingan Gezhouba (Shenzhen) Expressway Investment Partnership Company (平安葛洲壩(深圳)高速公路投資合夥企業(有限合夥))	2,290,973	-	404,974	-	(158)	-	-	-	-	-	2,695,789	-
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	2,456,357	-	-	-	25,521	-	-	-	-	-	2,481,588	-
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	2,313,000	-	-	-	(41,148)	-	-	-	-	-	2,271,852	-
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	1,179,309	-	-	-	507,439	-	-	-	-	-	1,686,748	-
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	875,000	-	665,000	-	-	-	-	-	-	-	1,540,000	-
Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	900,000	-	533,000	-	44,365	-	-	(44,365)	-	-	1,433,000	-
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	1,163,059	-	-	-	(208,848)	-	-	-	-	-	954,211	-
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	479,950	-	429,130	-	-	-	-	-	-	-	909,080	-
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	855,134	-	5,045	-	(140,678)	-	-	-	-	-	719,501	-
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	690,270	-	-	-	22,615	-	-	-	-	-	712,885	-
Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	272,233	-	377,444	-	-	-	-	-	-	-	649,677	-
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	673,387	-	-	-	(77,913)	-	-	-	-	-	595,474	-
Luyu Infrastructure Development and Construction (Wuhan) Center (Limited Partnership) (滄禹基礎設施開發建設(武漢)中心(有限合夥))	-	-	595,000	-	-	-	-	-	-	-	595,000	-
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	526,507	-	-	-	63,902	-	-	-	-	-	590,409	-

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

15. Long-term Equity Investment (continued)

Changes for the year are as follows (continued)

2020 (continued)

Investee	Opening balance	Opening balance of provision for impairment	Increase or decrease for the year								Closing balance	Closing balance of provision for impairment
			Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment	Other		
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	245,000	-	288,000	-	-	-	-	-	-	-	533,000	-
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	315,570	-	192,710	-	-	-	-	-	-	-	508,280	-
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	354,718	-	-	-	24,108	-	-	-	-	-	378,826	-
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	371,900	-	-	-	-	-	-	-	-	-	371,900	-
Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	350,010	-	-	-	-	-	-	-	-	-	350,010	-
China Overseas Infrastructure Development and Investment Corporation Limited (中國海外基礎設施開發投資有限公司)	338,514	-	-	-	6,011	-	-	-	-	-	344,525	-
Beijing Jinlong Times Investment Co., Ltd. (北京津隆時代投資有限公司)	320,000	-	-	-	(160)	-	-	-	-	-	319,840	-
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	222,500	-	90,000	-	-	-	-	-	-	-	312,500	-
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	363,110	-	-	-	(80,503)	-	-	-	-	-	282,607	-
Baihe No.6 (Shenzhen) Investment Partnership Enterprise (Limited Partnership) (百和六號(深圳)投資合夥企業(有限合夥))	91,000	-	143,552	-	-	-	-	-	-	-	234,552	-
Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	-	-	200,393	-	-	-	-	-	-	-	200,393	-
Beijing Frانشion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	714,167	-	-	-	13,087	-	-	(553,700)	-	-	173,554	-
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄒鄒高速公路有限公司)	-	-	171,959	-	-	-	-	-	-	-	171,959	-
Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	25,000	-	139,250	-	-	-	-	-	-	-	164,250	-
Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟寧濤河東方生態建設開發有限公司)	102,000	-	49,836	-	(20)	-	-	-	-	-	151,816	-
Meishan Jinhengde Weikang Cultural and Creative Tourism Development Co., Ltd. (眉山金恒德維康文創旅遊發展有限公司)	-	-	150,000	-	(4,697)	-	-	-	-	-	145,303	-
Other	3,111,366	(96,177)	1,183,186	(69,717)	30,953	-	2,883	(30,690)	-	-	4,227,981	(96,177)
Subtotal	21,600,034	(96,177)	8,943,479	(69,717)	183,876	-	2,883	(628,755)	-	-	30,031,800	(96,177)
Total	29,050,221	(96,177)	9,969,770	(96,538)	101,040	-	5,729	(630,755)	(544)	-	38,399,467	(96,177)

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

16. Other Equity Instrument Investment

(1). Other equity instrument investment

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Investment in shares of listed companies	1,162,160	1,254,093
Investment in restricted shares of listed companies	27,584	31,334
Equity investment in non-listed companies	1,199,779	1,025,151
Total	2,389,523	2,310,578

(2). Information of non-trading equity instrument investment

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Dividend income recognized in the period	Net amount at the end of the period	Accumulated gains or losses included in other comprehensive income (loss represented by "-")	Amounts transferred to retained earnings from other comprehensive income	Reasons for designating to be measured at fair value through other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
Investment in shares of listed companies:						
Changjiang Securities Co., Ltd. (長江證券股份有限公司)	20,382	1,024,529	820,585	-	Plan to hold for long term for strategic purposes	NA
Bank of Communications Co., Ltd. (交通銀行股份有限公司)	3,363	48,905	32,750	-	Plan to hold for long term for strategic purposes	NA
Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司)	816	27,564	23,738	-	Plan to hold for long term for strategic purposes	NA
Shenergy Company Limited (申能股份有限公司)	1,808	47,585	38,282	-	Plan to hold for long term for strategic purposes	NA
Wuhan Department Store Group Co., Ltd. (武漢武商集團股份有限公司)	148	10,389	9,708	-	Plan to hold for long term for strategic purposes	NA
Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司)	80	2,222	1,786	-	Plan to hold for long term for strategic purposes	NA
Kaidi Ecological and Environmental Technology Co., Ltd. (凱迪生態環境科技股份有限公司)	-	966	179	-	Plan to hold for long term for strategic purposes	NA
Giti Tire Corporation (佳通輪胎股份有限公司)	165	27,584	23,070	-	Plan to hold for long term for strategic purposes	NA
Equity investment in non-listed companies:						
D&C Engineering Ltd. (D&C工程有限公司)	15,758	4,273	-	-	Plan to hold for long term for strategic purposes	NA
Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	18,217	103,475	56,348	-	Plan to hold for long term for strategic purposes	NA
Other	33,293	1,092,031	82,178	-	Plan to hold for long term for strategic purposes	NA
Total	94,030	2,389,523	1,088,624	-		NA

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

17. Other Non-current Financial Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss		
Including: Equity investment in non-listed companies	6,985,873	5,770,235
Funds and other non-equity investment	661,230	915,828
Total	7,647,103	6,686,063

18. Investment Properties

Measurement of investment properties

(1). *Investment properties measured at cost*

Unit: '000 Currency: RMB

Item	Buildings and structures	Land use rights	Total
I. Original book value			
1. Opening balance	959,037	136,635	1,095,672
2. Increase for the period	12,384	14,013	26,397
(1) Transferred from fixed assets (i)	12,384		12,384
(2) Transferred from land use rights (i)		14,013	14,013
3. Decrease for the period	(146,174)	–	(146,174)
(1) Transferred to fixed assets	(110,308)	–	(110,308)
(2) Disposal of subsidiaries	(31,081)	–	(31,081)
(3) Impact of change in exchange rate	(4,785)	–	(4,785)
4. Closing balance	825,247	150,648	975,895

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. Investment Properties (continued)

Measurement of investment properties (continued)(1). *Investment properties measured at cost (continued)*

Unit: '000 Currency: RMB

Item	Buildings and structures	Land use rights	Total
II. Accumulated depreciation and accumulated amortization			
1. Opening balance	(309,620)	(21,813)	(331,433)
2. Increase for the period	(38,519)	(5,443)	(43,962)
(1) Provision or amortization	(35,138)	(3,499)	(38,637)
(2) Transferred from fixed assets	(3,381)	–	(3,381)
(3) Transferred from land use rights	–	(1,944)	(1,944)
3. Decrease for the period	47,581	–	47,581
(1) Transferred to fixed assets	41,323	–	41,323
(2) Disposal of subsidiaries	3,915	–	3,915
(3) Impact of change in exchange rate	2,343	–	2,343
4. Closing balance	(300,558)	(27,256)	(327,814)
III. Provision for impairment			
1. Opening balance	(8,497)	(5,293)	(13,790)
2. Decrease for the period	2,900	–	2,900
(1) Disposal of subsidiaries	2,900	–	2,900
4. Closing balance	(5,597)	(5,293)	(10,890)
IV. Carrying amount			
1. Carrying amount at the end of the period	519,092	118,099	637,191
2. Carrying amount at the beginning of the period	640,920	109,529	750,449

- (i) During the year, the original value of the assets of the Group's self-use buildings that were changed to rent was RMB26,397,000. The conversion of the property has no impact on the profit or loss or owner's equity (2020: RMB41,927,000).

(2). *Fixed assets for which title certificates have not been obtained*

Applicable Not Applicable

As at 31 December 2021, the net investment property for which the title certificates have not been obtained was RMB50,000 (2020: RMB59,148,000).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

19. Fixed Assets

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	39,533,625	33,186,726
Disposal of fixed assets	52,926	56,300
Total	39,586,551	33,243,026

Fixed assets

(1). Fixed assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Buildings and structures	Machinery and equipment	Transportation tools	Electronic equipment	Office equipment and other equipment	Total
I. Original book value:						
1. Opening balance	26,620,931	23,132,260	3,573,258	1,879,681	2,093,387	57,299,517
2. Increase for the period	1,459,889	8,019,738	350,899	236,453	730,954	10,797,933
(1) Purchase	613,310	1,871,031	348,127	152,335	496,463	3,481,266
(2) Transferred from construction in progress	712,007	4,492,686	1,894	49,594	234,023	5,490,204
(3) Increase in business combination not under common control	24,264	1,656,021	878	34,524	468	1,716,155
(4) Conversion of investment properties to self-use	110,308	-	-	-	-	110,308
3. Decrease for the period	(899,494)	(1,142,611)	(614,106)	(115,083)	(165,631)	(2,936,925)
(1) Disposal or retirement	(570,024)	(886,759)	(561,452)	(102,944)	(117,269)	(2,238,448)
(2) Transfer out from disposal of subsidiaries	(307,992)	(150,599)	(11,240)	(5,761)	(21,912)	(497,504)
(3) Conversion to investment properties	(12,384)	-	-	-	-	(12,384)
(4) Impact of change in exchange rates	(9,094)	(105,253)	(41,414)	(6,378)	(26,450)	(188,589)
4. Closing balance	27,181,326	30,009,387	3,310,051	2,001,051	2,658,710	65,160,525

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

19. Fixed Assets (continued)

Fixed assets (continued)(1). *Fixed assets (continued)*

Item	Buildings and structures	Machinery and equipment	Transportation tools	Electronic equipment	Office equipment and other equipment	Total
II. Accumulated depreciation						
1. Opening balance	(7,439,620)	(12,069,973)	(2,207,515)	(1,179,038)	(1,124,335)	(24,020,481)
2. Increase for the period	(949,923)	(1,484,659)	(228,929)	(170,310)	(229,009)	(3,062,830)
(1) Provision	(908,600)	(1,484,659)	(228,929)	(170,310)	(229,009)	(3,021,507)
(2) Conversion of investment properties to self-use	(41,323)	-	-	-	-	(41,323)
3. Decrease for the period	268,285	872,899	240,487	104,490	94,764	1,580,925
(1) Disposal or retirement	178,419	747,223	207,095	94,540	79,556	1,306,833
(2) Conversion to investment properties	3,381	-	-	-	-	3,381
(3) Transfer out from disposal of subsidiaries	84,651	87,130	7,362	4,701	13,673	197,517
(4) Impact of change in exchange rates	1,834	38,546	26,030	5,249	1,535	73,194
4. Closing balance	(8,121,258)	(12,681,733)	(2,195,957)	(1,244,858)	(1,258,580)	(25,502,386)
III. Provision for impairment						
1. Opening balance	(35,742)	(48,882)	(1,765)	(1,158)	(4,763)	(92,310)
2. Increase for the period	(42,494)	(14,074)	(1,416)	(97)	(242)	(58,323)
3. Decrease for the period	15,730	7,272	221	295	2,601	26,119
4. Closing balance	(62,506)	(55,684)	(2,960)	(960)	(2,404)	(124,514)
IV. Carrying amount						
1. Carrying amount at the end of the period	18,997,562	17,271,970	1,111,134	755,233	1,397,726	39,533,625
2. Carrying amount at the beginning of the period	19,145,569	11,013,405	1,363,978	699,485	964,289	33,186,726

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

19. Fixed Assets (continued)

Fixed assets (continued)

(2). *Fixed assets leased out through operating leases*

Applicable Not Applicable

Unit: '000 Currency: RMB

Machinery equipment	Closing balance	Opening balance
Cost		
Opening balance	807,695	670,484
Net increase for the year	(163,347)	137,211
Closing balance	644,348	807,695
Accumulated depreciation and accumulated amortization		
Opening balance	(646,359)	(539,552)
Net increase for the year	156,899	(106,807)
Closing balance	(489,460)	(646,359)
Carrying amount		
Closing carrying amount	154,888	161,336
Open carrying amount	161,336	130,932

(3). *Fixed assets for which title certificates have not been obtained*

Applicable Not Applicable

As at 31 December 2021, the net fixed assets for which the title certificates have not been obtained was RMB1,097,701,000 (2020: RMB1,455,447,000).

20. Construction in Progress

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	7,770,379	7,039,684
Construction materials	31,646	879
Total	7,802,025	7,040,563

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Construction in Progress (continued)

Construction in progress(1). *Construction in progress*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Kumul Tower 50MW Solar Thermal Power Generation project (哈密塔式50MW光熱發電項目)	1,380,191	-	1,380,191	869,526	-	869,526
Shahe 500MW Photovoltaic Project (沙河市500MW光伏項目)	497,171	-	497,171	-	-	-
Zhaodong biomass Cogeneration project (肇東市生物質熱電聯產項目)	467,189	-	467,189	293,090	-	293,090
Suihua Beilin 40MW Biomass Cogeneration Project (綏化北林40MW生物質熱電聯產項目)	460,650	-	460,650	94,499	-	94,499
Shaanxi Ansai Jianping Wind Power Project (陝西安塞建坪風電項目)	375,482	-	375,482	336,946	-	336,946
Jilin Daan Dagangzi Town Phase I 100MW Wind Power Project (吉林大安大崗子鎮一期100MW風電項目)	350,204	-	350,204	-	-	-
Yanchi 120MWp Photovoltaic Compound Power Generation Project (鹽池120MWp光伏複合發電項目)	335,977	-	335,977	-	-	-
Maoming Yongcheng Waste Incineration Power Generation Project (茂名永誠垃圾焚燒發電項目)	281,717	-	281,717	9,913	-	9,913
Yili Hydropower Station Project (伊犁水電站工程項目)	281,021	-	281,021	276,823	-	276,823
Hainan 100,000 KW Photovoltaic Power Station Project (海南州10萬KW光伏電站項目)	276,849	-	276,849	235,707	-	235,707
Yicheng Liuhou 40MW Distributed Wind Power Project (宣城劉猴40MW分散式風電項目)	240,537	-	240,537	2,340	-	2,340
Qingyuan 40MW Biomass Cogeneration Project (清原40MW生物質熱電聯產項目)	232,722	-	232,722	5,417	-	5,417
Chagan Lake Wind Power Project (查幹湖風電項目)	219,099	-	219,099	-	-	-
Chizhou Photovoltaic Project (池州光伏項目)	214,608	-	214,608	-	-	-
Yicheng Jingkai 30MW Distributed Wind Power Project (宣城經開30MW分散式風電項目)	179,176	-	179,176	1,560	-	1,560

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Construction in Progress (continued)

Construction in progress (continued)

(1). Construction in progress (continued)

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Pakistan Azad Patan Hydropower Project (巴基斯坦阿察德帕坦水電項目)	174,192	-	174,192	173,719	-	173,719
Jingyang County Rixin Agricultural Park Agricultural-photovoltaic Complementary Power Generation Project (涇陽縣日新農業園農光互補光伏發電項目)	165,915	-	165,915	9,370	-	9,370
Wulan County Dongdatan 50,000 kW Parity Photovoltaic Project (烏蘭縣東大灘5萬千瓦平價光伏項目)	164,918	-	164,918	-	-	-
Chizhou Wind Power Project (池州風電項目)	140,596	-	140,596	-	-	-
Mine Development Project of Xinjiang Investment and Development Co., Ltd. (新疆投資開發有限責任公司煤礦開發工程)	120,086	-	120,086	118,658	-	118,658
Reconstruction and extension project of Wuning Road Office Building (武甯路辦公大樓改擴建工程)	119,892	-	119,892	4,403	-	4,403
Ruyang Liudian 80WM Wind Power Project (汝陽劉店80WM風電項目)	2,189	-	2,189	546,257	-	546,257
Liling Hejiaqiao 50MW Wind Power Project (醴陵賀家橋50MW風電項目)	35	-	35	245,797	-	245,797
Xilin Gol League Wind Power Project (錫林郭勒盟風電項目)	-	-	-	1,235,209	-	1,235,209
Nanxiong Liniuping Phase III Wind Power Project (南雄犁牛坪三期風電項目)	-	-	-	360,230	-	360,230
Yichuan Qiulin Town & Hukou Town 50MW (宜川秋林鎮壺口鎮50MW)	-	-	-	309,295	-	309,295
Nangong 100MW Agricultural-photovoltaic Complementary Photovoltaic Power Generation (南宮100MW農光互補光伏發電)	-	-	-	306,638	-	306,638
New Production Base Project (新建生產基 地項目)	-	-	-	213,343	-	213,343
Dali Xuzhuang Agricultural-photovoltaic Complementary Project (大荔許莊農光互補項目)	-	-	-	194,341	-	194,341
Shanxi Pingding 100MW Wind Power Project (山西平定100MW風電工程)	-	-	-	190,550	-	190,550
Other	1,160,600	(70,637)	1,089,963	1,043,352	(37,299)	1,006,053
Total	7,841,016	(70,637)	7,770,379	7,076,983	(37,299)	7,039,684

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Construction in Progress (continued)

Construction in progress (continued)

(2). Changes in important projects under construction for the current period

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Budget	Opening balance	Increase for the year	Transfer to fixed assets for the year	Other decrease	Closing balance	Proportion of total project investment in the budget (%)	Progress of project	Accumulated capitalised interest	Including Capitalised interest for the year	Interest rate of capitalisation (%)	Source of fund
Kumul Tower 50MW Solar Thermal Power Generation project (哈密塔式50MW光熱發電項目)	1,648,750	889,526	510,665	-	-	1,380,191	83.71%	99.99%	118,863	40,503	4.10%	Self-owned funds and loans from financial institutions
Shahe 500MW Photovoltaic Project (沙河市500MW光伏項目)	3,009,239	-	497,171	-	-	497,171	30.57%	21.40%	89	89	4.00%	Self-owned funds and loans from financial institutions
Zhaodong biomass Cogeneration project (肇東市生物質發電聯產項目)	736,286	293,080	267,120	93,021	-	467,189	80.00%	80.00%	19,118	11,191	4.20%	Self-owned funds and loans from financial institutions
Suluha Beilin 40MW Biomass Cogeneration Project (蘇州北林40MW生物質發電聯產項目)	762,450	94,499	459,548	93,397	-	460,650	60.42%	60.42%	18,460	11,800	4.10%	Self-owned funds and loans from financial institutions
Shaanxi Anxi Jumping Wind Power Project (陝西安塞建群風電項目)	449,850	336,946	38,536	-	-	375,482	91.06%	91.06%	18,755	13,148	4.31%	Self-owned funds and loans from financial institutions
Jilin Dean Dagangzi Town Phase I 100MW Wind Power Project (吉林省大安鎮子鎮一期100MW風電項目)	690,262	-	350,204	-	-	350,204	57.38%	69.00%	3,010	3,010	4.00%	Self-owned funds and loans from financial institutions
Yanchi 120MW Photovoltaic Compound Power Generation Project (鹽池120MW光伏複合發電項目)	488,490	-	335,977	-	-	335,977	76.38%	76.38%	2,989	2,989	3.90%	Self-owned funds and loans from financial institutions
Manning Yongcheng Waste Incineration Power Generation Project (茂名永新垃圾焚燒發電項目)	320,000	9,913	271,804	-	-	281,717	88.04%	96.88%	3,851	3,851	4.35%	Loans from financial institutions
Yili Hydropower Station Project (伊犁水電站工程項目)	299,351	276,823	4,198	-	-	281,021	93.88%	93.88%	-	-	-	Self-owned funds
Hainan 100,000 KW Photovoltaic Power Station Project (海南州10萬KW光伏電站項目)	423,350	235,707	41,142	-	-	276,849	85.90%	99.99%	12,109	11,086	4.37%	Self-owned funds and loans from financial institutions
Yicheng Lufou 40MW Distributed Wind Power Project (宣城綠陵40MW分散式風電項目)	335,418	2,340	238,197	-	-	240,537	71.71%	79.46%	994	994	4.25%	Loans from financial institutions

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Construction in Progress (continued)

Construction in progress (continued)

(2). Changes in important projects under construction for the current period (continued)

Item	Budget	Opening balance	Increase for the year	Transfer to fixed assets for the year	Other decrease	Closing balance	Proportion of total project investment in the budget (%)	Progress of project	Accumulated capitalised interest	Including: Capitalised interest for the year	Interest rate of capitalisation (%)	Source of fund
Qingyuan 40MW Biomass Cogeneration Project (清原40MW生物质热电联产项目)	357,940	5,417	227,305	-	-	232,722	75.18%	75.18%	4,525	4,442	3.80%	Self-owned funds and loans from financial institutions
Chagan Lake Wind Power Project (查幹湖風電項目)	422,800	-	219,099	-	-	219,099	51.98%	85.00%	1,820	1,820	4.10%	Self-owned funds and loans from financial institutions
Chizhou Photovoltaic Project (池州光伏項目)	300,211	-	214,608	-	-	214,608	71.49%	71.49%	2,047	2,047	4.10%	Self-owned funds and loans from financial institutions
Ycheng Jinghai 30MW Distributed Wind Power Project (宣城經海30MW分散式風電項目)	259,978	1,560	177,616	-	-	179,176	68.92%	76.81%	1,019	1,019	4.30%	Loans from financial institutions
Pakistan Azad Jaran Hydropower Project (巴基斯坦阿薩德巴坦水電項目)	10,624,000	173,719	18,230	-	17,757	174,192	2.29%	2.32%	-	-	-	Self-owned funds
Jingxiang County Xilin Agricultural Park Agriculture-photovoltaic Complementary Power Generation Project (經營縣日新農業園農光互補光伏發電項目)	258,559	9,370	156,545	-	-	165,915	64.17%	74.19%	-	-	-	Self-owned funds
Wulan County Dongqidian 50,000 kW Parity Photovoltaic Project (烏蘭縣東大灘50000千瓦平價光伏項目)	208,145	-	164,918	-	-	164,918	79.23%	79.23%	2,606	2,606	4.50%	Loans from financial institutions
Chizhou Wind Power Project (池州風電項目)	193,731	-	140,596	-	-	140,596	72.57%	72.57%	987	987	4.10%	Self-owned funds and loans from financial institutions
Mine Development Project of Xinjiang Investment and Development Co., Ltd. (新疆投資開發有限公司煤礦開發工程)	200,000	118,658	1,428	-	-	120,086	60.04%	60.04%	-	-	-	Self-owned funds
Reconstruction and extension project of Wuning Road Office Building (武寧路辦公大樓改建工程)	1,080,000	4,403	115,488	-	-	119,892	11.10%	11.10%	-	-	-	Self-owned funds
Total	23,068,810	2,431,971	4,450,395	186,418	17,757	6,678,192			210,842	111,182		

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

21. Intangible Assets

(1) Intangible assets

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Land use rights	Patent rights, non-patented technology and software	Mining right	Franchise right	Other	Total
I. Original carrying amount						
1. Opening balance	10,588,123	1,660,452	421,080	53,567,069	414,469	66,651,193
2. Increase for the period	121,912	229,684	1,890,273	6,447,288	107,992	8,797,149
(1) Purchase	119,623	233,065	1,890,980	6,447,288	118,523	8,809,479
(2) Acquisition of subsidiaries	2,632	-	-	-	-	2,632
(3) Exchange gains and losses	(343)	(3,381)	(707)	-	(10,531)	(14,962)
3. Decrease for the period	(486,873)	(11,649)	-	(44,539)	(5,946)	(549,007)
(1) Disposal or retirement	(150,386)	(9,705)	-	-	(5,900)	(165,991)
(2) Disposal of subsidiaries	(336,487)	(1,944)	-	-	(46)	(338,477)
(3) Other	-	-	-	(44,539)	-	(44,539)
4. Closing balance	10,223,162	1,878,487	2,311,353	59,969,818	516,515	74,899,335
II. Accumulated amortization						
1. Opening balance	(1,467,124)	(1,065,570)	(128,537)	(2,230,350)	(87,371)	(4,978,952)
2. Increase for the period	(246,989)	(341,708)	(46,897)	(1,122,929)	(47,293)	(1,805,816)
(1) Provision	(246,989)	(341,708)	(42,290)	(1,122,929)	(47,293)	(1,801,209)
(2) Exchange gains and losses	-	-	(4,607)	-	-	(4,607)
3. Decrease for the period	44,422	14,246	-	-	3,760	62,428
(1) Disposal	20,297	8,767	-	-	3,714	32,778
(2) Disposal of subsidiaries	24,125	1,729	-	-	46	25,900
(3) Exchange gains and losses	-	3,750	-	-	-	3,750
4. Closing balance	(1,669,691)	(1,393,032)	(175,434)	(3,353,279)	(130,904)	(6,722,340)
III. Provision for impairment						
1. Opening balance	(72,445)	(1,150)	-	-	-	(73,595)
2. Decrease for the period	6,654	-	-	-	-	6,654
3. Closing balance	(65,791)	(1,150)	-	-	-	(66,941)
IV. Carrying amount						
1. Closing carrying amount	8,487,680	484,305	2,135,919	56,616,539	385,611	68,110,054
2. Open carrying amount	9,048,554	593,732	292,543	51,336,719	327,098	61,598,646

At the end of the period, the percentage of intangible assets generated through the internal research and development of the Company to the balance of intangible assets was 0.12% (2020: 0.14%).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

21. Intangible Assets (continued)

(2). Land use rights for which title certificates have not been obtained

✓ Applicable □ Not Applicable

As at 31 December 2021, the net intangible assets for which the title certificates have not been obtained was RMB78,020,000 (2020: RMB150,404,000).

Capitalisation and capitalisation rate of borrowing costs included in the balance of intangible assets

Unit: '000 Currency: RMB

Item	Balance as at 31 December 2021	Proportion of total project investment in the budget (%)	Progress of project	Accumulated capitalised interest	Including: Capitalised interest for the year	Interest rate of capitalisation (%)	Source of fund
Sichuan Bazhong-Wanyuan Expressway Project (四川巴中至萬源高速公路項目)	17,236,559	100.00%	100.00%	1,206,890	190,324	4.90%	Self-owned funds and loans from financial institutions
SK Pakistan Suki Kinari (SK) Hydropower PPP Project (SK巴基斯坦蘇基納裡 (SK) 水電PPP項目)	7,509,789	64.59%	72.30%	444,250	51,330	5.52%	Self-owned funds and loans from financial institutions
Water Diversion Construction Project of Nandu River in Haikou City (海口市南渡江引水工程項目)	1,934,600	91.74%	98.00%	75,374	41,673	4.41%	Self-owned funds and loans from financial institutions
Comprehensive Treatment (Urban Section) PPP Project of Water Environment of Zhupi River in Jingmen City (荊門市竹皮河水環境綜合治理 (城區段) PPP項目)	1,528,781	100.00%	100.00%	115,614	18,746	4.41%	Self-owned funds and loans from financial institutions
Pipe Gallery PPP Project of Hefei Gezhouba High-tech Zone (合肥葛洲壩高新管廊PPP項目)	1,172,333	100.00%	100.00%	42,787	13,756	4.45%	Self-owned funds and loans from financial institutions
Total	29,382,062			1,884,915	315,829		

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

21. Intangible Assets (continued)

(2). Land use rights for which title certificates have not been obtained (continued)

Unit: '000 Currency: RMB

Item	Balance as at 31 December 2020	Proportion of total project investment in the budget (%)	Progress of project	Accumulated capitalised interest	Including: Capitalised interest for the year	Interest rate of capitalisation (%)	Source of fund
Sichuan Bazhong-Wanyuan Expressway Project (四川巴中至萬源高速公路項目)	16,700,071	100.00%	100.00%	1,016,566	489,721	4.90%	Self-owned funds and loans from financial institutions
SK Pakistan Suki Kinari (SK) Hydropower PPP Project (SK巴基斯坦蘇基納裡 (SK) 水電PPP項目)	5,853,836	55.53%	57.70%	392,920	165,093	5.52%	Self-owned funds and loans from financial institutions
Water Diversion Construction Project of Nandu River in Haikou City (海口市南渡江引水 工程項目)	1,716,393	75.67%	90.00%	33,701	–	4.41%	Self-owned funds and loans from financial institutions
Comprehensive Treatment (Urban Section) PPP Project of Water Environment of Zhupi River in Jingmen City (荊門市竹皮 河水環境綜合治理(城區段) PPP項目)	1,470,299	76.96%	95.00%	96,868	30,321	4.41%	Self-owned funds and loans from financial institutions
Pipe Gallery PPP Project of Hefei Gezhouba High-tech Zone (合肥葛洲壩高新管廊PPP項目)	1,148,650	100.00%	100.00%	29,031	–	4.45%	Self-owned funds and loans from financial institutions
Total	26,889,249			1,569,086	685,135		

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

22. Goodwill

(1). Original carrying amount of goodwill

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Name of investee or matters resulting in goodwill	Note	Opening balance	Increase for the period	Decrease for the period	Closing balance	Balance of provision for impairment	Net amount at the end of the period
Empresarios Agrupados Internacional, S.A., Ghesa Ingenieria y Tecnologia, S.A.	(i)	208,285	27,725	–	236,010	–	236,010
Guangxi Liuzhou Weiqi Chemical Co., Ltd. (廣西柳州威奇化工有限公司)	(ii)	356,235	–	–	356,235	–	356,235
Pengzhou Branch of Sichuan Tongda Chemical Co., Ltd. (四川通達化工有限公司彭州分公司)	(iii)	97,989	–	–	97,989	–	97,989
Gezhouba Zhongxiang Cement Company Limited (葛洲壩鐘祥水泥有限公司)	(iv)	653,762	–	–	653,762	–	653,762
Laiwu Zhonghe Water Purification Co., Ltd. (萊蕪中和水質淨化有限公司)	(v)	150,536	–	–	150,536	–	150,536
Danjiangkou Zhonghe Water Purification Co., Ltd. (丹江口市中和水質淨化有限公司)	(v)	81,082	–	–	81,082	–	81,082
Huanggang Zhonghe Water Purification Co., Ltd. (黃岡市中和水質淨化有限公司)	(v)	40,447	–	–	40,447	–	40,447
Gezhouba Water Affairs (Binzhou) Co., Ltd. (葛洲壩水務(濱州)有限公司)	(v)	78,027	–	–	78,027	–	78,027
Gezhouba Water Affairs (Qinyang) Co., Ltd. (葛洲壩水務(沁陽)有限公司)	(v)	60,559	–	–	60,559	–	60,559
Gezhouba Water Affairs (Lingbao) Co., Ltd. (葛洲壩水務(靈寶)有限公司)	(v)	54,124	–	–	54,124	–	54,124
Other		360,575	–	(6,547)	354,028	(1,224)	352,804
Total		2,141,621	27,725	(6,547)	2,162,799	(1,224)	2,161,575

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

22. Goodwill (continued)

(1). Original carrying amount of goodwill (continued)

- (i) Zijing International Energy (HK) Company Limited (紫荊國際能源(香港)有限公司), a subsidiary of the Group, acquired 100% equity interests in Empresarios Agrupados Internacional, S.A. and Ghesa Ingenieria y Tecnologia, S.A. in 2020, and adjusted the goodwill to RMB236,010,000 in 2021 based on the asset appraisal report obtained and further information. The recoverable amount of the company is determined under the method of the present value of estimated future cash flows. In 2021, the Group estimated the present value of future cash flows of the company based on the latest financial budget for the next five years approved by the management and the pre-tax discount rate of 12.1% (2020: 10.0%). The cash flows remained stable in the years after the five-year financial budget. The estimated recoverable amount did not lead to the recognition of impairment losses, but it is expected that the key assumptions on which the present value of future cash flows of the asset group are estimated may change. The management considers that negative changes in key assumptions may result in the carrying amount of the asset group exceeding its recoverable amount.
- (ii) CGGC Group acquired 79% equity interests in Guangxi Liuzhou Weiqi Chemical Co., Ltd. (廣西柳州威奇化工有限責任公司) at the merger cost of RMB577,490,000 in 2020, generating the goodwill of RMB356,235,000. The recoverable amount of the company is determined under the method of the present value of estimated future cash flows. In 2021, the Group estimated the present value of future cash flows of the company based on the latest financial budget for the next five years approved by the management and the pre-tax discount rate of 10.1% (2020: 14.1%). The cash flows remained stable in the years after the five-year financial budget. The estimated recoverable amount did not lead to the recognition of impairment losses, but it is expected that the key assumptions on which the present value of future cash flows of the asset group are estimated may change. The management considers that negative changes in key assumptions may result in the carrying amount of the asset group exceeding its recoverable amount.
- (iii) CGGC Group acquired the businesses of Pengzhou Branch of Sichuan Tongda Chemical Co., Ltd. (四川通達化工有限責任公司彭州分公司) in 2018, generating the goodwill of RMB97,989,000. The recoverable amount of the company is determined under the method of the present value of estimated future cash flows. In 2021, the Group estimated the present value of future cash flows of the asset group based on the latest financial budget for the next five years approved by the management and the pre-tax discount rate of 12.8% (2020: 10.1%). The cash flows remained stable in the years after the five-year financial budget. The estimated recoverable amount did not lead to the recognition of impairment losses, but it is expected that the key assumptions on which the present value of future cash flows of the asset group are estimated may change. The management considers that negative changes in key assumptions may result in the carrying amount of the asset group exceeding its recoverable amount.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

22. Goodwill (continued)

(1). Original carrying amount of goodwill (continued)

- (iv) CGGC Group acquired 51% equity interests in Gezhouba Zhongxiang Cement Company Limited (葛洲壩鐘祥水泥有限公司) in 2014, generating the goodwill of RMB687,762,000. During the reporting period, the recoverable amount of the company is determined under the method of the present value of estimated future cash flows. In 2021, the Group estimated the present value of future cash flows of the asset group based on the latest financial budget for the next five years approved by the management and the pre-tax discount rate of 14.0% (2020: 10.0%). The cash flows remained stable in the years after the five-year financial budget. The estimated recoverable amount did not lead to the recognition of impairment losses, but it is expected that the key assumptions on which the present value of future cash flows of the asset group are estimated may change. The management considers that negative changes in key assumptions may result in the carrying amount of the asset group exceeding its recoverable amount.
- (v) CGGC Group acquired 100% equity interests in Beijing Zhongkai Xingye Investment Management Company Limited (北京中凱興業投資管理有限公司) in 2016, generating the goodwill of RMB464,775,000. Upon the acquisition, CGGC Group split and reorganized the company, newly established Laiwu Zhonghe Water Purification Co., Ltd. (萊蕪中和水質淨化有限責任公司), Danjiangkou Zhonghe Water Purification Co., Ltd. (丹江口市中和水質淨化有限公司), Huanggang Zhonghe Water Purification Co., Ltd. (黃岡市中和水質淨化有限公司), Gezhouba Water Affairs (Binzhou) Co., Ltd. (葛洲壩水務(濱州)有限公司), Gezhouba Water Affairs (Qinyang) Co., Ltd. (葛洲壩水務(沁陽)有限公司), Gezhouba Water Affairs (Lingbao) Co., Ltd. (葛洲壩水務(靈寶)有限公司), and allocated the acquisition to the above companies. The recoverable amount of the company is determined under the method of the present value of estimated future cash flows. In 2021, the Group estimated the present value of future cash flows of the asset group based on the latest financial budget for the next five years approved by the management and the pre-tax discount rate of 10.87%-14.28% (2020: 8.14%-10.92%). The cash flows remained stable in the years after the five-year financial budget. The estimated recoverable amount did not lead to the recognition of impairment losses, but it is expected that the key assumptions on which the present value of future cash flows of the asset group are estimated may change. The management considers that negative changes in key assumptions may result in the carrying amount of the asset group exceeding its recoverable amount.

In addition to Lianyungang Hefeng Wind Power Co., Ltd. (連雲港和風風電有限公司), Empresarios Agrupados Internacional, S.A., Ghesa Ingenieria y Tecnologia, S.A., Guangxi Liuzhou Weiqi Chemical Co., Ltd. (廣西柳州威奇化工有限責任公司), Pengzhou Branch of Sichuan Tongda Chemical Co., Ltd. (四川通達化工有限責任公司彭州分公司), Zhongxiang Cement Company Limited (鐘祥水泥有限公司) and Beijing Zhongkai Xingye Investment Management Company Limited (北京中凱興業投資管理有限公司), the calculation of the present value of the estimated future cash flow of multiple asset groups with insignificant goodwill allocation ratio adopts the present value of the estimated future cash flow as the key assumption. The management determines these assumptions based on historical condition prior to the budget period.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

23. Deferred Income Tax Assets/Deferred Tax Liabilities

(1). Deferred income tax assets not offset

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance		Balance balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for assets impairment	1,059,787	199,605	904,917	186,930
Unrealized profit in intra-group transactions	5,660,333	849,050	5,253,807	787,719
Deductible losses	582,964	130,848	436,853	104,552
Impairment of credit assets	4,595,496	775,805	3,739,445	745,085
Employee benefits payable	383,523	78,801	345,182	71,281
Depreciation of fixed assets	1,628	428	2,150	472
Depreciation of right-of-use assets	104,142	25,364	99,432	18,992
Defined benefit plans	1,013,803	153,339	1,038,846	195,661
Changes in fair value of financial instruments held for trading and derivative financial instruments	55,628	13,907	56,424	11,405
Changes in fair value of other debt investments	(74,072)	(16,430)	(50,522)	(9,898)
Other	1,067,268	210,911	954,565	182,284
Subtotal	14,450,500	2,421,628	12,781,099	2,294,483
Offset amount		(23,786)		(18,054)
Amount after offset		2,397,842		2,276,429

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

23. Deferred Income Tax Assets/Deferred Tax Liabilities (continued)

(2). *Deferred tax liabilities not offset*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance		Balance balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Fair value adjustment for acquisition of subsidiaries	(298,425)	(49,494)	(186,179)	(27,936)
Changes in fair value of held-for-trading financial instruments and derivative financial instruments	(1,130,221)	(180,252)	(1,111,586)	(173,331)
Changes in fair value of other equity instrument investments	(898,511)	(135,843)	(963,905)	(144,586)
Depreciation of fixed assets	(4,261,503)	(1,037,087)	(3,575,664)	(919,334)
Other	(537,224)	(139,195)	(405,297)	(96,956)
Subtotal	(7,125,884)	(1,541,871)	(6,242,631)	(1,362,143)
Set-off amount		23,786		18,054
Amount after offset		(1,518,085)		(1,344,089)

(3). *Breakdown of recognised deferred tax assets*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	16,177,614	4,128,011
Deductible losses	4,294,010	12,288,773
Total	20,471,624	16,416,784

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

23. Deferred Income Tax Assets/Deferred Tax Liabilities (continued)

(4). *Deductible loss for which no deferred tax assets are recognised will become due in the following years*

Applicable Not Applicable

Unit: '000 Currency: RMB

Year	Closing balance	Opening balance
2021	–	1,050,388
2022	1,665,816	1,774,816
2023	2,553,459	2,627,311
2024	2,180,608	2,222,938
2025	3,897,105	3,894,017
2026	5,022,221	53,055
2027	110,999	115,769
2028	152,037	156,474
2029	190,606	197,265
2030	196,280	196,740
2031	208,483	–
Total	16,177,614	12,288,773

24. Other Non-current Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	31 December 2021		
	Book balance	Provision for impairment	Carrying amount
Prepaid taxes	203,335	–	203,335
VAT to be deducted	180,185	–	180,185
Prepayments for acquisition of property, plant and equipment	546,267	–	546,267
Contract assets			
– Quality guarantee deposit	15,056,547	379,265	14,677,282
– Payments of PPP projects during the operation period calculated under financial asset model	9,609,045	–	9,609,045
Entrusted loans	450,000	–	450,000
Other	267,332	–	267,332
Subtotal	26,312,711	379,265	25,933,446
Less: The portion due within one year	1,345	–	1,345
Total	26,311,366	379,265	25,932,101

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

24. Other Non-current Assets (continued)

Unit: '000 Currency: RMB

Item	31 December 2020		
	Book balance	Provision for impairment	Carrying amount
Prepaid taxes	153,657	–	153,657
VAT to be deducted	110,914	–	110,914
Prepayments for acquisition of property, plant and equipment	477,440	–	477,440
Contract assets			
– Quality guarantee deposit	11,339,015	437,964	10,901,051
Other	122,222	–	122,222
Subtotal	12,203,248	437,964	11,765,284
Less: The portion due within one year	2,348	–	2,348
Total	12,200,900	437,964	11,762,936

25. Short-term Borrowings

(1). Classification of short-term borrowings

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Pledged borrowings	13,967,034	7,693,837
Secured borrowings	392,884	362,348
Guaranteed loans	25,000	260,820
Credit loans	1,387,333	3,105,955
Total	15,772,251	11,422,960

Other explanation

Applicable Not applicable

As at 31 December 2021, the annual interest rate of short-term borrowings of the Group was 0.80% – 6.09% (2020: 1.37% – 6.58%). The bank mortgage loans are secured by fixed assets, intangible assets, etc. (see Note VII. 65). The bank pledged loans are pledged by bills receivable, accounts receivable, etc. (see Note VII. 65).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

26. Receipts of Deposits and Deposits from Other Banks

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Receipts of deposits	2,921,494	3,095,579
Total	2,921,494	3,095,579

Receipts of deposits mainly are the deposits from affiliated companies of China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司), a subsidiary of the Company.

27. Bills payable

(1). Breakdown of bills payable

Applicable Not Applicable

Unit: '000 Currency: RMB

Class	Closing balance	Opening balance
Commercial acceptance bills	10,574,107	10,343,597
Bank acceptance bills	1,847,973	2,751,525
Total	12,422,080	13,095,122

At the end of the year, the Group had no due but unpaid bills payable. All the bills mentioned above are due within one year.

For details of the amount due to related parties in the balance of bills payable at the end of the year, please refer to Note XII.6.

28. Trade payables

(1). Breakdown of trade payables

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Work progress payables	69,510,455	53,533,151
Material Purchase Payables	25,161,899	24,452,377
Equipment payables	10,632,176	7,567,859
Warranty deposit payables	8,186,582	6,570,266
Labor fee payables	3,838,386	2,671,571
Engineering design consulting fee payables	740,309	691,364
Other	6,507,027	4,982,294
Total	124,576,834	100,468,882

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

28. Trade payables (continued)

(2). Significant trade payables aged over one year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Within one year	89,208,040	84,465,526
1 to 2 years	27,111,925	8,415,605
2 to 3 years	3,271,333	2,982,896
Over 3 years	4,985,536	4,604,855
Total	124,576,834	100,468,882

As at 31 December 2021, the trade payables aged over one year were RMB35,368,794,000, mainly are work progress payables. As the project has not been completed and settled, the final settlement has not been carried out (2020: RMB16,003,356,000).

(3). For the amount payable to related parties in the balance of trade payables as at the end of the year, please refer to Note XII.6 for details.

29. Contract liabilities

(1). Contract liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Settled but uncompleted payments of construction contract	17,542,676	17,545,267
Advanced sales receipt from real estate business (i)	18,488,453	15,464,480
Advanced receipts of construction work	22,250,798	22,085,013
Advanced sales receipt from manufacturing of products	1,133,698	1,956,720
Others	1,835,867	1,781,286
Total	61,251,492	58,832,766

Contract liabilities mainly relate to the settled but uncompleted payments of construction contract and advance receipts received from construction contracts, real estate and other sales contracts of the Group. Contract-related revenue will be recognised after the Group has fulfilled the relevant performance obligations.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

29. Contract liabilities (continued)

(2). Amount and reasons for significant changes in book value during the Reporting Period

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Amount of change	Reason for change
Zhongdian Engineering Hubu Project (中電工程胡布項目)	(390,716)	Income from project payment
Yueqing Power Plant Phase III Project (樂清電廠三期工程)	355,717	Project payment received in advance from the owner
Bangladesh Boduakali 1320 (2 × 660) MW coal-fired power station project (孟加拉博杜阿卡利 1320(2 × 660)MW燃煤電站項目)	331,558	Project payment received in advance from the owner
Vietnam Yongxing Coal-fired Power Plant Phase I BOT Project General Contracting Project (越南永興燃煤電廠一期BOT項目總承包工程)	(324,884)	Income from project payment
2X460MW “gas-to-coal” cogeneration project in the East District of Guangzhou Development Zone (廣州開發區東區2X460MW級“氣代煤”熱電冷聯產項目)	324,646	Project payment received in advance from the owner
Total	296,321	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

30. Employee benefits payable

(1). Breakdown of employee benefits payable

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

	Opening balance	Increase for the period	Decrease for the period	Closing balance
Short-term benefits	1,854,532	24,414,270	24,415,011	1,853,791
Post-employment benefits – Defined contribution plan	263,587	3,099,874	3,104,824	258,637
Termination benefits	1,383	32,939	31,946	2,376
Other benefits due within one year	8,265	42,201	42,204	8,262
Total	2,127,767	27,589,284	27,593,985	2,123,066

2020

Unit: '000 Currency: RMB

	Opening balance	Increase for the period	Decrease for the period	Closing balance
Short-term benefits	1,863,601	22,541,765	22,550,834	1,854,532
Post-employment benefits (defined contribution plan)	323,098	2,131,260	2,190,771	263,587
Termination benefits	2,782	50,925	52,324	1,383
Other benefits due within one year	8,403	42,229	42,367	8,265
Total	2,197,884	24,766,179	24,836,296	2,127,767

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

30. Employee benefits payable (continued)

(2). Breakdown of short-term benefits

✓ Applicable Not Applicable

2021

Unit: '000 Currency: RMB

	Opening balance	Increase for the period	Decrease for the period	Closing balance
Wages, bonuses, allowances and subsidies	624,893	17,643,310	17,659,515	608,688
Employee welfare benefits	365	1,148,146	1,148,133	378
Social insurance	177,979	1,491,222	1,493,315	175,886
Medical insurance	154,197	1,363,353	1,366,463	151,087
Work-related injury insurance	16,826	96,339	95,702	17,463
Maternity insurance premiums	6,956	31,530	31,150	7,336
Housing provident fund	337,368	1,585,920	1,599,861	323,427
Union and education fun	547,266	548,079	499,702	595,643
Other short-term benefits	166,661	1,997,593	2,014,485	149,769
Total	1,854,532	24,414,270	24,415,011	1,853,791

2020

Unit: '000 Currency: RMB

	Opening balance	Increase for the period	Decrease for the period	Closing balance
Wages, bonuses, allowances and subsidies	707,090	16,425,061	16,507,258	624,893
Employee welfare benefits	1,610	1,015,322	1,016,567	365
Social insurance	193,682	1,212,348	1,228,051	177,979
Medical insurance	166,727	1,107,706	1,120,236	154,197
Work-related injury insurance	19,117	55,350	57,641	16,826
Maternity insurance premiums	7,838	49,292	50,174	6,956
Housing provident fund	322,076	1,503,689	1,488,397	337,368
Union and education fun	470,022	532,193	454,949	547,266
Other short-term benefits	169,121	1,853,152	1,855,612	166,661
Total	1,863,601	22,541,765	22,550,834	1,854,532

Other short-term benefits of the Group are mainly labor dispatch costs, short-term paid absences, and living compensation for staff on leave.

The non-monetary benefits provided by the Group to employees are mainly subsidies for staff canteen expenses. The amount recognized during the year was RMB22,546,000 (2020: RMB25,649,000).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

30. Employee benefits payable (continued)

(3). Breakdown of defined contribution plan

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
1. Basic pension insurance	182,040	2,205,185	2,216,128	171,097
2. Unemployment insurance	22,215	76,111	80,945	17,381
3. Enterprise annuity payment	59,332	818,578	807,751	70,159
Total	263,587	3,099,874	3,104,824	258,637

2020

Unit: '000 Currency: RMB

	Opening balance	Increase for the period	Decrease for the period	Closing balance
Basic pension insurance	232,128	1,322,624	1,372,712	182,040
Unemployment insurance	26,872	42,661	47,318	22,215
Enterprise annuity payment	64,098	765,975	770,741	59,332
Total	323,098	2,131,260	2,190,771	263,587

Other explanation:

Applicable Not Applicable

In addition to basic pension insurance, the Group has established an enterprise annuity plan in accordance with the relevant policies of the national enterprise annuity system. The Group accrues annuities based on a certain percentage of total wages, and the corresponding expenditures are included in the current profit and loss.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

31. Taxes Payable

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Value-added tax	4,128,215	2,195,783
Enterprise income tax	1,916,613	1,933,736
Individual income tax	296,484	308,341
City construction and maintenance tax	66,784	45,835
Land value-added tax	653,800	832,372
Land use tax	60,018	65,488
Property tax	52,617	62,194
Educational surcharge	48,852	52,311
Others	242,555	239,320
Total	7,465,938	5,735,380

32. Other Payables

Breakdown of item

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Interest payable	–	843,910
Dividends payable	972,611	781,747
Other Payables	29,592,910	32,649,964
Total	30,565,521	34,275,621

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

32. Other Payables (continued)

Dividends payable

(1). *By classification*

Applicable Not Applicable

As of 31 December 2021, dividends payable is the dividend payable by the Group's subsidiaries to its minority shareholders. Due to the shareholders' failure to pay dividends and other reasons, the unpaid dividends payable for more than one year was RMB113,456,000 (2020: RMB110,578,000).

Other Payables

(1). *Other payables by nature*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Retention money payable and deposit	12,002,110	11,241,711
Placements	6,742,786	8,224,269
Payment and collection clearance payables	4,589,694	5,154,894
Three supply and one industry separation transfer payment (i)	827,078	1,228,037
Daily expenses payable	1,468,938	1,553,131
Real estate sales earnest money	111,022	510,320
Others	3,851,282	4,737,602
Total	29,592,910	32,649,964

Note (i): According to the Notice of the General Office of the State Council Forwarding the Guiding Opinions of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance on the Separation and Transfer of "Three Supply and One Industry" in the Family District of State-owned Enterprises (國務院辦公廳轉發國務院國資委、財政部關於國有企業職工家屬區"三供一業"分離移交工作指導意見的通知) (Guobanfa [2016] No. 45), the separation and transfer of "Three Supply and One Industry" (the "Three Supply and One Industry") in the family area of employees of state-owned enterprises has been comprehensively promoted across the country. The regulation requires necessary maintenance and renovation of water supply, power supply, heating (gas supply) and property management related equipment and facilities to reach the average level of urban infrastructure to charge fees at household basis by professional enterprises or institutions for socialized management, which was basically completed by the end of 2018.

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

32. Other Payables (continued)

Other Payables (continued)(1). *Other payables by nature (continued)*

According to the relevant national policy requirements, Energy China Group has implemented the separation and transfer of "Three Supply and One Industry". In 2018, Energy China Group and the Group signed an entrustment agreement entrusting the Group to implement the separation and handover of "Three Supply and One Industry", entrusting the Company and its subsidiaries to find a suitable recipient at the location of each company, to enter into separation and handover agreement and complete the separation and handover related work. The expenses related to the separation and transfer of assets within the scope of the subsidy standard stipulated in the relevant documents shall be paid by the Group in advance on behalf of Energy China Group, and the expenses related to the separation and transfer of assets arising from the separation and transfer of "Three Supply and One Industry" beyond the scope of the subsidy standard specified in the relevant documents shall be borne by the Group.

In 2018, when the Group was entrusted by the Energy China Group to carry out the separation and handover of "Three Supply and One Industry", there were payables to the recipient and the party providing maintenance and renovation services to the Group. As of 31 December 2021, the above-mentioned other payables were RMB827,078,000 (2020: RMB1,228,037,000).

(2). *Other major trade payables aged over one year*

As at 31 December 2021, other payables aged over one year amounted to RMB1,926,580,000 (2020: RMB5,298,558,000), which was mainly the deposit received from the subcontractors of the project, which has not been refunded since the project has not been completed.

33. Non-current liabilities due within one year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	3,617,661	6,152,770
Long-term wages payable due within one year	936,338	1,110,222
Bonds payable due within one year	1,957,056	9,024,438
Others	345,173	248,656
Total	6,856,228	16,536,086

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

34. Other Current Liabilities

Information of other current liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Note	Closing balance	Opening balance
Pending output VAT		405,640	199,300
Short-term financing bond	(1)	–	3,040,500
Estimated liabilities	(2)	2,176,062	909,103
Acceptance bills endorsed but not due		3,869,483	3,220,982
Others		115,820	142,274
Total		6,567,005	7,512,159

(1) Short-term financing bonds

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of bond	Par value	Issue date	Maturity	Issue amount	Amount at the beginning of the year	Issuance in the year	Interest accrued at face value	Amortization of discount and premium	Repayment in the year	Amount at the end of the year	Amortization of discount and premium	Repayment in the year	Amount at the end of the year
20 Gezhouba (epidemic prevention and control debt) CP001	3,000,000	2020-04-24	1 year	3,000,000	3,040,500	–	13,500	–	3,054,000	–	–	3,054,000	–
21 CEEC SCP001	2,000,000	2021-10-21	55 days	2,000,000	–	2,000,000	7,082	–	–	–	–	2,007,082	–

(2) Estimated liabilities

2021

Unit: '000 Currency: RMB

Item	Note	Opening balance	Increase for the period	Decrease for the period	Closing balance
Onerous contract to be performed	(i)	540,039	91,826	(202,197)	429,668
Pending litigation	(ii)	327,825	1,323,115	(14,037)	1,636,903
Other		41,239	141,278	(73,026)	109,491
Total		909,103	1,556,219	(289,260)	2,176,062

2020

Unit: '000 Currency: RMB

Item	Note	Opening balance	Increase for the period	Decrease for the period	Closing balance
Onerous contract to be performed	(i)	492,844	47,195	–	540,039
Pending litigation	(ii)	32,408	322,041	(26,624)	327,825
Other		61,212	436	(20,409)	41,239
Total		586,464	369,672	(47,033)	909,103

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

34. Other Current Liabilities (continued)

(2) *Estimated liabilities (continued)*(i) *Onerous contracts to be performed*

If a contract to be performed by the Group becomes an onerous contract, the execution of the onerous contract is likely to result in outflow of economic benefits, and the amount of expected losses can be reliably measured, and are recognized as estimated liabilities. On 31 December 2021, due to factors such as the increase in material and labor price, expected total project cost of some construction contracts to be performed exceeded total contract amount, resulting in onerous contracts. The balance of estimated liabilities accrued by the Group for onerous contracts to be performed was RMB429,668,000 (2020: RMB540,039,000).

(ii) *Pending litigation*

The Group has been involved in disputes, lawsuits or claims with customers, subcontractors, suppliers, etc. in the course of operation. After consulting with relevant legal advisors and the management's estimation of the results of these pending disputes, lawsuits or claims, for the corresponding estimated liabilities for disputes, lawsuits or claims that are likely to cause losses, as at 31 December 2021, the balance of corresponding estimated liabilities accrued by the Group was RMB1,636,903,000 (2020: RMB327,825,000).

As of 31 December 2021, Gezhouba Huanjia was involved in a total of 43 legal proceedings, of which 25 were unsuccessful in the first or second judgment, and Gezhouba Huanjia has appealed or applied for retrial; 18 cases have not yet been judged in the first judgment and are still under trial. Based on the progress of the litigations and the judgment results, and after consulting with relevant legal advisors, the Group has made provision for the corresponding estimated liabilities of RMB1,521,987,000 for the 38 legal lawsuits that are likely to cause losses (2020: RMB311,941,000).

(iii) *Mine reclamation obligations*

Due to the relevant contract requirements, certain subsidiaries of the Group engaged in cement production and sales business are required to undertake the present obligation of reclamation of the mines, the performance of which is likely to result in the outflow of economic benefits, and the amount of the obligation can be measured reliably. As at 31 December 2021, the Group's estimated liability balance for mine reclamation obligations was RMB68,403,000 (2020: RMB40,973,000), which was presented as non-current liabilities in estimated liabilities.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

35. Long-term Borrowings

(1). Classification of long-term borrowings

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Credit loans	39,310,633	25,463,465
Secured borrowings	30,017,636	25,810,442
Mortgaged loans	9,086,057	9,352,660
Guaranteed borrowings	9,821,628	8,501,100
Less: Long-term borrowings due within one year	3,617,661	6,152,770
Total	84,618,293	62,974,897

The long-term borrowing interest rate range according to the borrowing conditions by classification is as follows:

Unit: '000 Currency: RMB

Item	2021	2020
Credit loans	1.11%-6.50%	1.20%-6.50%
Secured borrowings	4.17%-6.00%	4.17%-4.90%
Mortgaged loans	4.05%-6.70%	2.92%-6.70%
Guaranteed borrowings	1.05%-7.50%	1.05%-7.50%

The maturity analysis of long-term borrowings due after one year is as follows:

Unit: '000 Currency: RMB

Subsequent to balance sheet date	Closing balance	Opening balance
More than one year but less than two years	13,976,417	5,235,942
More than two years but less than three years	13,305,568	11,190,483
More than three years but less than four years	1,980,465	1,451,741
More than four years but less than five years	2,231,843	1,336,424
More than five years	53,124,000	43,760,307
Total	84,618,293	62,974,897

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

36. Bonds Payable

(1). Bonds payable

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Total bonds payable	13,249,540	19,019,819
Less: Bonds payable due within one year	1,957,056	9,024,438
Total	11,292,484	9,995,381

(2). Changes in bonds payable: (excluding preference shares, perpetual bonds and other financial instruments classified as financial liabilities)

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of bonds	Par value	Issue date	Maturity	Issue amount	Balance as at 1 January 2021	Issued in the year	Amortization of premium and for discount	Repayment in the year	Balance as at 31 December 2021
13 CEEC MTN1	3,000,000	2013-01-18	10 years	3,000,000	2,995,376	-	1,885	-	2,997,261
16 GZ 01	3,000,000	2016-01-19	5 years	3,000,000	3,000,000	-	-	3,000,000	-
16 GZ 02	3,000,000	2016-05-04	5 years	3,000,000	20,600	-	-	20,600	-
16 GZ 03	4,000,000	2016-05-15	5 years	4,000,000	4,000,000	-	-	4,000,000	-
Huatai Asset Management - Green Asset Support Special Plan for Gezhouba Hydropower Grid Charge Right	800,000	2016-11-22	5 years	800,000	200,000	-	-	200,000	-
18 CEEC 01	3,000,000	2018-04-23	5 years	3,000,000	3,000,000	-	-	3,000,000	-
Green corporate bonds (first tranche)	1,200,000	2018-09-20	3 years	1,200,000	1,200,000	-	-	1,200,000	-
19 GZ 01	1,000,000	2019-01-09	5 years	1,000,000	1,000,000	-	-	-	1,000,000
19 GZ 02	1,500,000	2019-03-13	5 years	1,500,000	1,500,000	-	-	-	1,500,000
19 GZ 03	1,500,000	2019-04-24	3 years	1,500,000	1,500,000	-	-	-	1,500,000
21 GZ 01	3,000,000	2021-04-29	3 years	3,000,000	-	3,000,000	-	204,777	2,795,223
21 GZ 02	3,000,000	2021-05-18	3 years	3,000,000	-	3,000,000	-	-	3,000,000
Total	28,000,000			28,000,000	18,415,976	6,000,000	1,885	11,625,377	12,792,484

As at 31 December 2021, the balance of interest payable for the above bonds at the beginning of the period was RMB603,843,000, the interest accrued in the current period was RMB501,267,000, the interest of payment in the period was RMB648,054,000, and the balance of interest payable at the end of the period was RMB457,056,000. As at 31 December 2020, the total interest-bearing amount of the above bonds was RMB13,249,540,000.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

36. Bonds Payable (continued)

(2). *Changes in bonds payable: (excluding preference shares, perpetual bonds and other financial instruments classified as financial liabilities) (continued)*

Unit: '000 Currency: RMB

Name of bonds	Par value	Issue date	Maturity	Issue amount	Balance as at 1 January 2020	Issued in the year	Amortization of premium and for discount	Repayment in the year	Balance as at 31 December 2020
13 CEEC MTN1	3,000,000	2013-01-18	10 years	3,000,000	2,993,576	-	1,800	-	2,995,376
13 Gezhouba MTN1	600,000	2013-03-06	7 years	600,000	600,000	-	-	600,000	-
16 GZ 01	3,000,000	2016-01-19	5 years	3,000,000	3,000,000	-	-	-	3,000,000
16 GZ 02	3,000,000	2016-05-04	5 years	3,000,000	20,600	-	-	-	20,600
16 GZ 03	4,000,000	2016-05-13	5 years	4,000,000	4,000,000	-	-	-	4,000,000
Huatai Asset Management - Green Asset Support Special Plan for Gezhouba Hydropower Grid Charge Right	800,000	2016-11-22	5 years	800,000	350,000	-	-	150,000	200,000
18 CEEC 01	3,000,000	2018-04-23	5 years	3,000,000	3,000,000	-	-	-	3,000,000
Green corporate bonds (first tranche)	1,200,000	2018-09-19	5 years	1,200,000	1,200,000	-	-	-	1,200,000
19 GZ 01	1,000,000	2019-01-09	5 years	1,000,000	1,000,000	-	-	-	1,000,000
19 GZ 02	1,500,000	2019-03-13	5 years	1,500,000	1,500,000	-	-	-	1,500,000
19 GZ 03	1,500,000	2019-04-24	5 years	1,500,000	1,500,000	-	-	-	1,500,000
Total	22,600,000			22,600,000	19,164,176	-	1,800	750,000	18,415,976

On 31 December 2020, the balance of interest payable of the above bonds at the beginning of the period was RMB614,361,000, the interest accrued in the current period was RMB784,508,000, the interest payment in the period was RMB795,026,000, and the balance of interest payable at the end of the period was RMB603,843,000. As at 31 December 2020, the total interest-bearing amount of the above bonds was RMB19,019,819,000.

The maturity analysis of bonds payable due in one year is as follows:

Unit: '000 Currency: RMB

Face value of accounts receivable by repayment period	31 December 2021	31 December 2020
More than one year but less than two years	2,997,261	-
More than two years but less than three years	8,295,223	5,995,381
More than three years but less than four years	-	4,000,000
More than four years but less than five years	-	-
More than five years	-	-
Total	11,292,484	9,995,381

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

37. Long-term Employee Benefits Payable

Applicable Not Applicable

(1) *Statement of long-term employee benefits payable*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Note	Closing balance	Opening balance
Liabilities under Defined Benefit Plan		9,259,161	9,909,587
Fair value of assets under Defined Benefit Plan		–	(259,581)
Sub-total		9,259,161	9,650,006
Less: The portion paid within one year	VII. 33	936,338	1,110,222
Total		8,322,823	8,539,784

(2) *Post-employment benefits and termination benefits – Defined Benefit Plan*

Applicable Not Applicable

Energy China Group and the Group provided supplementary post-employment benefits to retirees who have completed the retirement procedures before 31 December 2014. In addition, Energy China Group and the Group undertake to regularly pay subsidies and benefits to former employees who have terminated their labor relationship or retire early, employees with off-duty work injuries and survivors of deceased employees who comply with relevant policies in accordance with the various employee benefit plans (the “Defined Benefit Plan”) adopted.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

37. Long-term Employee Benefits Payable (continued)

(2). *Post-employment benefits and termination benefits – Defined Benefit Plan (continued)*

(a) *Assets under Defined Benefit Plan:*

Applicable Not Applicable

In 2012, according to the notice issued by the Ministry of Finance, the Ministry of Finance allocated the 9.2 million kilowatt power generation asset realization fund (the “920 Fund”) to the Energy China Group to compensate for the expenses of post-employment benefits provided by the Group to employees; of which, RMB3,283,313,000 was designated by Energy China Group to pay for the employee benefits of the above Defined Benefit Plan of the Group, and was transferred from Energy China Group to the Group year by year. From 2012 to the time when the Company was restructured and listed, Energy China Group accounted for the 920 Fund received each year as government subsidies. In August 2014 and July 2015, the SASAC successively approved the “Reply on Issues Concerning Relevant Expenses of Retired and Early Retired Personnel in Overall Restructuring and reorganization of China Energy Engineering Group Co., Ltd.” (Guo Zi Fen Pei [2014] No. 959) (《關於中國能源建設集團有限公司整體改制重組中離退休和內退人員相關費用有關問題的批復》(國資分配 [2014] 959號)) and “Reply on Issues Concerning Supplementary Provision of Relevant Expenses of Retired and Early Retired Personnel in Overall Restructuring and Listing of China Energy Engineering Group Co., Ltd.” (Guo Zi Fen Pei [2015] No. 690) (《關於中國能源建設集團有限公司整體改制上市中補充計提離退休和內退人員相關費用有關問題的批復》(國資分配 [2015] 690號)). The expenses for early retired personnel and retired personnel borne by 920 Fund totaled RMB1.951 billion, which were used as the assets under the Defined Benefit Plan to offset present value of actuarial expenses. Energy China Group has deposited all the above 920 Fund into designated accounts of certain commercial banks in China and China Energy Engineering Group Finance Co., Ltd., a subsidiary of the Company, as time deposits. The above-mentioned 920 Fund related to the Group were recognized as the Group’s receivables from Energy China Group, and the interest income generated by the time deposit portion of the receivables belongs to the Group. The receivables and related interest income are recognized as assets of the Group’s Defined Benefit Plan. The amount after offsetting the assets balance with the liabilities under Defined Benefit Plan of the Group was shown in the balance sheet.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

37. Long-term Employee Benefits Payable (continued)

(2). Post-employment benefits and termination benefits – Defined Benefit Plan (continued)

(a) Assets under Defined Benefit Plan: (continued)

In January 2021, EnergyChina Group allocated RMB259,581,000 (2020: RMB300,353,000) to the Group to settle part of the assets of the Group under the Defined Benefit Plan. The amount and changes in assets under the Defined Benefit Plan recognized in the financial statement are as follows:

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
Balance at the beginning of the period	259,581	551,588
Interest income	–	8,346
Cash received by the Group from Energy China Group	(259,581)	(300,353)
Balance at the end of the period	–	259,581

(b) Liabilities under the Defined Benefit Plan

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
Opening balance	9,909,587	10,925,232
Defined benefit cost included in the current profit and loss	274,949	408,191
– Past service costs	18,141	185,830
– Net interests	256,808	222,361
Defined benefit cost included in other comprehensive income	23,150	(491,120)
– Actuarial losses/(gains)	23,150	(491,120)
Other changes	(948,525)	(932,716)
– Benefits paid	(948,525)	(932,716)
Closing balance	9,259,161	9,909,587

Past service costs were included in administrative expenses in profit or loss. Interest cost was included in finance charges in profit or loss. Interest income was included in finance income in profit or loss. The remeasurement of the net defined benefit liability due to changes in financial assumptions has been included in other comprehensive income.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

37. Long-term Employee Benefits Payable (continued)

(2). Post-employment benefits and termination benefits – Defined Benefit Plan (continued)

(c) Actuarial assumptions and sensitivity analysis

The Group faces actuarial risks such as interest rate risk, welfare risk and average medical expense risk related to Defined Benefit Plan:

- Interest rate risk: the present value of Defined Benefit Plan liabilities is calculated with reference to the interest rate of the national debt as the discount rate. Therefore, a decrease in the national debt interest rate will lead to an increase in the amount of plan liabilities.
- Benefit risk: the present value of Defined Benefit Plan liabilities is calculated based on the future benefit level of plan participants. As a result, if the benefits of program participants increase, the related liabilities will also increase.
- Risk of average medical expenses: the present value of Defined Benefit Plan liabilities was calculated based on the average future medical expenses of plan participants. As a result, if the average future medical expenses of plan participants increase, the related liabilities will also increase.

The significant actuarial assumptions (by weighted average) adopted by the Group in estimating the present value of Defined Benefit Plan obligations are as follows:

	2021	2020
Discount Rate	2.50%-2.75%	3.00%-3.25%
Inflation rate of salaries and supplementary benefits for employees with early retirement and off-the-job injuries	4.50%	4.50%
Inflation rate of retired employees, dependents of deceased employees and retired employee benefits	2.00%	2.00%
Healthcare cost trend ratio	5.50%	5.50%

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

37. Long-term Employee Benefits Payable (continued)

(2). Post-employment benefits and termination benefits – Defined Benefit Plan (continued)

(c) Actuarial assumptions and sensitivity analysis (continued)

At the end of the Reporting Period, while keeping other assumptions unchanged, the following reasonable and possible changes in the assumptions will result in the increase or decrease of the Group's Defined Benefit Plan obligations. The details are as follows:

	<i>Unit: '000 Currency: RMB</i>	
	2021	2020
Discount rate		
– increased 0.25%	(195,720)	(207,120)
– decreased 0.25%	203,910	215,740
Supplementary benefit ratio		
– increased 1.00%	639,140	677,730
– decreased 1.00%	(556,660)	(590,400)
Healthcare cost trend ratio		
– increased 1.00%	179,670	192,600
– decreased 1.00%	(152,720)	(163,680)

Although the above analysis does not take into account the full projected cash flows under Defined Benefit Plan, it still provides an approximate estimate of the sensitivity of the above assumptions.

The methodology and assumptions used in preparing the sensitivity analysis have not changed during the year.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

38. Deferred Income

Deferred income

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Government grants related to assets	484,055	76,722	(138,743)	422,034
Government grants related to income	164,748	328,153	(253,771)	239,130
Sale and leaseback	25,978	–	(25,978)	–
Total	674,781	404,875	(418,492)	661,164

2020

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Government grants related to assets	483,018	34,746	(26,518)	491,246
Government grants related to income	247,775	216,095	(306,313)	157,557
Sale and leaseback	36,699	–	(10,721)	25,978
Total	767,492	250,84	(343,552)	674,781

Projects involving government subsidies:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

38. Deferred Income (continued)

2021

Unit: '000 Currency: RMB

Liabilities	Opening balance	Additions of grants for the period	Amount included in profit or loss in the period	Closing balance	Related to assets/ Related to income
920 Fund (note)	207,186	286,656	322,862	170,980	Related to income
Gem cement subsidy project	67,086	–	1,799	65,287	Related to assets
Zhanzhuangzi Road land related compensation	64,325	–	1,425	62,900	Related to assets
Dangyang cement plant construction project subsidy	48,505	–	2,329	46,176	Related to assets
Waste incineration plant upgrade project	25,376	–	1,952	23,424	Related to assets
Others	236,325	118,219	62,147	292,397	Related to assets/ income
Total	648,803	404,875	392,514	661,164	

2020

Unit: '000 Currency: RMB

Liabilities	Opening balance	Additions of grants for the period	Amount included in profit or loss in the period	Closing balance	Related to assets/ Related to income
920 Fund (note)	239,492	70,512	102,818	207,186	Related to income
Gem cement subsidy project	68,885	–	1,799	67,086	Related to assets
Zhanzhuangzi Road land related compensation	65,749	–	1,424	64,325	Related to assets
Dangyang cement plant construction project subsidy	50,833	–	2,328	48,505	Related to assets
Waste incineration plant upgrade project	60,200	-30,524	4,300	25,376	Related to assets
Others	245,634	210,853	220,162	236,325	Related to assets/ income
Total	730,793	250,841	332,831	648,803	

Note: Upon the Group's listing in Hong Kong, for the part of the 920 Fund that exceeds the assets under Defined Benefit Plan (see Note V. 37) received each year, the Company continued to follow the "920 Fund Appropriation Management Measures" formulated by the Energy China Group, and the allocated 920 Fund to compensate the Group's expenses for internal retirees, out-of-pocket expenses for retirees, expenses for surviving and widowers (including old work-related injuries, and delegating personnel), as well as expenses for employees who are on duty (off-duty) and social insurance localization expenses. The Group recognized the above expenses as deferred income when received and included them in the current profit and loss when incurred according to the accounting principles of government subsidies.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Others Non-current Liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Taxes payable by foreign companies	151,468	121,365
Others	33,787	25,956
Total	185,255	147,321

40. Share Capital

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

	Opening balance	Issuance of new shares	Increase or decrease (+, -)				Sub-total	Closing balance
			Bonus	Share conversion of provident fund	Others			
Total number of shares	30,020,396	11,670,767				11,670,767	41,691,163	

2020

Unit: '000 Currency: RMB

	Opening balance	Issuance of new shares	Increase or decrease (+, -)				Sub-total	Closing balance
			Bonus	Share conversion of provident fund	Others			
Total number of shares	30,020,396						30,020,396	

Other explanation:

Note: According to the resolutions passed on the second Extraordinary General Meeting of Shareholders in 2021, the resolutions passed on the second Domestic Shareholders' Class Meeting in 2021 and the Second H Shareholders' Class Meeting in 2021 convened on 9 April 2021, and approved by "Reply on the Approval of Absorption and Merger of China Gezhouba Group Stock Company Limited by the Issuance of Shares by China Energy Engineering Corporation Limited" (Zheng Jian Xu Ke [2021] No. 2757) (《關於核准中國能源建設股份有限公司發行股份吸收合併中國葛洲壩集團股份有限公司的批復》(證監許可[2021]2757號)), on 23 August 2021, the Company was approved to issue 11,670,767,272 shares to the CGGC Conversion Shareholders for absorption and merger of CGGC Shares. Such shares were issued on the Shanghai Stock Exchange on 28 September 2021.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

41. Other Equity Tools

(1) *Basic information on outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period*

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Outstanding financial instruments	Issuance time	Accounting classification	Dividend rate or interest rate	Issue price	Number	Amount	Expiration date or renewal status
Publicly offered renewable corporate bonds in 2019 (first tranche)	2019-12-12	Equity	3.90%	0.10	30,000,000	3,000,000	Issuer has the right to exercise renewal option after 3 years
Publicly offered renewable corporate bonds in 2020 (first tranche)	2020-06-19	Equity	3.50%	0.10	10,000,000	1,000,000	Issuer has the right to exercise renewal option after 3 years
China Life – CEEC Infrastructure Debt Investment Plan	2020-12-29	Perpetual bond	4.65%	0.10	20,000,000	2,000,000	Issuer has the right to exercise renewal option after 3 years
2021 3+N-year Perpetual Notes (RMB2 billion)	2021-10-27	Perpetual bond	3.67%	0.10	20,000,000	2,000,000	Issuer has the right to exercise renewal option after 3 years
2021 3+N-year perpetual notes (RMB1.5 billion)	2021-11-18	Perpetual bond	3.33%	0.10	15,000,000	1,500,000	Issuer has the right to exercise renewal option after 3 years
Total						9,500,000	

(2). *Main terms*

For the capital instruments issued by the Group, at the end of the agreed initial period and the end of each renewal period, the Group has the right to exercise the option of renewal without limitation on the number of times. As long as there is no compulsory interest payment event, the Group has the right to choose to defer the payment of interest payments on each interest payment date, without limitation on the time and frequency of deferral, and it will not constitute a default of the Group.

The Group could not defer current distribution and all deferred distribution when any of the following compulsory interest payment events occur:

- to declare and pay dividend to shareholders; and
- to reduce registered capital.

When any of the compulsory distribution payment events occur, the Group, as the case may be, shall make distribution to the holders of these instruments at the distribution rate as defined in the subscription agreements.

According to the terms of the above-mentioned capital instrument-related contracts, the coupon rate in subsequent cycles will be adjusted and reset accordingly.

The Group believes that the above-mentioned perpetual bond conforms to the definition of equity instrument, and recognizes the actual amount received after deducting the relevant transaction costs from the total issuance amount as equity, and the announced interest distribution in the future will be treated as profit distribution.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

41. Other Equity Tools (continued)

(3). *Changes in outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period*

Applicable Not Applicable

Unit: '000 Currency: RMB

Outstanding financial instruments	Beginning of the period		Increase in the period		Decrease in the period		End of the period	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value
Renewable corporate bonds publicly issued in 2019 (first tranche)	30,000,000	3,000,000	-	-	-	-	30,000,000	3,000,000
Renewable corporate bonds publicly issued in 2020 (first tranche)	10,000,000	1,000,000	-	-	-	-	10,000,000	1,000,000
Renewable corporate bonds publicly issued in 2020 (second tranche)	35,000,000	3,500,000	-	-	35,000,000	3,500,000	-	-
China Life – CEEC Infrastructure Debt Investment Plan	20,000,000	2,000,000	-	-	-	-	20,000,000	2,000,000
2021 3+N-year Perpetual Notes (RMB2 billion)	-	-	20,000,000	2,000,000	-	-	20,000,000	2,000,000
2021 3+N-year perpetual notes (RMB1.5 billion)	-	-	15,000,000	1,500,000	-	-	15,000,000	1,500,000
Total	95,000,000	9,500,000	35,000,000	3,500,000	35,000,000	3,500,000	95,000,000	9,500,000

42. Capital Reserve

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Capital reserve	8,106,266	8,624,862	-	16,731,128
Total	8,106,266	8,624,862	-	16,731,128

In 2021, the main changes in the Group's capital reserve are as follows:

1. The absorption and merger of CGGC through share swap by the Company increased the capital reserve of RMB8,539,981,000;
2. China Energy Engineering Group Hunan Electric Power Design Institute Co., Ltd., our subsidiary, enjoyed the capital contribution from minority shareholders of the subsidiary in proportion to the equity, and increased the share capital premium of RMB77,996,000.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

43. Other Comprehensive Income

✓ Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Item	Amount for the period						Closing balance
	Opening balance	Amount before income tax for the period	Less: Amount transferred to profit or loss from other comprehensive income	Less: Income tax expense	Amount attributable to the parent after tax	Amount attributable to the minority shareholders after tax	
I. Other comprehensive income not to be reclassified into profit or loss	1,483,400	(65,165)	133,080	2,917	(156,975)	(44,187)	1,326,425
Including: Changes of the re-measurement of defined benefit plans	896,192	(23,150)	-	9,931	(45,670)	12,589	850,522
Change in fair value of other equity instrument investments	587,208	(42,015)	133,080	(7,014)	(111,305)	(56,776)	475,903
II. Other comprehensive income to be reclassified into profit or loss	(1,359,610)	(62,638)	-	-	(44,335)	(18,303)	(1,403,945)
Differences on translation of foreign currency financial statements	(1,359,610)	(62,638)	-	-	(44,335)	(18,303)	(1,403,945)
Total other comprehensive come	123,790	(127,803)	133,080	2,917	(201,310)	(62,490)	(77,520)

2020

Unit: '000 Currency: RMB

Item	Amount for the period						Closing balance
	Opening balance	Amount before income tax for the period	Less: Amount transferred to profit or loss from other comprehensive income	Less: Income tax expense	Amount attributable to the parent after tax	Amount attributable to the minority shareholders after tax	
I. Other comprehensive income not to be reclassified into profit or loss	801,750	1,044,767	99,832	105,397	681,650	157,888	1,483,400
Including: Changes of the re-measurement of defined benefit plans	497,029	491,120	-	17,252	399,163	74,705	896,192
Change in fair value of other equity instrument investments	304,721	553,647	99,832	88,145	282,487	83,183	587,208
II. Other comprehensive income to be reclassified into profit or loss	(747,562)	(678,831)	-	-	(612,048)	(66,783)	(1,359,610)
Differences on translation of foreign currency financial statements	(747,562)	(678,831)	-	-	(612,048)	(66,783)	(1,359,610)
Total other comprehensive come	54,188	365,936	99,832	105,397	69,602	91,105	123,790

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

44. Special Reserve

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Production safety expenses	557,757	2,836,150	2,745,121	648,786
Total	557,757	2,836,150	2,745,121	648,786

2020

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Production safety expenses	548,048	2,148,826	2,139,117	557,757
Total	548,048	2,148,826	2,139,117	557,757

45. Surplus Reserve

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Items	Opening balance	Increase in for the period	Decrease for the period	Closing balance
Statutory surplus reserve	4,461,490	1,102,162	–	5,563,652
Total	4,461,490	1,102,162	–	5,563,652

2020

Unit: '000 Currency: RMB

Items	Opening balance	Increase for the period	Decrease for the period	Closing balance
Statutory surplus reserve	3,077,703	1,383,787	–	4,461,490
Total	3,077,703	1,383,787	–	4,461,490

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

46. Retained Earnings

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Note	2021	2020
Retained earnings at the beginning of the year		15,647,219	13,342,879
Add: Net profits attributable to shareholders of the parent during the year		6,504,102	4,670,576
Less: Appropriation to statutory surplus reserve		1,102,162	1,383,787
Ordinary share dividends payable	(1)	675,459	918,624
Perpetual bond interests payable	(2)	365,309	163,657
Add: Others	(3)	133,080	99,832
Retained earnings at the end of the year		20,141,471	15,647,219

(1) Ordinary share dividend distributed during the year

The Company distributed cash dividend of RMB675,459,000 (2020: RMB918,624,000) (equivalent to RMB2.25 cents per share) (2020: RMB3.06 cents per share) in 2021 to holders of ordinary shares pursuant to the approval at the general meeting held by the Company on 8 June 2021.

(2) The ordinary share dividend distribution above triggered an enforceable condition for payment of dividend on perpetual bonds of the Company. The Company distributed interests on perpetual bonds of RMB365,308,000 in 2021 (2020: RMB163,657,000).**(3) The Group's subsidiaries transferred the amount originally included in other comprehensive income due to changes in fair value to retained earnings upon their disposal of other debt instrument investments**

47. Operating Income and Operating Costs

(1) Operating income and operating costs

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal businesses	319,299,975	278,162,789	267,575,060	231,964,811
Other businesses	3,018,590	1,747,183	2,752,602	1,636,293
Total	322,318,565	279,909,972	270,327,662	233,601,104

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

47. Operating Income and Operating Costs (continued)

(2) Revenue from contracts

Applicable Not Applicable

Unit: '000 Currency: RMB

Classification	2021	2020
Survey, design and consulting services	14,737,671	14,017,845
Construction and contracting	246,970,777	201,241,669
Industrial manufacturing	28,017,500	24,026,777
Investment and operation	26,419,170	25,341,282
Other businesses	6,173,447	5,700,089
Total	322,318,565	270,327,662

(3) Explanation about allocation to the remaining performance obligations

Applicable Not Applicable

At the end of the Reporting Period, the amount of revenue corresponding to the performance obligations that have been signed but have not been performed or have not yet been performed is RMB877,642,861,000 (2020: RMB535,904,860,000), which mainly comprise revenue that are expected to be recognised in future generated from survey, design and consulting contracts, construction and contracting contract and pre-sale contracts for properties under construction entered into between the Group and customers. The Group will recognize the expected income within 1 to 6 years in the future.

The Group adopted simplified expedients for sales contracts with original expected contract duration not exceeding one year. Therefore, the information disclosed above does not include the trading price of the remaining performance obligations allocated by the Group to such contracts.

The trading price disclosed above excludes the incentives of completion that can be obtained after the Group satisfies the conditions specified in the construction contract in the future, unless the Group is likely to meet the conditions for obtaining the incentives of completion on the balance sheet date.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

48. Taxes and Surcharges

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Land appreciation tax	369,919	659,449
City maintenance and construction tax	237,262	281,735
Educational surcharge	180,842	204,196
Property tax	221,971	170,816
Stamp duty	168,080	136,893
Others	258,784	241,987
Total	1,436,858	1,695,076

49. Selling and Distribution Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Employee benefits	680,640	585,262
Business expenses	371,457	293,298
Packaging expenses	97,055	96,177
Travel expenses	69,231	59,146
Agency fee for commissioned sales	64,258	107,594
Advertising and promotion expense	58,471	76,427
Others	326,312	253,347
Total	1,667,424	1,471,251

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

50. Administrative Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Employee benefits	7,906,902	7,155,206
Depreciation and amortization	1,655,701	1,509,320
Office and travel expenses	1,339,000	1,089,365
Professional service fee	598,718	506,786
Rental expenses	269,480	336,357
Labor cost	147,977	107,698
Expenses in relation to defined benefit plan	95,050	190,440
Other	733,815	660,164
Total	12,746,643	11,555,336

51. Research and Development Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Research and development material expenses	4,088,507	3,081,688
Labor expenses	3,736,310	2,983,293
Expenses for outsourcing research and development	243,021	167,606
Depreciation and amortization	166,730	115,819
Expenses for new product design	34,649	27,775
Other relevant expenses	520,255	408,629
Total	8,789,472	6,784,810

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

52. Finance Costs

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Interest expense	5,019,436	5,294,555
Less: Capitalized interest expense	1,656,854	1,994,629
Less: Interest income	336,451	361,020
Net exchange losses	182,640	490,020
Others	463,855	363,658
Total	3,672,626	3,792,584

Other explanations:

The Group capitalizes borrowing costs incurred for the construction or production of assets eligible for capitalization. The capitalization rate the Group adopted to determine the capitalized amount of borrowing costs for the current year ranged from 3.35% to 6.50% (2020: 3.30% to 6.50%).

53. Other Income

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Government grants	954,393	1,182,195
Debt restructuring	28,896	41,000
Others	60,569	58,156
Total	1,043,858	1,281,351

Projects involving in government grants:

Unit: '000 Currency: RMB

	Amount for current the period	Amount for the last period
920 Fund	451,697	211,775
Tax refunds	53,195	454,218
Subsidy for stabilizing employment	25,178	94,571
Fund for scientific research	81,113	103,485
Relocation compensation subsidy	33,034	32,353
Others	310,176	285,793
Total	954,393	1,182,195

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

54. Investment Income

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Income from long-term equity investment under equity method	101,040	240,577
Investment income generated from disposal of long-term equity investments	254,397	243,767
Investment income earned during the holding period of financial assets held for trading	114,418	85,065
Including: Financial assets designated at fair value through profit or loss	–	–
Investment income from disposal of financial assets held for trading	(5,501)	1,859
Including: Financial assets designated at fair value through profit or loss	–	–
Dividend income generated from other equity instrument investments	94,030	122,414
Including: Dividend income relating to other equity instrument investments derecognised in the year	880	25,717
Dividend income relating to other equity instrument investments held at the balance sheet date	93,150	96,697
Fund occupation fee charged on non-financial enterprises	56,899	50,829
Derecognition of financial assets at amortized cost	(150,782)	(195,356)
Others	7,374	9,350
Total	471,875	558,505

55. Gains on Changes in Fair Value

Applicable Not Applicable

Unit: '000 Currency: RMB

Source of gains on change in fair value	Amount for the current period	Amount for the last period
Financial assets held for trading	7,810	570,878
Derivative financial assets	329	–
Total	8,139	570,878

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

56. Credit Impairment Loss

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Bad debts loss of bills receivable	6,136	–
Bad debts loss of accounts receivable	548,871	475,957
Bad debts loss of other receivables	391,059	745,671
Loans to customers	40,718	781
Bad debts loss of long-term receivables	6,589	198,443
Total	993,373	1,420,852

57. Asset Impairment Loss

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Inventory depreciation loss	388,178	114,474
Impairment loss of long-term equity investment	544	–
Impairment loss of contract assets	310,586	189,652
Impairment loss of fixed assets	57,297	5,702
Impairment loss of construction in progress	40,626	–
Other non-current assets	20,150	–
Goodwill impairment loss	–	1,224
Others	41,433	14,711
Total	858,814	325,763

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

58. Gains from Disposal of Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Gains from disposal of fixed assets	458,056	404,085
Gains from disposal of intangible assets	344,331	28,489
Gains from termination of right-of-use assets	7,510	209
Total	809,897	432,783

59. Non-operating Income

Non-operating Income

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Unpayable amount	150,803	110,625
Compensation income and penalty gains	115,185	101,292
Gains on retirement of non-current assets	15,737	8,102
Gains on surplus	2,821	4,232
Others	47,304	38,626
Total	331,850	262,877

60. Non-operating Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Estimated loss on pending litigation	1,399,800	414,560
Compensation, liquidated damage and penalty expenses	203,019	226,138
Losses from damage and scrap of non-current assets	36,682	21,710
Donation	18,689	39,739
Other	198,946	40,709
Total	1,857,136	742,856

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

60. Non-operating Expenses (continued)

Other explanations:

- (a) The Group made provisions for projects liabilities in respect of certain lawsuits in relation to Gezhouba Huanjia in the year. Please see Note VII. 34(2) (ii) for details.
- (b) All non-operating expenses in the year were included in non-recurring profit or loss in current period.

61. Income Tax Expenses

(1). *Income tax expenses statement*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Note	Amount for the current period	Amount for the last period
Current income tax expenses		3,436,475	3,500,052
Deferred income tax expenses	(i)	16,364	(96,750)
Total		3,452,839	3,403,302

(i) *Analysis on change in deferred income tax:*

Unit: '000 Currency: RMB

Items	Amount for the current period	Amount for the last period
Generation and reversal of contemporary difference	55,574	(23,583)
Unutilised deductible losses recognised for previous years	(39,210)	(73,167)
Total	16,364	(96,750)

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

61. Income Tax Expenses (continued)

(1). Income tax expenses statement (continued)

Reconciliation for accounting profit and income tax expenses

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
Total profit	13,050,383	12,040,245
Income tax expenses at statutory/applicable rate	3,262,596	3,010,061
Effect of different tax rates for subsidiaries	1,766	4,558
Effect of non-taxable income	(461,913)	(103,702)
Effect of non-deductible cost, expenses and losses	361,074	307,804
Effect of utilization of deductible losses in deferred income tax assets not recognized in previous period	(272,869)	(252,876)
Effect of deductible losses in deferred income tax assets not recognized in current period or effect of deductible loss	1,357,809	1,262,804
Other tax preferential policy	(1,165,008)	(853,790)
Others	369,384	28,443
Income tax expenses	3,452,839	3,403,302

(1) Basic earnings per share

Basic earnings per share is calculated as dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding:

Unit: '000 Currency: RMB

	2021	2020
Consolidated net profit attributable to the shareholders of the Company	6,504,102	4,670,576
Less: Attributable to other equity instrument holders	365,308	163,657
Consolidated net profit attributable to ordinary shareholders of the Company	6,138,794	4,506,919
Weighted average number of ordinary shares outstanding of the Company	32,773,556	29,855,864
Basic earnings per share (RMB/share)	0.19	0.15

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

62. Calculation of Basic Earnings per Share and Diluted Earnings per Share

Applicable Not Applicable

(1) *Basic earnings per share (continued)*

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

	<i>Unit: '000 Currency: RMB</i>	
	2021	2020
Number of ordinary shares outstanding at the beginning of the year	29,855,864	29,855,864
Effect of newly issued shares (Note VII. 40)	2,917,692	–
Weighted average number of ordinary shares at the end of the year	32,773,556	29,855,864

(2) *Diluted earnings per share*

As the Company did not have any potential dilutive shares, the diluted earnings per share are the same as the basic earnings per share.

63. Items in Statement of Cash Flows

(1) *Other cash received related to operating activities*

Applicable Not Applicable

	<i>Unit: '000 Currency: RMB</i>	
Item	Amount for current period	Amount for last period
Water/Electricity/Gas Supply and Property (三供一業)	–	1,898,113
Financial assets purchased by Finance Company with agreement to resale	–	867,004
Government grants	849,344	669,590
Other	42,116	
Total	891,460	3,434,707

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

63. Items in Statement of Cash Flows (continued)

(2) Other cash paid related to operating activities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Financial assets purchased by Finance Company with agreement to resale	–	–
Deposits, guarantees and advances	2,816,226	2,795,567
Current amounts	–	2,282,268
Travel expenses	436,491	439,469
Office expenses	541,406	581,016
Utilities	114,585	108,529
Professional service fees	598,718	506,786
Insurance premium	53,862	68,852
Business broker	348,071	293,298
Expenses for outsourcing research and development	243,021	157,106
Agency fee for commissioned sales	64,258	107,594
Property and logistics service fees	210,370	124,677
Water/Electricity/Gas Supply and Property (三供一業)	400,959	–
Compensation, liquidated damages and fines	203,019	226,138
Others	2,126,270	1,969,157
Total	8,157,256	9,660,457

(3). Other cash received related to investment activities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Financing lease	–	–
Pledged deposits	383,697	–
Time deposits of more than three months	94,654	530,766
Net cash generated from investments	–	–
Recovery of third-party borrowings	561,658	252,404
Recovery of related party borrowings	3,974,406	3,364,389
Others	76,721	–
Total	5,091,136	4,147,559

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

63. Items in Statement of Cash Flows (continued)

(4). Other cash paid related to investment activities

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Financing lease	–	–
Pledged deposits	–	594,287
Time deposits of more than three months	–	–
Payment of related party borrowings	2,660,799	2,529,991
Payment of third-party party borrowings	792,249	93,840
Total	3,453,048	3,218,118

(5). Other cash received related to financing activities

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Receipt of third-party borrowings	–	1,931,916
Receipt of related party borrowings	3,266,298	1,065,521
Total	3,266,298	2,997,437

(6). Other cash received related to financing activities

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Payment of lease rentals	739,135	513,385
Payment of lease interest expenses	78,983	71,451
Acquisition of additional interests in subsidiaries	–	6,477
Repayment of perpetual financial instruments	16,180,000	1,220,000
Repayment of related party borrowings	4,921,863	1,417,824
Repayment of third-party party borrowings	–	81,630
Total	21,919,981	3,310,767

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

64. Statement of Cash Flows

(1). Supplementary information to the statement of cash flows

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Supplementary information	Amount for the current period	Amount for the previous period
1. Adjustment of net profit to cash flows of operating activities:		
Net profits	9,597,544	8,636,943
Add: Provision for asset impairment	858,814	325,763
Credit impairment losses	993,373	1,420,852
Depreciation and amortization expenses	4,857,983	4,010,248
Decrease in contract assets	(17,225,379)	(7,275,531)
Increase in contract liabilities	4,468,133	6,343,068
Loss from disposal of fixed assets, intangible assets and other long-term assets	(809,897)	(390,611)
Losses from damage and scrap of fixed assets	20,944	25,919
Losses due to changes in fair value	(8,139)	(570,878)
Financial costs	3,672,626	3,792,584
Investment loss	(471,875)	(558,505)
Decrease in deferred income tax assets	(124,557)	(203,009)
Increase in deferred income tax liabilities	152,829	224,792
Decrease in inventories	3,238,931	1,039,180
Decrease in operating receivables	(15,339,037)	(21,532,533)
Increase in operating payables	14,961,885	11,215,937
Others	-	(14,119)
Net cash flows generated from operating activities	8,844,178	6,490,100
2. Major investment and financing activities not involved cash receipts and payments:		
Conversion of debt to capital	-	-
Convertible corporate bonds due within one year	-	-
Financing leased fixed assets	-	-
3. Net change in cash and cash equivalents:		
Closing balance of cash	52,203,782	49,861,244
Less: Opening balance of cash	49,861,244	42,624,579
Net increase in cash and cash equivalents	2,342,538	7,236,665

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

64. Statement of Cash Flows (continued)

(2). Net cash of acquisition of subsidiaries paid during the period

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

	Amount for the current period	Amount for the previous period
Price for acquisition of subsidiaries	(450,932)	(1,047,707)
Cash or cash equivalents paid during the year for acquisition of subsidiaries during the year	(450,932)	(1,047,707)
Less: Cash and cash equivalents held by subsidiaries at the acquisition date	12,019	
Add: Cash or cash equivalents paid during the year for acquisition of subsidiaries in previous years	(59,940)	
Net cash paid for acquisition of subsidiaries	(522,891)	(1,047,707)

For the acquisition of non-cash assets and liabilities of subsidiaries and other business entities, please refer to Note VIII.1(3).

Disposal of subsidiaries and other business entities:

Unit: '000 Currency: RMB

	Amount for the current period	Amount for the previous period
Price for disposal of subsidiaries and other business units	1,516,426	734,845
Cash or cash equivalent received during the year from disposal of subsidiaries and other business units during the year	1,483,207	734,845
Less: Cash and cash equivalents held by subsidiaries and other business units	604,604	37,053
Add: Cash or cash equivalents received during the year from disposal of subsidiaries and other business units in previous years	–	–
Net cash received from disposal of subsidiaries and other business units	878,604	697,792
Non-cash assets and liabilities for disposal of subsidiaries and other business units		
– Current assets	2,105,546	501,043
– Non-current assets	5,545,539	1,102,848
– Current liabilities	2,042,567	353,835
– Non-current liabilities	4,246,965	808,237

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

64. Statement of Cash Flows (continued)

(3). Composition of cash and cash equivalents

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Cash	52,846,290	50,598,406
Including: Cash on hand	40,231	48,988
Bank deposits available for payment	52,806,059	50,549,418
Less: Unsecured time deposits of more than three months	642,508	737,162
Balance of cash and cash equivalents at the end of the year	52,203,782	49,861,244

Other explanation:

Applicable Not applicable

65. Assets with Restricted Ownership or Right-of-use

Applicable Not Applicable

2021

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the current period	Decrease for the current period	Closing balance	Reasons for restriction
Monetary funds	5,836,505	3,937,185	4,320,882	5,452,808	Bank acceptance bill deposits; guarantee letter deposits; other purposes
Bills receivables	3,166,901	5,345,397	7,085,239	1,427,059	Secured borrowings
Inventories	17,291,460	1,927,953	8,557,266	10,662,147	Secured borrowings/ Litigation seizure
Fixed assets	821,469	790,300	245,875	1,365,894	Secured borrowings
Intangible assets	31,357,300	3,051,724	915,474	33,493,550	Secured borrowings/ Pledge
Long-term receivables	8,704,822	785,540	1,795,722	7,694,640	Secured borrowings
Account receivables	1,591,931	1,971,178	217,680	3,345,429	Secured borrowings
Receivables financing	4,637,568	3,895,169	4,637,568	3,895,169	-
Total	73,407,956	21,704,446	27,775,706	67,336,696	/

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

65. Assets with Restricted Ownership or Right-of-use (continued)

2020

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the current period	Decrease for the current period	Closing balance	Reasons for restriction
Monetary funds	5,836,505	3,937,185	4,320,882	5,452,808	Bank acceptance bill deposits; guarantee letter deposits; other purposes
Bills receivables	3,166,901	5,345,397	7,085,239	1,427,059	Secured borrowings
Inventories	17,291,460	1,927,953	8,557,266	10,662,147	Secured borrowings/ Litigation seizure
Fixed assets	821,469	790,300	245,875	1,365,894	Secured borrowings
Intangible assets	31,357,300	3,051,724	915,474	33,493,550	Secured borrowings/Pledge
Long-term receivables	8,704,822	785,540	1,795,722	7,694,640	Secured borrowings
Account receivables	1,591,931	1,971,178	217,680	3,345,429	Secured borrowings
Receivables financing	4,637,568	3,895,169	4,637,568	3,895,169	-
Total	73,407,956	21,704,446	27,775,706	67,336,696	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

66. Assets with Restricted Ownership or Right-of-use

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the current period	Decrease for the current period	Closing balance	Reasons for restriction
Monetary funds	5,836,505	3,937,185	4,320,882	5,452,808	Bank acceptance bill deposits; guarantee letter deposits; other purposes
Bills receivables	3,166,901	5,345,397	7,085,239	1,427,059	Secured borrowings
Account receivables	1,591,931	1,971,178	217,680	3,345,429	Secured borrowings
Receivables financing	4,637,568	3,895,169	4,637,568	3,895,169	–
Inventories	17,291,460	1,927,953	8,557,266	10,662,147	Secured borrowings/ Litigation seizure
Long-term receivables	8,704,822	785,540	1,795,722	7,694,640	Secured borrowings
Fixed assets	821,469	790,300	245,875	1,365,894	Secured borrowings
Intangible assets	31,357,300	3,051,724	915,474	33,493,550	Secured borrowings/ Pledge
Total	73,407,956	21,704,446	27,775,706	67,336,696	

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the current period	Decrease for the current period	Closing balance	Reasons for restriction
Monetary funds	5,242,218	3,551,585	2,957,298	5,836,505	Bank acceptance bill deposits; guarantee letter deposits; other purposes
Bills receivables	146,547	3,145,816	125,462	3,166,901	Secured borrowings
Account receivables	1,775,599	1,702,614	1,886,282	1,591,931	Secured borrowings
Receivables financing	554,315	4,637,568	554,315	4,637,568	Secured borrowings
Inventories	18,690,337	2,033,940	3,432,817	17,291,460	Secured borrowings/ Litigation seizure
Long-term receivables	2,613,838	6,447,393	356,409	8,704,822	Secured borrowings
Fixed assets	1,248,205	342,811	769,547	821,469	Secured borrowings
Intangible assets	26,464,899	5,253,542	361,141	31,357,300	Secured borrowings/Pledge
Total	56,735,958	27,115,269	10,443,271	73,407,956	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

67. Supplementary Information to the Income Statement

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Operating income	322,318,565	270,327,662
Less: Subcontracting cost	145,555,316	136,819,299
Raw materials consumed	84,371,871	64,906,487
Employee compensation expense	27,278,397	24,497,009
Carry-over cost of real estate development products	13,273,538	9,944,490
Depreciation and amortization expenses	4,857,983	4,202,205
Financial expenses	3,672,626	3,792,584
Travel expenses	1,612,716	1,370,014
Taxes and surcharges	1,436,858	1,695,076
Construction costs	1,551,965	1,304,022
Transportation expenses	1,448,843	999,088
Office expenses	645,358	581,016
Utilities	509,516	522,559
Rental expenses	657,772	391,299
Asset impairment losses	858,814	325,763
Credit impairment losses	993,373	1,420,852
Other	19,017,950	5,035,675
Operating profit	14,575,669	12,520,224

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

67. Supplementary Information to the Income Statement (continued)

Unit: '000 Currency: RMB

Item	Amount of the period	Amount of last period
Operating income	322,318,565	270,327,662
Less: Subcontracting costs	145,555,316	136,819,299
Raw materials consumed	84,371,871	64,906,487
Employee compensation expenses	27,278,397	24,497,009
Carry-over cost of real estate development products	13,273,538	9,944,490
Depreciation and amortization expenses	4,857,983	4,202,205
Financial expenses	3,672,626	3,792,584
Travel expenses	1,612,716	1,370,014
Taxes and surcharges	1,436,858	1,695,076
Construction costs	1,551,965	1,304,022
Transportation expenses	1,448,843	999,088
Office expenses	645,358	581,016
Utilities	509,516	522,559
Rental expenses	657,772	391,299
Asset impairment losses	858,814	325,763
Credit impairment losses	993,373	1,420,852
Other	18,991,867	5,008,858
Audit fees	26,083	26,817
Operating profit	14,575,669	12,520,224

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

68. Lease Liabilities

(1). Leases (the Group as lessee)

Applicable Not Applicable

Right-of-use assets

Unit: '000 Currency: RMB

Item	Housing and building	Construction equipment	Transportation equipment	Other right-of-use assets	Total
Original value					
Balance as at 1 January 2020	1,617,032	142,390	17,339	858	1,777,619
Increase for the year	271,013	10,343	5,448	3,338	290,142
Adjustments due to lease changes	95,881	(2,489)	(99)	109	93,402
Decrease for the year	(51,835)	(108,047)	(8,034)	–	(167,916)
Balance as at 31 December 2020	1,932,091	42,197	14,654	4,305	1,993,247
Increase for the year	722,351	50,969	326,670	1,195	1,101,185
Adjustments due to lease changes	17,464	–	(296)	–	17,168
Decrease for the year	(606,890)	(22,298)	(138)	(1,136)	(630,462)
Balance as at 31 December 2021	2,065,016	70,868	340,890	4,364	2,481,138
Accumulated depreciation					
Balance as at 1 January 2020	416,742	18,723	5,304	240	441,009
Provision for the year	479,937	15,402	5,000	2,058	502,397
Decrease for the year	(14,975)	(293)	(3,028)	–	(18,296)
Balance as at 31 December 2020	881,704	33,832	7,276	2,298	925,110
Provision for the year	420,125	11,750	22,552	478	454,905
Decrease for the year	(469,180)	(16,400)	(94)	(856)	(486,530)
Balance as at 31 December 2021	832,649	29,182	29,734	1,920	893,485
Impairment provision					
Balance as at 31 December 2020 and 31 December 2021	–	–	–	–	–
Carrying amount					
Carrying amount as at 31 December 2021	1,232,367	41,686	311,156	2,444	1,587,653
Carrying amount as at 31 December 2020	1,050,387	8,365	7,378	2,007	1,068,137

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

68. Lease Liabilities (continued)

(1). Leases (the Group as lessee) (continued)

Lease liabilities

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Long-term lease liabilities	1,383,690	893,871
Less: Lease liabilities due within one year	261,868	297,193
Total	1,121,822	596,678

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Short-term lease expense under simplified approach	82,375	30,929
Low-value lease expense (except short-term lease expense of low-value assets) under simplified approach	577	576
Income from sublease of right-of-use assets	358	–
Total cash outflows relating to leases	1,572,824	1,223,668
Interest expense on lease liabilities	78,983	71,451

The Group leases housing and building, machinery, transport vehicles, office equipment and others under leases with lease terms from 1 to 25 years. Lease contracts do not include renewal options and variable lease payments. The Group has no significant lease contracts for which the purchase option is expected to be exercised.

The Group leases low-value leases such as computer equipment or leases with a lease term of less than 12 months. These leases are short-term leases or leases of low-value assets. The Group has selected not to recognise right-of-use assets and lease liabilities for these leases.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

68. Lease Liabilities (continued)

(2) Leases (the Group as lessor)

Applicable Not Applicable

(a) Operating lease

The Group leases certain machinery under operating leases. The initial lease terms of these leases are generally from 1 to 23 years, and the lessee has the right to renew at the expiry date, at which time all lease terms can be renegotiated. None of lease contracts include variable lease payment.

The undiscounted lease receipts to be received by the Group after the balance sheet date are as follows:

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the previous period
Within 1 year (inclusive)	97,022	137,282
1 to 2 years (inclusive)	48,520	125,590
2 to 3 years (inclusive)	29,924	79,770
3 to 4 years (inclusive)	26,796	46,504
4 to 5 years (inclusive)	25,422	40,736
Over 5 years	104,174	201,458
Total	331,858	631,340

(b) Financing lease

The Group has no financial leasing business as a lessor during the year.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. DIRECTORS', CHIEF EXECUTIVES', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS

Directors' and supervisors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

Unit: '000 Currency: RMB

Personnel	Directors' fee	Salaries and other allowance	Discretionary bonus	Retirement benefit scheme contribution	Share based compensation under restricted share incentive scheme	Total
For the year ended 31 December 2021						
Executive directors and chief executives:						
Mr. SONG Hailiang	–	265	373	53	–	691
Mr. SUN Hongshui	–	265	469	53	–	787
Mr. MA Mingwei	–	242	572	53	–	867
	–	772	1,414	159	–	2,345
Non-executive directors:						
Mr. LI Shulei	–	–	–	–	–	–
Mr. LIU Xueshi (appointed in February 2021)	–	–	–	–	–	–
Mr. SI Xinbo	–	–	–	–	–	–
Independent non-executive directors:						
Mr. ZHAO Lixin	70	–	–	–	–	70
Mr. CHENG Niangao	70	–	–	–	–	70
Mr. CHEUNG Yuk Ming	7	–	7	–	–	14
Mr. NGAI Wai Fung (resigned in February 2021)	73	–	41	–	–	114
	220	–	48	–	–	268
Supervisors:						
Mr. WANG Zengyong (resigned in February 2021)	–	75	78	8	–	161
Mr. HE Jiansheng (appointed in February 2021)	–	368	439	44	–	851
Mr. LI Fangyi (resigned in May 2021)	–	161	261	21	–	443
Mr. Wu Daozhuan (appointed in May 2021)	–	256	205	31	–	492
Mr. KAN Zhen	–	425	502	53	–	980
Mr. FU Dexiang (resigned in February 2021)	–	7	–	–	–	7
Mr. WEI Zhongxi (resigned in February 2021)	–	7	–	–	–	7
Mr. Mao Fengfu (appointed in February 2021)	–	–	–	–	–	–
Mr. LV Shisen (appointed in February 2021)	–	–	–	–	–	–
	–	1,299	1,485	157	–	2,941
Total	220	2,071	2,947	316	–	5,554

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. DIRECTORS', CHIEF EXECUTIVES', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Unit: '000 Currency: RMB

Personnel	Directors' fee	Salaries and other allowance	Discretionary bonus	Retirement benefit scheme contribution	Share based compensation under restricted share incentive scheme	Total
For the year ended 31 December 2020						
Executive directors and chief executives:						
Mr. WANG Jianping (resigned in August 2020)	–	174	431	22	–	627
Mr. DING Yanzhang (resigned in May 2020)	–	109	376	11	–	496
Mr. ZHANG Xianchong (resigned in January 2020)	–	20	272	4	–	296
Mr. SONG Hailiang (appointed in October 2020)	–	44	37	8	–	89
Mr. SUN Hongshui (general manager) (appointed in June 2020)	–	131	111	25	–	267
Mr. MA Mingwei (appointed in June 2020)	–	118	229	25	–	372
	–	596	1,456	95	–	2,147
Non-executive directors:						
MA Chuanjing	–	–	–	–	–	–
LIU Xueshi	–	–	–	–	–	–
SI Xinbo	–	–	–	–	–	–
Independent non-executive directors:						
Mr. DING Yuanchen (resigned in June 2020)	30	–	–	–	–	30
Mr. CHENG Niangao (appointed in June 2020)	30	–	–	–	–	30
Mr. ZHAO Lixin (appointed in June 2020)	30	–	–	–	–	30
Mr. CHEUNG Yuk Ming	126	–	–	–	–	126
	216	–	–	–	–	216
Supervisors:						
Mr. WANG Zengyong	–	442	485	39	–	966
Mr. KAN Zhen	–	412	459	39	–	910
Mr. LI Fangyi	–	386	407	39	–	832
Mr. FU Dexiang	–	54	–	–	–	54
Mr. WEI Zhongxin	–	54	–	–	–	54
	–	1,348	1,351	117	–	2,816
Total	216	1,944	2,807	212	–	5,179

The executive directors and chief executive's emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The non-executive director's emoluments shown above was mainly for his services as Director. The independent non-executive directors' emoluments shown above were mainly for their services as Directors.

The discretionary bonus is determined by the remuneration committee in accordance with the relevant human resources policies.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. DIRECTORS', CHIEF EXECUTIVES', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

Five highest paid individuals

For the year ended 31 December 2021, the five highest paid employees were neither directors, supervisors nor chief executives of the Group (2020: Nil).

Details of the remuneration of the five highest paid individuals during the year are as follows:

	<i>Unit: '000 Currency: RMB</i>	
	2021	2020
Basic salaries and other allowances	1,686	2,421
Discretionary bonus	4,541	4,376
Retirement benefit scheme contributions	209	95
	6,436	6,892

Discretionary bonuses are calculated based on the Group's or respective member's performance for relevant financial year.

The number of the five highest paid individuals whose remuneration fell within the following bands is as follows:

	2021	2020
Hong Kong Dollar ("HKD") 1,000,001 to HKD1,500,000	5	2
HKD1,500,001 to HKD2,000,000	–	3
	5	5

During the year, no emoluments were paid by the Group to any of the directors, supervisors, chief executives, or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. Neither of directors, supervisors and chief executives did waiver any emoluments during the year.

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VIII. CHANGES ON SCOPE OF COMBINATION

1. Business Combination not under Common Control

Applicable Not applicable

(1). Business combination not under common control during the period

Applicable Not applicable

Unit: '000 Currency: RMB

Name of acquiree	Date of equity acquisition	Cost of equity acquisition	Proportion of equity acquisition (%)	Method of equity acquisition	Acquisition date	Determination basis of acquisition date	Revenue of acquiree from the acquisition date to the end of the period	Net profit of acquiree from the acquisition date to the end of the period	Net cash inflow/outflow
Qinshui Yuanjinghui Wind Power Co., Ltd. (沁水遠景匯合風電有限公司)	25/02/2021	9,320	100%	Acquisition	25/02/2021	Actual control day	98,346	32,009	34,081
Lianyungang Hefeng Wind Power Co., Ltd. (連雲港和風風電有限公司)	29/10/2021	415,472	100%	Acquisition	29/10/2021	Actual control day	20,822	3,155	264
Heilongjiang Fengyun Wind Power Co., Ltd. (黑龍江風雲風力發電有限公司)	29/10/2021	25,892	100%	Acquisition	29/10/2021	Actual control day	9,389	1,464	4,391

(2). Combination costs and goodwill

Applicable Not applicable

Unit: '000 Currency: RMB

	Fair value
Total combination costs	450,684
Less: Fair value of identifiable net assets acquired	454,212
Amount of goodwill/combination costs less than fair value share of identifiable net assets acquired	(3,528)

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VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

1. Business Combination not under Common Control (continued)

(3). Identifiable assets and liabilities of the acquiree on the acquisition date

Applicable Not applicable

Unit: '000 Currency: RMB

	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets:		
Cash at bank and on hand	12,019	29,379
Accounts receivable	168,630	142,267
Prepayment	51	51
Other receivables	15,000	15,000
Other current assets	59,873	64,367
Current assets	255,573	251,064
Fixed assets	2,049,522	2,065,766
Other non-current assets	45,493	45,493
Total non-current assets	2,095,015	2,111,259
Total assets	2,350,588	2,362,323
Liabilities:		
Accounts payable	1,340,196	1,200,607
Other current liabilities	135,895	128,820
Total current liabilities	1,476,091	1,329,427
Long term payables	565,561	578,684
Total non-current liabilities	565,561	578,684
Total liabilities	2,041,652	1,908,111
Net assets	308,936	454,212
Less: Minority interests	-	-
Net assets acquired	308,936	454,212

2. Business Combination under Common Control

During the year, there is no entity newly included in the scope of combination of the Group through business combination under common control.

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VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

3. Disposal of Subsidiaries

Whether there is any single disposal of investment in subsidiaries that results in loss of control

Applicable Not applicable

Unit: '000 Currency: RMB

Name of subsidiary	Equity disposal price	Percentage of equity disposal (%)	Equity disposal method	Time point of losing control	Basis for determining the time point of losing control	Difference between the disposal price and the share of the subsidiary's net assets at the level of the consolidated financial statement corresponding to the disposal of the investment	Percentage of remaining equity at the date of loss of control (%)	Carrying amount of remaining equity at the date of loss of control	Fair value of remaining equity at the date of loss of control	Gains or losses arising from re-measurement of the fair value of remaining equity	Method of determining the fair value of remaining equity at the date of loss of control and key assumption	Amount of other Consolidated revenue which is related to the original equity investment in subsidiary and stated as investment gains/losses
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團租賃有限公司)	1,145,000	75%	Disposal	2021-07-23	Transfer of control	55,022	0%					
Zhongrenjiayuan Fund Management Co., Ltd. (中融建元基金管理有限公司)	14,814	55%	Disposal	2021-06-23	Transfer of control	8,402	0%					
Gezhouba Zhenci (Ningbo) Metal Industry Co., Ltd. (葛洲壩民慈寧波金屬工業有限公司)	216,287	60%	Disposal	2021-11-26	Transfer of control	2,157	0%					

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IX. EQUITY IN OTHER ENTITIES

1. Equity in Subsidiaries

(1). Constitution of enterprise group

Applicable Not applicable

(1) Material subsidiaries acquired through establishment or investment

Name of subsidiary	Principal place of business	Place of registration	Nature of business	Registered capital	Shareholding in 2020 and 2021 (%) (or similar equity ratio)		Method of acquisition
					Direct	Indirect	
China Gezhouba Group Company Limited (中國葛洲壩集團有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Survey, design, consulting, construction, civilian blasting, cement sales and real estate development	RMB3,315,308,700	100%	-	Business combination
China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)	Beijing, the PRC	Beijing, the PRC	Investment holding	RMB10,000,000,000	100%	-	Establishment
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	Beijing, the PRC	Beijing, the PRC	Manufacturing of equipment	RMB3,762,472,740	100%	-	Establishment
China Energy Engineering Group North Construction and Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	Tianjin, the PRC	Tianjin, the PRC	Investment holding	RMB5,000,000,000	100%	-	Establishment
China Energy Engineering Group Eastern Construction and Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	Jiangsu Province, the PRC	Jiangsu Province, the PRC	Investment holding	RMB5,000,000,000	100%	-	Establishment
China Energy Engineering Group Southern Construction and Investment Co., Ltd. (中國能源建設集團南方建設投資有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Investment holding	RMB5,000,000,000	100%	-	Establishment
China Energy Engineering Group Northwest Construction and Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	Shaanxi Province, the PRC	Shaanxi Province, the PRC	Investment holding	RMB2,500,000,000	100%	-	Establishment

On 28 September, 2021, the Company issued 11,670,767 A-share ordinary shares on the SSE, and absorbed and merged 57.16% of the shares of CGGC (a significant non-wholly owned subsidiary of the Group) through share swap. Upon the completion of the transaction, CGGC became a wholly-owned subsidiary of the Group. The Group has no material non-wholly owned subsidiaries.

All subsidiaries above are companies incorporated in the PRC with limited liability.

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate

Applicable Not applicable

Item	Unit: '000 Currency: RMB	
	Amount for the current period	Amount for the last period
Joint ventures	8,367,667	7,450,187
– Significant joint ventures	6,841,467	6,583,625
– Insignificant joint ventures	1,526,200	866,562
Associates	30,031,800	21,600,034
– Significant associates	15,434,267	10,014,639
– Insignificant associates	14,597,533	11,585,395
Subtotal	38,999,467	29,050,221
Less: Provision for impairment	(96,721)	(96,177)
Total	38,302,746	28,954,044

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates

✓ Applicable □ Not applicable

Unit: '000 Currency: RMB

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Registered capital	Shareholding ratio (%)		Accounting treatment for investment in joint venture or associate	Whether it is strategic to the Group's activities
					Direct	Indirect		
Joint ventures								
Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司) (i)	Hubei Province, the PRC	Hubei Province, the PRC	Public facilities management	RMB500,000	70.00%	–	Equity method	No
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Real estate	RMB2,142,860	49.00%	–	Equity method	No
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司) (ii)	Jiangsu Province, the PRC	Jiangsu Province, the PRC	Investment and operation of infrastructure	RMB1,000,000	70.00%	–	Equity method	No
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Real estate	RMB1,585,230	49.00%	–	Equity method	No
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	Yunnan Province, the PRC	Yunnan Province, the PRC	Expressway operation business	RMB200,000	50.00%	–	Equity method	No
CLP Guangxi Fangchenggang Power Co., Ltd. (中電廣西防城港電力有限公司) (iii)	Guangxi Province, the PRC	Guangxi Province, the PRC	Power generation and sales of electricity	RMB2,493,850	30.00%	–	Equity method	No
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Investment management	RMB363,636	45.00%	–	Equity method	No
Associates								
Gezhouba Baoding Construction and Development Co., Ltd. (葛洲壩保定建設開發有限公司)	Hebei Province, the PRC	Hebei Province, the PRC	Project construction	RMB100,000	47.50%	–	Equity method	No
Pingan Gezhouba (Shenzhen) Expressway Investment Partnership Company (平安葛洲壩(深圳)高速公路投資合夥企業(有限合夥))	Guangdong Province, the PRC	Guangdong Province, the PRC	Road transport	RMB40,000,000	47.50%	–	Equity method	No
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司) (iv)	Hubei Province, the PRC	Hubei Province, the PRC	Real estate	RMB100,000	50.00%	–	Equity method	No
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Shaanxi Province, the PRC	Shaanxi Province, the PRC	Expressway operation	RMB800,000	40.00%	–	Equity method	No
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Real estate	RMB2,400,000	40.00%	–	Equity method	No
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Guangxi Province, the PRC	Guangxi Province, the PRC	Expressway operation business	RMB300,000	40.00%	–	Equity method	No
Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	Anhui Province, the PRC	Anhui Province, the PRC	Investment management	RMB7,385,900	24.13%	–	Equity method	No

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)**2. Interests in the Joint Venture or Associate (continued)****(1). Significant joint ventures or associates (continued)**

- (i) Pursuant to the joint venture agreement, the board of directors of the entity comprises five directors, three of whom are delegated by the Group. According to the articles of association of the company, its major operating decisions shall be unanimously approved by all directors. Therefore, the company is accounted for as a joint venture under the equity method.
- (ii) Pursuant to the joint venture agreement, the board of directors of the entity comprises 3 directors, 1 of whom are appointed by the Group. According to the articles of association of the company, all of its major operating decisions shall be approved by all directors, and the Group and the shareholders of the company jointly control the company. Therefore, the company is accounted for as a joint venture under the equity method.
- (iii) Pursuant to the joint venture agreement, the board of directors of the entity comprises seven directors, two of whom are appointed by the Group. According to the articles of association of the company, all of its major operating decisions shall be approved by at least three quarters of directors, and the Group and the shareholders of the company jointly control the company. Therefore, the company is accounted for as a joint venture under the equity method.
- (iv) Pursuant to the association agreement, the board of directors of the entity comprises five directors, two of whom are appointed by the Group. According to the articles of association of the company, its major operating decisions shall be approved by at least 50% of directors of the entity. The Group has voting rights in the investee and has significant influence on it, and therefore the company is accounted for as an associate under the equity method.

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures

Applicable Not applicable

The following table sets forth the key financial information of the Group's significant joint ventures, which are adjusted based on the fair value at the time of investment and according to the unified accounting policies. In addition, the following table also shows the adjustment of these financial information to the carrying amount of the Group's investment in joint ventures under the equity method:

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	745,111	776,028
Including: Cash and cash equivalents	206,819	289,189
Non-current assets	7,470,908	7,168,957
Total assets	8,216,019	7,944,985
Current liabilities	68,328	482,485
Non-current liabilities	5,673,391	4,988,200
Total liabilities	5,741,719	5,470,685
Net assets	2,474,300	2,474,300
Shareholders' equity attributable to the parent company	2,474,300	2,474,300
Share in net assets calculated by shareholding ratio	1,732,010	1,732,010
Carrying amount of investments in the joint venture	1,732,010	1,732,010
Operating income	-	-
Net profit	-	-
Dividend from the joint venture during the year	-	-

**Jingzhou Chengbei Expressway
Investment and Construction Co., Ltd.**
(荆州城北快速路投资建设有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	3,091,085	2,830,445
Including: Cash and cash equivalents	63,874	422,179
Non-current assets	165	270
Total assets	3,091,250	2,830,715
Current liabilities	700,797	430,812
Total liabilities	700,797	430,812
Net assets	2,390,453	2,399,903
Shareholders' equity attributable to the parent company	2,390,453	2,399,903
Share in net assets calculated by shareholding ratio	1,171,322	1,163,024
Carrying amount of investments in the joint venture	1,171,322	1,163,024
Operating income	221,926	423,504
Finance cost	(3,276)	(3,303)
Income tax expenses	(3,150)	79,929
Net (loss)/profit	(9,450)	239,786
Total comprehensive income	(9,450)	239,786
Dividend from the joint venture in the year	-	409,150

**Guangzhou Zhenglin Real Estate
Development Co., Ltd.**
(廣州市正林房地產開發有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

**Nanjing Gezhouba Urban
Underground Space Comprehensive
Construction Development Co., Ltd.**
(南京葛洲壩城市地下空間
綜合建設開發有限公司)

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	711,642	456,880
Including: Cash and cash equivalents	120,577	20,933
Non-current assets	7,213,102	5,292,022
Total assets	7,924,744	5,748,902
Current liabilities	2,413,093	2,002,242
Non-current liabilities	4,123,600	
Total liabilities	6,536,693	4,806,242
Net assets	1,388,051	942,660
Shareholders' equity attributable to the parent company	1,388,051	942,660
Share in net assets calculated by shareholding ratio	971,636	659,860
Carrying amount of investments in the joint venture	971,636	659,860
Operating income	859	-
Finance cost	-	-
Income tax expenses	45	-
Net profit	134	-
Total comprehensive income	134	-
Dividend from the joint venture in the year	-	-

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	2,281,483	2,075,431
Including: Cash and cash equivalents	121,510	134,994
Non-current assets	81	126
Total assets	2,281,564	2,075,557
Current liabilities	541,040	340,184
Total liabilities	541,040	340,184
Net assets	1,740,524	1,735,373
Shareholders' equity attributable to the parent company	1,740,524	1,735,373
Share in net assets calculated by shareholding ratio	852,857	850,333
Carrying amount of investments in the joint venture	852,857	850,333
Operating income	16,065	104,471
Finance cost	(1,583)	(1,428)
Income tax expenses	2,367	11,926
Net profit	7,151	35,730
Total comprehensive income	7,151	35,730
Dividend from the joint venture in the year	-	213,591

**Guangzhou Rumao Real Estate
Development Co., Ltd**
(廣州市如茂房地產開發有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	160,011	449,041
Including: Cash and cash equivalents	138,101	105,813
Non-current assets	7,194,376	4,489,222
Total assets	7,354,387	4,938,263
Current liabilities	613,377	120,263
Non-current liabilities	4,768,601	2,860,000
Total liabilities	5,381,978	2,980,263
Net assets	1,972,409	1,958,000
Shareholders' equity attributable to the parent company	1,972,409	1,958,000
Share in net assets calculated by shareholding ratio	986,205	979,000
Carrying amount of investments in the joint venture	667,204	710,000
Operating income	86,756	–
Finance cost	(46,011)	–
Income tax expenses	156	–
Net profit	(85,591)	–
Total comprehensive income	(85,591)	–
Dividend from the joint venture in the year	–	–

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	CLP Guangxi Fangchenggang Power Co., Ltd (中電廣西防城港電力有限公司)	
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	1,273,303	1,237,609
Including: Cash and cash equivalents	386,318	584,011
Non-current assets	6,579,504	6,728,604
Total assets	7,852,807	7,966,213
Current liabilities	1,144,532	1,066,291
Non-current liabilities	4,061,505	4,079,299
Total liabilities	5,206,037	5,145,590
Net assets	2,646,770	2,820,623
Shareholders' equity attributable to the parent company	2,646,770	2,820,623
Share in net assets calculated by shareholding ratio	794,031	855,133
Carrying amount of investments in the joint venture	819,177	855,133
Operating income	3,644,863	3,501,052
Finance cost	184,615	209,815
Income tax expenses	(37,921)	100,147
Net (loss)/profit	(119,854)	290,383
Total comprehensive income	(119,854)	290,383
Dividend from the joint venture in the year	-	97,501

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	
Current assets	631,032	590,723
Including: Cash and cash equivalents	1,334	22
Non-current assets	20,183	18,354
Total assets	651,215	609,077
Current liabilities	269,950	258,914
Non-current liabilities	–	–
Total liabilities	269,950	258,914
Net assets	381,265	350,163
Shareholders' equity attributable to the parent company	381,265	350,163
Share in net assets calculated by shareholding ratio	171,569	157,573
Carrying amount of investments in the joint venture	627,261	613,265
Operating income	73,898	178
Finance cost	(21,324)	(241)
Income tax expenses	5,876	–
Net profit/(loss)	31,102	(12,471)
Total comprehensive income	31,102	(12,471)
Dividend from the joint venture in the year	–	–

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant joint ventures (continued)

Unit: '000 Currency: RMB

	Total	
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	8,893,667	8,414,157
Including: Cash and cash equivalents	1,038,533	1,557,141
Non-current assets	28,478,319	23,697,555
Total assets	37,371,986	32,111,712
Current liabilities	5,751,117	4,701,191
Non-current liabilities	18,627,097	14,731,499
Total liabilities	24,378,214	19,432,690
Net assets	12,993,772	12,679,022
Shareholders' equity attributable to the parent company	12,993,772	12,679,022
Share in net assets calculated by shareholding ratio	6,679,630	6,396,933
Carrying amount of investments in joint ventures	6,841,467	6,583,625
Operating income	4,044,367	4,029,205
Finance cost	112,421	204,843
Income tax expenses	(32,627)	192,002
Net (loss)/profit	(176,508)	553,428
Total comprehensive income	(176,508)	553,428
Dividend from joint ventures in the year	-	720,242

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates

Applicable Not applicable

The following table sets forth the key financial information of the Group's significant associates, which are adjusted based on the fair value at the time of investment and according to the unified accounting policies. In addition, the following table also shows the adjustment of these financial information to the carrying amount of the Group's investment in associates under the equity method:

	Unit: '000	Currency: RMB
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Gezhouba Baoding Construction and Development Co., Ltd. (葛洲壩保定建設開發有限公司)		
Current assets	649,143	-
Non-current assets	7,277,758	-
Total assets	7,926,901	-
Current liabilities	1,326,901	-
Non-current liabilities	3,100,000	-
Total liabilities	4,426,901	-
Minority interests		
Shareholders' equity attributable to the parent company	3,500,000	-
Share in net assets calculated by shareholding ratio	1,662,500	-
Carrying amount of investments in the associate	3,325,000	-

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	1,063	8,870
Non-current assets	5,381,327	5,381,327
Total assets	5,382,390	5,390,197
Current liabilities	7	7
Total liabilities	7	7
Net assets	5,382,383	5,390,190
Shareholders' equity attributable to the parent company	5,382,383	5,390,190
Share in net assets calculated by shareholding ratio	2,556,632	2,560,340
Carrying amount of investments in the associate	2,695,789	2,290,973
Operating income	12	30
Net loss	(332)	(289)
Total comprehensive income	(332)	(289)
Dividend from the associate in the year	-	-

**Pingan Gezhouba (Shenzhen) Expressway
Investment Partnership Company**
(平安葛洲壩(深圳)高速公路
投資合夥企業(有限合夥))

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	3,417,625	5,613,420
Non-current assets	1,901,781	99
Total assets	5,319,406	5,613,519
Current liabilities	281,230	701,385
Non-current liabilities	75,000	–
Total liabilities	356,230	701,385
Net assets	4,963,176	4,912,134
Shareholders' equity attributable to the parent company	4,963,176	4,912,134
Share in net assets calculated by shareholding ratio	2,481,588	2,456,066
Carrying amount of investments in the associate	2,481,878	2,456,357
Operating income	821,308	515
Net profit/(loss)	51,042	(19,504)
Total comprehensive income	51,042	(19,504)
Dividend from the associate in the year	–	–

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	1,914,582	2,230,720
Non-current assets	20,539,632	14,103,315
Total assets	22,454,214	16,334,035
Current liabilities	2,098,283	2,600,959
Non-current liabilities	15,085,550	9,629,076
Total liabilities	17,183,833	12,230,035
Net assets	5,270,381	4,104,000
Shareholders' equity attributable to the parent company	5,270,381	4,104,000
Share in net assets calculated by shareholding ratio	2,108,152	1,641,600
Carrying amount of investments in the associate	2,271,852	2,313,000
Operating income	115,963	-
Net loss	(102,869)	-
Total comprehensive income	(102,869)	-
Dividend from the associate in the year	-	-

**Shaanxi Gezhouba Yanhuang
Ningshi Expressway Co., Ltd**
(陕西葛洲坝延黄宁石高速公路有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	5,966,382	9,530,451
Non-current assets	118,629	8,218
Total assets	6,085,011	9,538,669
Current liabilities	1,618,193	6,140,547
Non-current liabilities	249,949	449,850
Total liabilities	1,868,142	6,590,397
Net assets	4,216,869	2,948,272
Shareholders' equity attributable to the parent company	4,216,869	2,948,272
Share in net assets calculated by shareholding ratio	1,686,748	1,179,309
Carrying amount of investments in the associate	1,686,748	1,179,309
Operating income	5,560,435	44,138
Net profit	1,217,173	11,653
Total comprehensive income	1,217,173	11,653
Dividend from the associate in the year	-	-

**Wuhan China Resources Land
Gezhouba Real Estate Co., Ltd.**
(武漢華潤置地葛洲壩置業有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	1,186,293	1,765,764
Non-current assets	13,361,814	5,437,832
Total assets	14,548,107	7,203,596
Current liabilities	11,907	1,053,597
Non-current liabilities	11,094,700	4,335,000
Total liabilities	11,106,607	5,388,597
Net assets	3,441,500	1,814,999
Shareholders' equity attributable to the parent company	3,441,500	1,814,999
Share in net assets calculated by shareholding ratio	1,376,600	726,000
Carrying amount of investments in the associate	1,540,000	875,000
Operating income	-	-
Net profit	-	-
Total comprehensive income	-	-
Dividend from the associate in the year	-	-

**Guangxi Gezhouba Tianxi
Expressway Co., Ltd.**
(廣西葛洲壩田西高速公路有限公司)

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
	Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	
Current assets	4,082	150
Non-current assets	2,446,000	1,913,000
Total assets	2,450,082	1,913,150
Current liabilities	–	–
Non-current liabilities	1,292	–
Total liabilities	1,292	–
Net assets	2,448,790	1,913,150
Shareholders' equity attributable to the parent company	2,448,790	1,913,150
Share in net assets calculated by shareholding ratio	590,893	461,643
Carrying amount of investments in the associate	1,433,000	900,000
Operating income	111,237	–
Net profit	88,768	–
Total comprehensive income	88,768	–
Dividend from the associate in the year	44,365	–

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Main financial information of significant associates (continued)

Unit: '000 Currency: RMB

	Total	
	Closing balance/ Amount for the current period	Opening balance/ Amount for the last period
Current assets	13,139,170	19,149,375
Non-current assets	51,026,941	26,843,791
Total assets	64,166,111	45,993,166
Current liabilities	5,336,521	10,496,496
Non-current liabilities	29,606,491	14,413,926
Total liabilities	34,943,012	24,910,422
Net assets	29,223,099	21,082,744
Shareholders' equity attributable to the parent company	29,223,099	21,082,744
Share in net assets calculated by shareholding ratio	12,463,113	9,024,958
Carrying amount of investments in the associate	15,433,977	10,014,639
Operating income	6,608,955	44,683
Net profit/(loss)	1,253,782	(8,140)
Total comprehensive income	1,253,782	(8,140)
Dividend from the associate in the year	44,365	-

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Summary of financial information of insignificant joint ventures and associates

Applicable Not applicable

	Unit: '000	Currency: RMB
	2021	2020
Joint ventures:		
Total carrying amount of investment	1,526,200	866,562
Total amount of the following items calculated on the basis of shareholding percentage		
– Net loss	(30,995)	(10,179)
– Other comprehensive income	–	–
– Total comprehensive income	(30,995)	(10,179)
Associates:		
Total carrying amount of investment	14,597,825	11,585,395
Total amount of the following items calculated on the basis of shareholding percentage		
– Net (loss)/profit	(352,144)	42,510
– Other comprehensive income	–	–
– Total comprehensive income	(352,144)	42,510

3. Interests in Structured Entities not Included in the Scope of Consolidated Financial Statements:

Applicable Not applicable

During the Reporting Period, the Group participated in the establishment of a number of fund companies or partnerships, which are structured entities not included in the scope of combination of the Group. As at 31 December 2021, the total investment scale of the above structured entities was approximately RMB107,285,863,000 (2020: RMB97,463,773,000). Among them, the subscription amount of the Group was approximately RMB39,687,893,000 (2020: RMB33,412,823,000), and the actual subscription amount paid by the Group was approximately RMB7,976,346,000 (2020: RMB5,125,169,000), which were accounted for as long-term equity investment in associates and joint ventures, other non-current financial assets or other equity instrument investments respectively. The Group's largest risk exposure in these structured entities at the end of each year was the amount of capital contributed by the Group as of the end of each year. The Group has no obligation or intention to provide financial support to the structured entities.

The Group issued certain asset-backed securities, and the Group held some subordinate tranche of the relevant asset-backed securities. As at 31 December 2021, the subordinated tranche of the above asset-backed securities held by the Group was RMB8,850,000 (2020: RMB52,850,000), which were accounted for as held-for-trading financial assets or other non-current financial assets. The Company undertakes liquidity replenishment obligations for the principal and fixed income of some of the above asset-backed securities in priority order. Since the Group only holds some inferior tranche, and the possibility of undertaking liquidity supplement in the future is evaluated to be low, these special plans and trusts are not included in the scope of combination of the Group.

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS

Applicable Not applicable

The Group has exposure to various risks of financial instruments in the daily activities of the Group, which mainly include:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign exchange risk
- Other price risks

The following mainly presents information on the Group's exposure to each of the above risks and their sources, their changes during the year, and the Group's objectives, policies and processes for risk management, the method used in measuring risk, and their changes during the year.

The Group aims to seek appropriate balance between the risks, and to mitigate the adverse effects that the risks of financial instruments have on the Group's financial performance. Based on such objectives, the Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate and acceptable risk limits and design corresponding internal controls processes, and to monitor risks and adherence to limits. Risk management policies and the relevant internal control systems are reviewed regularly to reflect changes in market conditions or the Group's operating activities.

1. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk is primarily attributable to cash at bank and on hand, accounts receivable, contract assets and other receivables. Exposure to these credit risks is monitored by management on an ongoing basis.

The cash at bank of the Group is mainly held with reputable financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Save for the financial guarantees given by the Group as set out in Note XIV, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk for the above financial guarantees on the balance sheet date is disclosed in Note XIV.

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

1. Credit Risk (continued)

(1) *Accounts receivable and contract assets*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry, country or area in which the customers operate and therefore significant concentrations of credit risk arise primarily when the Group has significant receivables and contract assets from individual customers. As at 31 December 2021, 7% (2020: 2%) of the total accounts receivable and contract assets of the Group were due from the five largest customers of the Group.

The Group has established a practicable credit policy under which individual credit evaluations are performed on customers. The credit evaluation is mainly based on the past record of payment due and current payment ability of the customer, and takes into account the customer's specific circumstances and the economic environment in which the customer operates. The relevant receivables are due within 30 to 180 days from the invoice date. In general, the Group does not require collateral from customers.

The Group measures the provision for impairment of accounts receivable and contract assets based on the lifetime ECL. According to the historical credit loss experience of the Group, different types of customers have different loss patterns. Therefore, the impairment provision based on the past arrears status is further divided into central enterprises directly supervised by the SASAC, state-owned enterprises and local governments as well as private enterprises and others according to the characteristics of common credit risk, and each type of customer has different expected loss rate. For BT/BOT project payment, the main customers include national, provincial and local government agencies with reliable and good reputation. The credit risk of such customers is relatively low, and the Group considers the amount of default losses to be limited with reference to the market value of relevant items.

For details of accounts receivable and contract assets, please refer to relevant disclosures in Note VII. 5 and 10.

(2) *Other receivables and loans*

For the capital lent by the Group to associates and fellow subsidiaries, the Group considers the amount of default losses to be limited with reference to the estimated market value of relevant real estate projects and toll road projects. For other receivables, the Group determines the possibility of default within 12 months and the entire duration based on historical data and measures the credit risk provision, and makes adjustment based on debtor-specific factors and assessment of current and expected general economic condition.

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

2. Liquidity Risk

The Group monitors and maintains a certain level of cash balances and sufficient undrawn bank facilities considered by the management to meet the Group's operating needs and reduce the impact of cash flow fluctuations. The management monitors the use of bank borrowings and bills payable and ensures compliance with the borrowing contracts.

The following tables set out the remaining contractual maturities of the Group's financial liabilities at each balance sheet date, which are based on undiscounted contractual cash flows (including interest payments computed using contractual rates or, if floating, based on rates current as at 31 December) and the earliest date to be required to pay:

Unit: '000 Currency: RMB

Item	Undiscounted contractual cash flow in 2021				Total	Carrying amount as at balance sheet date
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years		
Short-term loans	16,245,985	–	–	–	16,245,985	15,772,251
Receipts of deposits	2,987,958	–	–	–	2,987,958	2,921,494
Bills payable	12,422,080	–	–	–	12,422,080	12,422,080
Accounts payable	124,576,834	–	–	–	124,576,834	124,576,834
Other payables	30,565,521	–	–	–	30,565,521	30,565,521
Long-term loans	3,876,434	16,151,188	25,555,380	53,703,097	99,286,099	88,235,954
Bonds payable	2,167,750	6,608,500	8,807,900	–	17,584,150	13,249,540
Lease liabilities	330,795	362,807	528,271	918,387	2,140,260	1,383,690
Long-term payables	563,267	16,495	105,826	132,762	818,350	818,350
Total	193,736,624	23,138,990	34,997,377	54,754,246	306,627,237	289,945,714

Unit: '000 Currency: RMB

Item	Undiscounted contractual cash flow in 2020				Total	Carrying amount as at balance sheet date
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years		
Short-term loans	11,704,565	–	–	–	11,704,565	11,422,960
Receipts of deposits	3,166,003	–	–	–	3,166,003	3,095,579
Bills payable	13,095,122	–	–	–	13,095,122	13,095,122
Accounts payable	100,523,482	–	–	–	100,523,482	100,468,882
Other payables	34,275,621	–	–	–	34,275,621	34,275,621
Long-term loans	7,279,735	8,379,821	24,274,097	58,424,024	98,357,677	69,127,667
Bonds payable	9,175,807	459,850	10,619,100	–	20,254,757	19,019,819
Lease liabilities	337,119	263,385	367,483	393,648	1,361,635	893,871
Long-term payables	330,792	392,337	5,410	3,427	731,966	731,966
Total	179,888,246	9,495,393	35,266,090	58,821,099	283,470,828	252,131,487

Financial Report

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Interest Rate Risk

Interest-bearing financial instruments at fixed rates and at floating rates expose the Group to fair value interest risk and cash flow interest rate risk, respectively. The Group determines the appropriate weightings of the fixed and floating rate interest-bearing instruments based on the current market conditions and performs regular reviews and monitoring to maintain an appropriate mix of fixed and floating rate instruments. The Group does not use derivative financial instruments to hedge interest rate risk.

(1). As at 31 December, the Group held the following interest-bearing financial instruments:

Fixed rate financial instruments:

Item	2021		2020	
	Effective interest rate	Amount	Effective interest rate	Amount
<i>Unit: '000 Currency: RMB</i>				
Financial assets				
– Cash at bank and on hand	0.30%-2.75%	6,078,344	0.30%-6.50%	6,192,192
– Loans and advances to customers	3.27%-3.75%	2,792,532	3.70%-10.00%	1,235,435
Financial liabilities				
– Short-term loans	0.80%-6.09%	(13,008,739)	1.37%-6.58%	(9,806,966)
– Long-term loans	1.05%-6.00%	(33,429,438)	1.05%-6.70%	(26,156,724)
– Long-term loans due within one year	1.20%-5.05%	(1,710,366)	1.20%-5.35%	(2,504,880)
– Bonds payable	3.14%-5.37%	(11,292,484)	3.14%-5.37%	(9,995,381)
– Bonds payable within one year	3.14%-5.37%	(1,957,056)	3.14%-5.37%	(9,024,438)
– Lease liabilities	4.28%-5.20%	(1,121,822)	4.28%-5.20%	(596,678)
– Lease liabilities due within one year	4.28%-5.20%	(261,868)	4.28%-5.20%	(297,193)
Other current liabilities – Super short-term commercial paper	–	–	1.80%	(3,040,500)
Total		(53,910,897)		(53,995,133)

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

3. Interest Rate Risk (continued)

(1). As at 31 December, the Group held the following interest-bearing financial instruments: (continued)

Floating rate financial instruments:

Item	2021		2020	
	Effective interest rate	Amount	Effective interest rate	Amount
Financial assets				
– Cash at bank and on hand	0.01%-3.00%	52,220,754	0.01%-3.00%	50,242,719
Financial liabilities				
– Short-term loans	3.30%-5.58%	(2,763,512)	2.30%-5.66%	(1,615,994)
– Long-term loans	1.11%-7.50%	(51,188,855)	2.75%-7.50%	(36,818,173)
– Long-term loans due within one year	2.80%-7.50%	(1,907,295)	2.75%-7.50%	(3,647,890)
– Receipts of deposits	0.45%-3.57%	(2,921,494)	0.45%-3.57%	(3,095,579)
Total		(6,560,402)		5,065,083

Unit: '000 Currency: RMB

(2). Sensitivity analysis

As at 31 December 2021, assuming the interest rates of corporate bonds and bank and other borrowings increased/decreased by 50 basis points with all other variables remained unchanged, the net profit after tax (after deducting capitalized interest) of the Group in 2021 would decrease/increase by approximately RMB151,514,000 respectively (2020: RMB91,355,000).

4. Foreign Exchange Risk

The foreign exchange risk exposed to the Group mainly comes from foreign currency assets and liabilities such as monetary funds, accounts receivable, accounts payable and bank borrowings denominated in currencies other than the functional currency. The management manages and monitors this risk to ensure appropriate action is taken in a timely and effective manner.

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

4. Foreign Exchange Risk (continued)

As at 31 December, the Group's exposure to foreign exchange risk of assets or liabilities denominated in foreign currencies was presented in the following tables. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the balance sheet date. Differences resulting from the translation of foreign currency financial statements are excluded.

	2021		2020	
	Balance of foreign currency	Balance in RMB equivalent	Balance of foreign currency	Balance in RMB equivalent
<i>Unit: '000 Currency: RMB</i>				
Monetary funds				
US Dollar	1,780,297	11,350,639	1,447,113	9,442,288
Pakistan Rupee	2,640,947	94,810	4,076,486	165,913
Euro	134,263	969,339	131,012	1,051,368
Kuwaiti Dinar	745	15,678	3,469	74,450
Hong Kong Dollar	402,389	328,993	67,868	57,120
Qatari Riyal	–	–	2,600	4,661
Other	\	1,464,992	\	1,998,717
Accounts receivable				
US Dollar	94,075	599,794	103,698	676,625
Pakistan Rupee	51,950	1,865	1,859,662	75,830
Euro	–	–	37,966	304,674
Other	\	68,280	\	283,618
Other receivables				
US Dollar	101,369	646,297	223,291	1,456,956
Pakistan Rupee	1,269,331	45,569	4,104,396	167,401
Kuwaiti Dinar	135	2,839	1,546	33,374
Qatari Riyal	–	–	166,608	298,661
Other	\	252,120	\	623,815
Other current assets				
US Dollar	4,122	26,283	–	–
Pakistan Rupee	976,267	35,048	1,134	46
Euro	–	–	2,249	18,049
Other	\	11,038	\	13,317
Long-term receivables				
Euro	–	–	52,144	418,457
Other	\	–	\	27,147
Other non-current assets				
Euro	–	–	574	4,608
Other	\	9,864	\	366

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

4. Foreign Exchange Risk (continued)

The carrying amount of the Group's major foreign currency assets and liabilities denominated in currencies other than the relevant functional currency as at 31 December is as follows: (continued)

	2021		2020	
	Balance of foreign currency	Balance in RMB equivalent	Balance of foreign currency	Balance in RMB equivalent
<i>Unit: '000 Currency: RMB</i>				
Short-term borrowings				
US Dollar	(160,000)	(1,020,112)	(139,000)	(906,961)
Kuwaiti Dinar	(2,205)	(46,425)	(8,409)	(181,091)
Qatari Riyal	–	–	(120,773)	(216,499)
Long-term borrowings				
US Dollar	(136,011)	(867,166)	(217,445)	(1,418,809)
Euro	(67,000)	(483,720)	(67,000)	(537,675)
Other	\	–	\	(113,404)
Accounts payable				
US Dollar	(91,581)	(583,892)	(197,053)	(1,285,750)
Pakistan Rupee	(7,803,426)	(280,143)	(26,864,021)	(1,092,340)
Kuwaiti Dinar	(4,841)	(101,915)	(14,414)	(310,862)
Euro	(558)	(4,025)	(5,300)	(42,531)
Qatari Riyal	–	–	(28,051)	(50,284)
Other	\	(320,583)	\	(5,167,494)
Interest payable				
US Dollar	(264)	(1,681)	(2,208)	(14,410)
Euro	(439)	(3,171)	(14)	(109)
Other	\	–	\	–
Other payables				
US Dollar	(11,184)	(71,309)	(50,798)	(331,455)
Euro	–	–	(640)	(5,139)
Pakistan Rupee	(465,153)	(16,699)	(4,060,359)	(169,204)
Kuwaiti Dinar	(30,230)	(636,468)	(37,907)	(827,230)
Qatari Riyal	–	–	(545,336)	(977,570)
Other	\	(528,424)	\	(4,729,351)

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

4. Foreign Exchange Risk (continued)

The carrying amount of the Group's major foreign currency assets and liabilities denominated in currencies other than the relevant functional currency as at 31 December is as follows: (continued)

	2021		2020	
	Balance of foreign currency	Balance in RMB equivalent	Balance of foreign currency	Balance in RMB equivalent
Other current liabilities				
Euro	–	–	(1)	(12)
Other non-current liabilities				
Euro	–	–	(2,773)	(22,256)
Net balance sheet exposure				
US Dollar	1,581,087	10,080,534	1,167,598	7,618,484
Pakistan Rupee	(3,330,084)	(119,550)	(20,882,702)	(852,354)
Kuwaiti Dinar	(36,396)	(766,291)	(55,715)	(1,211,359)
Euro	66,706	481,594	148,217	1,189,434
Hong Kong Dollar	402,389	328,993	67,868	57,120
Qatari Riyal	–	–	(524,952)	(941,031)
Other	\	957,287	\	(7,063,269)

Sensitivity analysis

Assuming other risk variables other than foreign exchange rates remained constant, if the functional currency of the Group appreciates by 6% against relevant foreign currencies (indicating management's assessment of possible reasonable changes in foreign exchange rates), net profit of the Group will increase/(decrease) as shown in the table below. If the functional currency depreciates by 6% against relevant foreign currencies, it will have an equal but opposite impact on net profit of the Group. The sensitivity analysis includes only unsettled monetary items denominated in foreign currencies, and the translation has been adjusted based on 6% change in foreign currency rates at the end of the year. The analysis excludes differences that would result from the translation of foreign currency financial statements.

	Unit: '000 Currency: RMB	
	31 December 2021	31 December 2020
Increase/(decrease) in after-tax profit of the Group		
– RMB appreciates against US dollar	(453,660)	(342,832)
– RMB appreciates against Kuwaiti Dinar	34,483	54,511
– RMB appreciates against Euro	(21,672)	(53,525)
– RMB appreciates against other currencies	(22,893)	395,979

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

5. Other Price Risks

Other price risks include share price risk, commodity price risk, etc.

Other price risks of the Group include risks of price changes in financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and other equity instruments designated to be measured at fair value through other comprehensive income. The above financial assets are set out in Note VII. 16 and Note VII. 17 respectively. The Group currently does not have a policy to hedge other price risks. However, the management will closely monitor this risk by holding a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analysis below is determined based on 12% increase/decrease in the price of the aforementioned financial assets. 12% represents management's assessment of potentially reasonable changes in price. The positive (negative) numbers shown in the table below indicate an increase/(decrease) in the Group's net profit or an increase/(decrease) in the Group's other comprehensive income.

	Unit: '000	Currency: RMB
	2021	2020
Increase (decrease) in net profit		
– Due to increase in share price	4,868	5,605
– Due to decrease in share price	-4,868	-5,605
Increase (decrease) in other comprehensive income		
– Due to increase in share price	104,594	112,868
– Due to decrease in share price	-104,594	-112,868

XI. FAIR VALUE DISCLOSURE

1. Closing Fair Value of Assets and Liabilities Measured at Fair Value

Applicable Not applicable

The following table sets forth the fair value information and hierarchy of fair value measurement at the end of the reporting period of the Group's assets and liabilities measured at fair value on a recurring or non-recurring basis as at each balance sheet date. The level in which the result of fair value measurement is categorised depends on the lowest level input that is significant to the fair value measurement as a whole. The three levels of input are defined as follows:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date:

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly:

Level 3 inputs: unobservable inputs for the asset or liability.

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XI. FAIR VALUE DISCLOSURE (CONTINUED)

1. Closing Fair Value of Assets and Liabilities Measured at Fair Value (continued)

Unit: '000 Currency: RMB

Item	Note	31 December 2021			Total
		Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
Held-for-trading financial assets	VII. 2	54,088	–	2,966,626	3,020,714
Other equity instrument investment	VII. 16	1,162,160	–	1,227,363	2,389,523
Other non-current financial assets	VII. 17	–	–	7,647,103	7,647,103
Receivables Financing	VII. 6	–	–	2,315,441	2,315,441
Total assets continuously measured at fair value		1,216,248	–	14,156,533	15,372,781

Unit: '000 Currency: RMB

Item	Note	31 December 2020			Total
		Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
Held-for-trading financial assets	VII. 2	62,278	–	2,895,415	2,957,693
Other equity instrument investment	VII. 16	1,254,093	–	1,056,485	2,310,578
Other non-current financial assets	VII. 17	–	–	6,686,063	6,686,063
Receivables Financing	VII. 6	–	–	4,637,568	4,637,568
Total assets continuously measured at fair value		1,316,371	–	15,275,531	16,591,902

2. Basis for Determining Market Price of Level-1 Fair Value Measurement Items on a Recurring or Non-recurring Basis

Applicable Not applicable

The fair value of financial instruments traded in active markets is determined based on quoted market prices at each balance sheet date. A market is regarded as active if quoted price is readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and this price represents quoted price of actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These financial instruments are presented in Level 1.

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XI. FAIR VALUE DISCLOSURE (CONTINUED)

3. Level 3 Fair Value Measurement Items on a Recurring or Non-recurring Basis, Valuation Techniques Used and Qualitative and Quantitative Information of Important Parameters

Applicable Not applicable

The dedicated team led by financial manager of the Group is responsible for valuing the assets and liabilities measured at Level 3 fair value on a recurring and non-recurring basis. The team reports directly to chief financial officer. The team prepares a valuation report on analysis of changes in fair value measurements at the middle and end of each year which is reviewed and approved by the chief financial officer. At the middle and end of each year, the team discusses valuation process and results with chief financial officer.

The quantitative information of Level 3 fair value measurement is as follows:

Unit: '000 Currency: RMB

Industry	Fair value as at 31 December 2021	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Finance	5,751,791	Market approach	Discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value.
Other	728,257			
Toll road and railway	4,487,163	Discounted cash flow approach	Expected future cash flow discount rate that correspond to the expected risk level	The higher the future cash flow, the higher the fair value. The lower the discount rate, the higher the fair value.
Power Plant	824,857			
Others	6,207,003			
Power plant and others	27,584	Market approach	Discount for lack of liquidity	The higher the discount for lack of liquidity, the lower the fair value.

Unit: '000 Currency: RMB

Industry	Fair value as at 31 December 2020	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Finance	4,258,310	Market approach	Discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value.
Other	958,021			
Toll road and railway	4,595,987	Discounted cash flow approach	Expected future cash flow discount rate that correspond to the expected risk level	The higher the future cash flow, the higher the fair value. The lower the discount rate, the higher the fair value.
Power Plant	766,346			
Others	4,665,533			
Power plant and others	31,334	Market approach	Discount for lack of liquidity	The higher the discount for lack of liquidity, the lower the fair value.

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XI. FAIR VALUE DISCLOSURE (CONTINUED)

4. Level 3 Fair Value Measurement Items on a Recurring Basis, Reconciliation Information Between Opening and Closing Carrying Amount and Sensitivity Analysis of Unobservable Parameters

✓ Applicable □ Not applicable

Unit: '000 Currency: RMB

	Opening balance	Transfers into Level 3	Transfers out of Level 3	Total gains or losses for the year		Purchase, issue, sell and settle				Closing balance	For assets held and liabilities assumed at the end of the year, unrealized gains or losses for the year included in profit or loss	
				Included in profit or loss Note	Included in other comprehensive income Note	Purchase	Issue	Sell	Settle			
2021												
Assets												
Held-for-trading financial assets	2,895,415	-	-	(1,211)	-	5,860,974	-	(5,787,944)	-	2,966,626	(1,819)	
Other equity instrument investment	1,056,485	-	-	-	42,135	133,480	-	(4,737)	-	1,227,363	N/A	
Other non-current financial assets	6,686,063	-	-	17,819	-	1,313,914	-	(367,693)	-	7,650,103	17,819	
Receivables financing	4,637,568	-	-	-	-	-	-	-	1,544,995	6,182,563	N/A	
Total	15,275,531	-	-	16,608	42,135	7,308,368	-	(6,160,374)	1,544,995	18,026,655	16,000	

Unit: '000 Currency: RMB

	Opening balance	Transfers into Level 3	Transfers out of Level 3	Total gains or losses for the year		Purchase, issue, sell and settle				Closing balance	For assets held and liabilities assumed at the end of the year, unrealized gains or losses for the year included in profit or loss	
				Included in profit or loss Note	Included in other comprehensive income Note	Purchase	Issue	Sell	Settle			
2020												
Assets												
Held-for-trading financial assets	2,714,904	-	-	5,831	-	4,895,085	-	(4,718,545)	-	2,895,415	3,971	
Other equity instrument investment	1,086,284	-	-	-	39,537	158,988	-	(228,324)	-	1,056,485	N/A	
Other non-current financial assets	5,423,593	-	-	558,391	-	1,039,829	-	(335,750)	-	6,686,063	558,391	
Receivables financing	554,315	-	-	-	-	-	-	-	4,083,253	4,637,568	N/A	
Total	9,779,096	-	-	564,222	39,537	6,093,902	-	(5,282,619)	4,083,253	15,275,531	562,362	

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XI. FAIR VALUE DISCLOSURE (CONTINUED)

4. Level 3 Fair Value Measurement Items on a Recurring Basis, Reconciliation Information Between Opening and Closing Carrying Amount and Sensitivity Analysis of Unobservable Parameters (continued)

Note: Details of items of the above gains or losses recognized in the year that are included in profit or loss or other comprehensive income are as follows:

Unit: '000 Currency: RMB

Item	2021	2020
Realized gains or losses recognized in profit or loss for the year		
– Investment income	608	1,860
Unrealized gains or losses recognized in profit or loss for the year		
– Gains on changes in fair value	16,000	562,362
Total	16,608	564,222
Gains or losses included in other comprehensive income		
– Changes in fair value of other equity instrument investment	42,135	39,537
Total	42,135	39,537

5. Continuous Fair Value Measurement Item: If Any Conversion Occurs between Levels during the Period, Reason for the Conversion and Policy to Determine the Time Point of the Conversion

Applicable Not applicable

6. Changes of Valuation Techniques during the Period and Reasons for Such Change

Applicable Not applicable

7. Fair Value of Financial Assets and Financial Liabilities Which Are Not Measured at Fair Value

Applicable Not applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Parent of the Company

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Name of the parent	Place of registration	Nature of business	Registered capital	Shareholding percentage of the parent to the Company (%)	Percentage of voting right of the parent to the Company (%)	Ultimate controller of the Company
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	Beijing	Construction and contracting	2,600,000	44.82%	44.82%	State-owned Assets Supervision and Administration Commission of the State Council

2. Subsidiaries of the Company

For details of the subsidiaries of the Group, please refer to the Note IX.1.

Applicable Not Applicable

3. Joint Ventures and Associates of the Company

For details of the joint ventures and associates of the Group, please refer to the Note IX.2.

Applicable Not Applicable

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period

Applicable Not Applicable

Name of the joint venture or associate	Relationship with the Company
Altay City Shenhui Services Co., Ltd. (阿勒泰市神湖服務有限責任公司)	Associate
Anqing Zhongnengjian Jinpeng Construction Development Co., Ltd. (安慶中能建金鵬建設發展有限公司)	Associate
Baihe No.6 (Shenzhen) Investment Management Partnership (Limited Partnership) (百合六號(深圳)投資合夥企業(有限合夥))	Associate
Bengbu Xin'ao Zhiyuan Energy Development Co., Ltd. (蚌埠新奧智源能源發展有限公司)	Associate
Baoji Hengyuan Electricity Automation Co., Ltd. (寶雞恒源電力自動化有限公司)	Associate
Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	Associate
Beijing Longhu Zhongbai Properties Company Limited (北京龍湖中佰置業有限公司)	Associate
Beijing Weiye Hengtong Electrical Engineer Registration Consultation Co., Ltd. (北京偉業恒通電氣工程師註冊諮詢有限公司)	Associate
Beijing Zhonghang Zhehuo Electricity Engineering Co., Ltd. (北京中航浙火電力工程有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Chenzhou Chenneng Jingming Electricity Wires and Devices Co., Ltd. (郴州郴能景明電力線路器材有限責任公司)	Associate
Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	Associate
Fanchang County Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (繁昌縣三峽水環境綜合治理有限責任公司)	Associate
Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	Associate
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	Associate
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	Associate
Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	Associate
Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	Associate
Gezhouba (Runming) Wuhan Real Estate Development Co., Ltd. (葛洲壩(潤明)武漢房地產開發有限公司)	Associate
Gezhouba (Shenzhen) Real Estate Development Co., Ltd. (葛洲壩(深圳)房地產開發有限公司)	Associate
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	Associate
Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	Associate
Gezhouba (Xi'an) Qinhan Avenue Investment and Construction Co., Ltd. (葛洲壩(西安)秦漢大道投資建設有限公司)	Associate
Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)	Associate
Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	Associate
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	Associate
Gezhouba Group (Guiyang) Comprehensive Bonded Zone Investment and Construction Co., Ltd. (葛洲壩集團(貴陽)綜合保稅區投資建設有限公司)	Associate
Gezhouba Jitai Expressway Co., Ltd. (葛洲壩濟泰高速公路有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Gezhouba Energy Saving Technology Co., Ltd. (葛洲壩節能科技有限公司)	Associate
Gezhouba Judan Expressway Co., Ltd. (葛洲壩巨單高速公路有限公司)	Associate
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	Associate
Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	Associate
Gezhouba Yanhuang Ningshi Expressway Co., Ltd. Ningshi Branch (葛洲壩延黃寧石高速公路有限公司甯石分公司)	Associate
Gezhouba Zhongke Energy Storage Technology Co., Ltd. (葛洲壩中科儲能技術有限公司)	Associate
Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	Associate
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	Associate
Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	Associate
Guangdong Jiangmen Hengguang New Energy Co., Ltd. (廣東江門恒光新能源有限公司)	Associate
Guangdong Southern Carbon Capture and Storage Industrial Center (廣東南方碳捕集與封存產業中心)	Associate
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	Associate
Guangxi Daren Energy Co., Ltd. (廣西大任能源有限責任公司)	Associate
Guangxi Dongba Hydropower Co., Ltd. (廣西洞巴水電有限公司)	Associate
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Associate
Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	Associate
Guangxi Liyuan Real Estate Development Co., Ltd. (廣西力元房地產開發有限公司)	Associate
Guangxi Pengke Building Materials Technology Co., Ltd. (廣西鵬科建材科技有限責任公司)	Associate
Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Guangxi Shenghui Haihe Hydropower Development Co., Ltd. (廣西升暉海河水電開發有限責任公司)	Associate
Guiyang Comprehensive Bonded Zone Investment and Construction Co., Ltd. (貴陽綜合保稅區投資建設公司)	Associate
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	Associate
Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建投納赫高速公路有限公司)	Associate
Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	Associate
Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	Associate
Hangzhou Longshang Real Estate Development Co., Ltd. (杭州龍尚房地產開發有限公司)	Associate
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	Associate
Hebei Jingkun Electricity Equipment Co., Ltd. (河北京坤電力設備有限公司)	Associate
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生生態開發有限公司)	Associate
Heilongjiang Huadian Real Estate (Group) Co., Ltd. (黑龍江華電房地產(集團)股份有限公司)	Associate
Hengxian Jiangnan Power Generation Co., Ltd. (橫縣江南發電有限公司)	Associate
Hubei Changneng Ecological Mining Co., Ltd. (湖北昌能生態礦業有限公司)	Associate
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Associate
Hunan Dongjiang Lake Big Data Industrial Park Electricity Co., Ltd. (湖南東江湖大數據產業園電力有限公司)	Associate
Hunan Gening Real Estate Development Co., Ltd. (湖南葛甯房地產開發有限公司)	Associate
Hunan Nengchuang Energy Development Co., Ltd. (湖南能創能源發展有限公司)	Associate
Hunan Xiangjiang Water Affairs Co., Ltd. (湖南湘江水務有限責任公司)	Associate
Huadian Huayuan Artificial Environment Engineering Co., Ltd. (華電華源人工環境工程有限公司)	Associate
Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟甯蓼河東方生態建設開發有限公司)	Associate
Jiangxing Henghua Thermal Power Co., Ltd. (嘉興市恒華熱電有限公司)	Associate
Jiangxing Hengsheng Asset Investment and Management Co., Ltd. (嘉興市恒盛資產投資管理有限公司)	Associate
Jianghu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	Associate
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	Associate
Jiaozuo Gezhouba China Railway 19th Bureau Ecological Treatment and Construction and Operation Co., Ltd. (焦作市葛洲壩中鐵十九局生態治理建設運營有限公司)	Associate
Jinxiang Northern Municipal Construction and Development Co., Ltd. (金鄉北方城市建設發展有限公司)	Associate
Jincheng Green Water Ecological Construction and Investment Co., Ltd. (晉城市綠水源生態建設投資有限責任公司)	Associate
Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	Associate
Liuzhou Changning Blasting Co., Ltd. (柳州市昌寧爆破有限公司)	Associate
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢臺園林建設有限公司)	Associate
Nanjing Jiangbei New Area Underground Space Research Institute Co., Ltd. (南京江北新區地下空間研究院有限公司)	Associate
Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	Associate
Pingan Gezhouba (Shenzhen) Expressway Investment Partnership Company (平安葛洲壩(深圳)高速公路投資合夥企業(有限合夥))	Associate
Pingliang Pinghua Highway Construction and Operation Co., Ltd. (平涼平華公路建設運營有限責任公司)	Associate
Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	Associate
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	Associate
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	Associate
Shandong Gezhouba Juanyun Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	Associate
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Shangxi Jieyi Thermal Equipment Co., Ltd. (山西捷益熱能設備有限公司)	Associate
Shanxi Puneng Construction Machinery and Tools Leasing Co., Ltd. (山西普能施工機具租賃有限公司)	Associate
Shanxi Puneng Construction Machinery and Tools Leasing Co., Ltd. Changzhi Branch (山西普能施工機具租賃有限公司長治分公司)	Associate
Shangxi Power Wire and Cable Co., Ltd. (山西省電力線纜有限公司)	Associate
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Associate
Shaanxi Guanhuo Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	Associate
Shaanxi Yinhe Electrical Equipment Co., Ltd. (陝西銀河電氣設備有限公司)	Associate
Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	Associate
Shanghai County Qianyi Construction and Investment Co., Ltd. (商河縣千醫建設投資有限公司)	Associate
Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越地產開發有限公司)	Associate
Shanglin Weicheng Construction Investment Co., Ltd. (上林衛城建設投資有限公司)	Associate
China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	Associate
Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)	Associate
Sichuan Meigu River Hydropower Development Co., Ltd. (四川美姑河水電開發有限公司)	Associate
Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	Associate
Urumqi Gezhouba Power Construction Road and Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	Associate
Urumqi Baocheng Energy Development Co., Ltd. (烏魯木齊市寶誠能源開發有限公司)	Associate
Wushen Banner Beilong Highway Construction Development Co., Ltd. (烏審旗北龍公路建設發展有限公司)	Associate
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	Associate
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Xi'an Chanba Silk Road International Culture Art Center Co., Ltd. (西安滄瀾絲路國際文化藝術中心有限公司)	Associate
Xi'an Lintong District Qinhan Avenue Construction Co., Ltd. (西安市臨潼區秦漢大道建設有限公司)	Associate
Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	Associate
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Associate
Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	Associate
Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	Associate
Yancheng Agricultural Water Conservancy Development and Investment Group Co., Ltd. (鹽城市農業水利發展投資集團有限公司)	Associate
Yichang High-tech Landscaping Co., Ltd. (宜昌高新園林綠化有限公司)	Associate
Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	Associate
Yueyang Three Gorges Water Environment Comprehensive Management Co., Ltd. (岳陽市三峽水環境綜合治理有限責任公司)	Associate
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	Associate
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	Associate
Yunnan China Resources Power (Honghe) Co., Ltd. (雲南華潤電力(紅河)有限公司)	Associate
Yunnan Energy Investment Power Design Co., Ltd. (雲南能投電力設計有限公司)	Associate
Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	Associate
Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	Associate
Zhejiang Tianchuang Environmental Technology Co., Ltd. (浙江天創環境科技有限公司)	Associate
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	Associate
China Power Construction Engineering Consulting Company Central South Company (中國電力建設工程諮詢公司中南公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
China Overseas Infrastructure Development and Investment Corporation Limited (中國海外基礎設施開發投資有限公司)	Associate
China Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	Associate
China Energy Engineering (Hejin) Construction Investment Co., Ltd. (中能建(河津)建設投資有限公司)	Associate
China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(瀋陽)投資建設有限公司)	Associate
China Energy Engineering Helujian (Fengtai) Investment & Construction Co., Ltd. (中能建合路建(鳳台)投資建設有限公司)	Associate
China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建投(南雄)環保投資運營有限公司)	Associate
Zhongnengjian Ping An (Tianjin) Equity Investment Fund Management Co., Ltd. (中能建平安(天津)股權投資基金管理有限公司)	Associate
Zhonghe Seawater Desalination Engineering Co., Ltd. (眾和海水淡化工程有限公司)	Associate
Chongqing Gening Real Estate Development Co., Ltd. (重慶葛寧房地產開發有限公司)	Associate
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	Associate
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	Associate
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	Associate
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	Associate
Chongqing Tongnan Three Gorges Water Environment Comprehensive Management Co., Ltd. (重慶潼南三峽水環境綜合治理有限責任公司)	Associate
Anhui Zhijing (Linquan) Investment & Construction Co., Ltd. (安徽至精(臨泉)投資建設有限公司)	Joint venture
Beijing Zongheng Wuzhou Management Consulting Co., Ltd. (北京縱橫五洲管理諮詢有限公司)	Joint venture
Gezhouba Jianxin (Wuhan) Investment Fund Management Co., Ltd. (葛洲壩建信(武漢)投資基金管理有限公司)	Joint venture
Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	Joint venture

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

For details of significant joint ventures or associates of the Company, please refer to the Notes (continued)

Information of other joint ventures or associates which entered into related party transactions with the Company during the current period, or form balance through related party transactions during the previous period (continued)

Name of the joint venture or associate	Relationship with the Company
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州如茂房地產開發有限公司)	Joint venture
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	Joint venture
Hunan Lenercom International Engineering Co., Ltd. (湖南能創國際工程有限責任公司)	Joint venture
Hunan Lenercom Technology Co., Ltd. (湖南能創科技有限責任公司)	Joint venture
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	Joint venture
Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	Joint venture
Lingbao Public Urban Road Network Construction and Development Co., Ltd. (靈寶市公共城市道路路網建設發展有限公司)	Joint venture
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	Joint venture
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	Joint venture
Urumqi Jieantong Property Management Co., Ltd. (烏魯木齊市潔安通物業管理有限公司)	Joint venture
Yichang Miaozui Bridge Construction Engineering Co., Ltd. (宜昌廟嘴大橋建設工程有限公司)	Joint venture
CLP Guangxi Fangchenggang Power Co., Ltd. (中電廣西防城港電力有限公司)	Joint venture
China Energy Engineering (Hangzhou Lin'an) Construction Development Co., Ltd. (中能建(杭州臨安)建設發展有限公司)	Joint venture
China Energy Engineering (Jieshou) Investment & Construction Co., Ltd. (中能建(界首)投資建設有限公司)	Joint venture
CSCC (Beijing) Financial Information Service Co., Ltd. (中企雲鏈(北京)金融信息服務有限公司)	Joint venture
Zhongshan Transformer Co., Ltd. (中山變壓器有限公司)	Joint venture

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Other Related Parties

Applicable Not Applicable

Name of other related party	Relationship between other related parties and the Company
Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	Fellow subsidiaries
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Fellow subsidiaries
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Fellow subsidiaries
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	Fellow subsidiaries
China Gezhouba Group Company Limited Yichang Base Management Center (中國葛洲壩集團有限公司宜昌基地管理中心) (deregistered in 2020)	Fellow subsidiaries
China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)	Fellow subsidiaries
China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)	Fellow subsidiaries
China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	Fellow subsidiaries
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	Fellow subsidiaries
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Fellow subsidiaries
Beijing Chengjucheng Electricity Technology Testing Co., Ltd. (北京誠聚成電力技術檢測有限公司)	Fellow subsidiaries
Three Gorges Vocational College of Electric Power (三峽電力職業學院)	Fellow subsidiaries
China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	Fellow subsidiaries
Sunite Right Banner Zhi New Energy Co., Ltd. (蘇尼特右旗智新能源有限責任公司)	Fellow subsidiaries
Yichang Gezhouba Property Management Co., Ltd. (宜昌葛洲壩物業管理有限公司)	Fellow subsidiaries
Yichang Electric Power Institute Reception Center Co., Ltd. (宜昌市電院接待中心有限責任公司)	Fellow subsidiaries
Yichang Gezhouba Motor Vehicle Driving Training School Co., Ltd. (宜昌市葛洲壩機動車駕駛培訓學校有限公司)	Fellow subsidiaries
Huanjia Group Co., Ltd. (環嘉集團有限公司)	Others

Other explanation

The Company has no transactions of purchasing goods or accepting labor services from related parties.

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions

(1). *Related party transactions of purchasing or selling goods and rendering or receiving services*

Statement on procurement of goods/receipt of labor services

✓ Applicable Not Applicable

Unit: 000 Currency: RMB

Related party	Contents of related party transactions	Amount for the current period	Amount for the last period
Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	Sale of goods	28,259	9,255
Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	Sale of goods	9,194	-
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	Sale of goods	8,360	-
China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	Sale of goods	3,251	-
China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)	Sale of goods	2,301	1,136
Parent of asset management center of Energy China Group (中國能源建設集團資產管理中心母公司)	Sale of goods	1,969	-
Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建投納赫高速公路有限公司)	Sale of goods	-	1,276
Others	Sale of goods	703	2,016
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Provision of labour services	8,004,269	5,563,069
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Provision of labour services	3,877,289	6,981,042
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	Provision of labour services	1,971,754	638,930
Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	Provision of labour services	1,958,677	-
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Provision of labour services	1,851,296	745,244
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	Provision of labour services	1,569,102	2,995,209
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	Provision of labour services	1,522,348	891,333
Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	Provision of labour services	1,345,794	42,588
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	Provision of labour services	1,260,364	1,537,788

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(1). Related party transactions of purchasing or selling goods and rendering or receiving services (continued)

Statement on procurement of goods/receipt of labor services (continued)

Related party	Contents of related party transactions	Amount for the current period	Amount for the last period
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	Provision of labour services	1,212,196	1,163,219
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	Provision of labour services	1,000,922	441,565
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Provision of labour services	982,319	521,071
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	Provision of labour services	680,319	1,120,190
Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	Provision of labour services	518,271	338,650
Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	Provision of labour services	510,982	299,996
Shaanxi Guanhuo Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	Provision of labour services	471,151	–
Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	Provision of labour services	455,159	923,497
Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	Provision of labour services	424,382	–
Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	Provision of labour services	404,279	36,991
Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	Provision of labour services	351,432	941,528
Gezhouba Water (Yantai) Co., Ltd. (葛洲壩水務(煙臺)有限公司)	Provision of labour services	258,880	–
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	Provision of labour services	154,802	114,736
Pingliang Pinghua Highway Construction and Operation Co., Ltd. (平涼平華公路建設運營有限責任公司)	Provision of labour services	145,604	466,766
Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	Provision of labour services	143,760	10,357
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	Provision of labour services	142,352	72,159
Jincheng Green Water Ecological Construction and Investment Co., Ltd. (晉城市綠水源生態建設投資有限責任公司)	Provision of labour services	128,258	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(1). *Related party transactions of purchasing or selling goods and rendering or receiving services (continued)*

Statement on procurement of goods/receipt of labor services (continued)

Related party	Contents of related party transactions	Amount for the current period	Amount for the last period
Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	Provision of labour services	91,396	31,205
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	Provision of labour services	91,251	88,779
Meishan Jinhengde Weikang Cultural and Creative Tourism Development Co., Ltd. (眉山金恒德維康文創旅遊發展有限公司)	Provision of labour services	77,826	–
Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	Provision of labour services	77,396	180,333
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	Provision of labour services	43,265	80,073
China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	Provision of labour services	35,045	–
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建設邢臺園林建設有限公司)	Provision of labour services	27,177	–
Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	Provision of labour services	26,469	23,598
China Energy Engineering Southern Construction and Investment (Nanxiang) Environmental Investment Co., Ltd. (中能建南方建設(南雄)環保投資有限公司)	Provision of labour services	23,380	–
Electric Power Planning & Engineering Institute (電力規劃設計總院)	Provision of labour services	21,274	5,804
China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	Provision of labour services	20,624	38,737
Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	Provision of labour services	20,071	123,005
CLP Guangxi Fangchenggang Power Co., Ltd. (中電廣西防城港電力有限公司)	Provision of labour services	5,366	8,559
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	Provision of labour services	3,905	1,873,463
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	Provision of labour services	3,760	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(1). *Related party transactions of purchasing or selling goods and rendering or receiving services (continued)**Statement on procurement of goods/receipt of labor services (continued)*

Related party	Contents of related party transactions	Amount for the current period	Amount for the last period
Engineering Institute of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司工程研究院)	Provision of labour services	3,755	8,218
Gezhouba (Beijing) Investments Co., Limited (葛洲壩北京投資有限公司)	Provision of labour services	2,946	–
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	Provision of labour services	1,092	–
China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	Provision of labour services	448	26,505
Others		1,581	6,288
Total		31,978,025	28,354,178

(2). *Leases with related parties*

The Company as lessor:

✓ Applicable Not Applicable

The Group

Unit: '000 Currency: RMB

Name of lessee	Type of leased assets	Rental income recognized in the period	Rental income recognized in the previous period
Hebei Jingkun Electricity Equipment Co., Ltd. (河北京坤電力設備有限公司)	Buildings and structures	21,297	716
Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	Buildings and structures	104	72
Total		21,401	787

The Company did not have leasing business to related parties.

The Company as lessee:

✓ Applicable Not Applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(2). Leases with related parties (continued)

The Group

Unit: '000 Currency: RMB

Name of lessor	Type of leased assets	Rental fee recognized in the period	Rental fee recognized in the previous period
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Buildings and structures	90,544	72,155
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Equipment	42,395	95,376
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Buildings and structures	75,653	–
Total		208,592	167,531

The Company

Unit: '000 Currency: RMB

Name of lessor	Type of leased assets	Rental fee recognized in the period	Rental fee recognized in the previous period
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Buildings and structures	57,150	52,433
Total		57,150	52,433

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(3). Related guarantee

The Company as guarantor✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Party guaranteed	Amount guaranteed for the current period	Amount guaranteed for previous period	Commencement date of guarantee	Expiration date of guarantee	Whether the guarantee has been fulfilled
CLP Guangxi Fangchenggang Power Co., Ltd. (中電廣西防城港電力有限公司)	14,400	18,000	2019/7/18	2027/7/18	No
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	103,000	112,000	2018/7/26	2032/3/21	No
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	99,940	179,960	2019/9/24	2022/7/20	No
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	130,500	174,000	2019/6/28	2022/6/27	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	31,000	35,000	2018/6/27	2028/6/2	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	320,000	320,000	2013/6/7	2043/6/7	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	35,200	38,800	2019/3/21	2024/3/20	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	50,644	80,000	2020/3/10	2023/2/28	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	76,000	-	2021/1/8	2024/4/3	No
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	1,891,400	-	2021/3/31	2055/3/30	No
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	108,460	-	2020/8/27	2023/8/26	No
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd (重慶葛洲壩融創深達置業有限公司)	-	245,000	2018/12/28	2021/5/31	Yes
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd (重慶葛洲壩融創深達置業有限公司)	-	107,800	2020/9/30	2021/5/31	Yes
Guangxi Dongba Hydropower Co., Ltd. (廣西洞巴水電有限公司)	-	31,787	2003/6/26	2023/6/26	Yes
Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	-	5,000	2020/2/27	2021/2/27	Yes
	2,860,544	1,347,347			

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(4). Capital lending to/borrowing from related parties

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Borrowing from			
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	73,185	2021/4/1	No fixed date of expiration
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	71,400	2021/1/14	No fixed date of expiration
Guanzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	45,496	2021/1/19	No fixed date of expiration
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	22,000	2021/9/26	No fixed date of expiration
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	40,000	2021/10/25	No fixed date of expiration
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	1,271,250	2021/8/3	No fixed date of expiration

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Loans to banks and other institutions			
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	330,864	2021/3/18	No fixed date of expiration
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	15,500	2021/2/2	No fixed date of expiration
Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	764,191	2021/2/26	No fixed date of expiration
Chongqing Gening Real Estate Development Co., Ltd. (重慶葛寧房地產開發有限公司)	168,262	2021/10/10	No fixed date of expiration
Shanghai Xiyue Real Estate Development Co., Ltd. (上海靈越地產開發有限公司)	40,740	2021/4/19	No fixed date of expiration
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	675,000	2021/2/1	No fixed date of expiration
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd (重慶葛洲壩融創深達置業有限公司)	323,400	2021/5/10	No fixed date of expiration
Hunan Gening Real Estate Development Co., Ltd. (湖南葛寧房地產開發有限公司)	255,743	2021/1/22	No fixed date of expiration
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	68,100	2021/1/19	No fixed date of expiration
Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙臺)房地產開發有限公司)	18,999	2021/6/15	No fixed date of expiration
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	100,000	2021/3/18	2022/3/18
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	6,740	2021/1/19	2022/1/18

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(4). Capital lending to/borrowing from related parties (continued)

2020

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Borrowing from			
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	819,356	2020/6/29	No fixed date of expiration
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	590,114	2020/1/8	No fixed date of expiration
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	437,258	2020/6/2	No fixed date of expiration
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	43,561	2020/7/29	No fixed date of expiration
Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	18,427	2020/3/23	No fixed date of expiration
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	15,999	2020/1/1	No fixed date of expiration
Gezhouba (Shenzhen) Real Estate Development Co., Ltd. (葛洲壩(深圳)房地產開發有限公司)	7,200	2020/3/23	No fixed date of expiration

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Loans to banks and other institutions			
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	623,900	2020/9/29	No fixed date of expiration
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	227,709	2020/1/14	No fixed date of expiration
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	190,900	2020/4/28	2021/6/24
Beijing Electric Power Construction Company (北京電力建設公司)	184,300	2020/4/7	2021/4/7
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	150,000	2020/9/17	2021/9/17
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	85,089	2020/1/20	No fixed date of expiration
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	76,025	2020/5/14	No fixed date of expiration
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	33,000	2020/1/17	No fixed date of expiration
Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙臺)房地產開發有限公司)	27,849	2020/9/25	No fixed date of expiration

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(5). Interest income and interest expenses with related parties

Unit: '000 Currency: RMB

Related party	Contents of related party transactions	Amount of the period	Amount of the previous period
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	Interest income	50,473	50,473
Gezhouba (Beijing) Investments Co., Limited (葛洲壩北京投資有限公司)	Interest income	28,241	13,703
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	Interest income	16,873	–
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	Interest income	15,628	41,492
China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	Interest income	7,444	–
Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	Interest income	7,307	–
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Interest income	3,544	1,441
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	Interest income	3,418	28,645
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	Interest income	–	16,581
Yunnan Datang Xuanwei Hydropower Development Co., Ltd. (雲南大唐宣威水電開發有限公司)	Interest income	–	9,309
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Interest income	–	–
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	Interest income	–	–
Others	Interest income	4,999	22,721
Total		137,927	184,365

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(5). Interest income and interest expenses with related parties (continued)

Related party	Contents of related party transactions	Amount of the period	Amount of the previous period
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	Interest expenses	21,797	59,270
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Interest expenses	13,349	–
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	Interest expenses	13,349	10,696
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Interest expenses	7,482	–
Beijing Luostar Digital Remote Sensing Technology Co., Ltd. (北京洛斯達數字遙感技術有限公司)	Interest expenses	1,899	–
China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	Interest expenses	1,513	–
Fund settlement center of China Gezhouba Group Company Limited Yichang Base Management Bureau (中國葛洲壩集團公司宜昌基地管理局資金結算中心)	Interest expenses	–	4,937
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Interest expenses	–	2,088
Others	Interest expenses	2,331	3,618
Total		61,720	80,609

The Company did not have any interest income and interest expenses with related parties.

(6). Emolument of key management

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount of the period	Amount of the previous period
Emolument of key management	10,589	9,726

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties

(1). Amounts due from related parties

Applicable Not Applicable

Unit: 000 Currency: RMB

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Bills receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	724,528	–
Bills receivables	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	525,915	–
Bills receivables	Gezhouba (Runming) Wuhan Real Estate Development Co., Ltd. (葛洲壩(潤明)武漢房地產開發有限公司)	43,415	–
Bills receivables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	20,316	–
Bills receivables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	14,634	–
Bills receivables	Fanchang County Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (繁昌縣三峽水環境綜合治理有限責任公司)	5,000	–
Bills receivables	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	1,500	–
Bills receivables	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	515	–
Bills receivables	Shaanxi Yinhe Electrical Equipment Co., Ltd. (陝西銀河電氣設備有限公司)	500	–
Bills receivables	Total	1,336,323	–
Trade receivables	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	690,769	12,227
Trade receivables	Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	569,854	10,086
Trade receivables	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	491,826	8,705
Trade receivables	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	485,720	8,597
Trade receivables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	484,649	8,578
Trade receivables	Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	284,480	5,035
Trade receivables	Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	275,532	4,877

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Trade receivables	Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	242,114	4,285
Trade receivables	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	200,326	3,546
Trade receivables	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	152,352	2,697
Trade receivables	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	147,340	2,608
Trade receivables	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	132,996	2,354
Trade receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢臺園林建設有限公司)	110,698	1,959
Trade receivables	Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟甯蓼河東方生態建設開發有限公司)	107,205	1,898
Trade receivables	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	107,174	1,897
Trade receivables	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	100,113	1,772
Trade receivables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	92,635	1,640
Trade receivables	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	92,136	1,631
Trade receivables	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	74,315	1,315
Trade receivables	Shanglin Weicheng Construction Investment Co., Ltd. (上林衛城建設投資有限公司)	56,267	996
Trade receivables	Jincheng Green Water Ecological Construction and Investment Co., Ltd. (晉城市綠水源生態建設投資有限責任公司)	56,139	994
Trade receivables	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	49,489	876

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Trade receivables	Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	46,820	829
Trade receivables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	44,286	784
Trade receivables	Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	43,949	778
Trade receivables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	43,530	770
Trade receivables	Shandong Gezhouba Juanyun Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	35,000	620
Trade receivables	Xi'an Lintong District Qinhan Avenue Construction Co., Ltd. (西安市臨潼區秦漢大道建設有限公司)	27,879	493
Trade receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	27,775	492
Trade receivables	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	26,856	475
Trade receivables	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	25,408	450
Trade receivables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	24,678	437
Trade receivables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	23,850	422
Trade receivables	Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	19,854	351
Trade receivables	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	17,508	310
Trade receivables	Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	17,052	302
Trade receivables	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	16,970	300
Trade receivables	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建設(南雄)環保投資運營有限公司)	15,759	279

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Trade receivables	Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	11,000	195
Trade receivables	Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	10,795	191
Trade receivables	Hengxian Jiangnan Power Generation Co., Ltd. (橫縣江南發電有限公司)	10,129	179
Trade receivables	Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)	8,265	146
Trade receivables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	7,883	140
Trade receivables	Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	7,777	138
Trade receivables	Shandong Gezhoubu Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	5,836	103
Trade receivables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	4,542	80
Trade receivables	Shandong Gezhoubu Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	4,002	71
Trade receivables	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	3,950	70
Trade receivables	Zhejiang Tianchuang Environmental Technology Co., Ltd. (浙江天創環境科技有限公司)	3,605	64
Trade receivables	China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)	3,080	55
Trade receivables	CLP Guangxi Fangchenggang Power Co., Ltd. (中電廣西防城港電力有限公司)	2,024	36
Trade receivables	Others	8,899	158
Trade receivables	Total	5,553,090	98,290

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Prepayments	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	210,000	–
Prepayments	China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)	1,929	–
Prepayments	Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	1,500	–
Prepayments	Others	326	–
Prepayments	Total	213,755	–
Interest receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	3,577	3,577
Interest receivables	Total	3,577	3,577
Dividend receivables	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	11,822	–
Dividend receivables	Jianghu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	8,700	–
Dividend receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	750	750
Dividend receivables	Total	21,272	750
Loans to customers	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	1,500,000	37,500
Loans to customers	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	620,000	15,500
Loans to customers	China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	285,000	7,125
Loans to customers	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	284,000	7,100
Loans to customers	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	164,900	4,123
Loans to customers	Total	2,853,900	71,348

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Other receivables	Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	1,084,244	–
Other receivables	Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	685,253	–
Other receivables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	514,488	–
Other receivables	Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	479,574	–
Other receivables	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	364,627	–
Other receivables	Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	321,579	–
Other receivables	Hunan Gening Real Estate Development Co., Ltd. (湖南葛寧房地產開發有限公司)	266,079	–
Other receivables	Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	250,475	–
Other receivables	Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	245,610	–
Other receivables	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	234,449	–
Other receivables	Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	184,957	–
Other receivables	Chongqing Gening Real Estate Development Co., Ltd. (重慶葛寧房地產開發有限公司)	175,466	–
Other receivables	Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	129,644	129,644
Other receivables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	126,405	–
Other receivables	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	110,034	–
Other receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	70,097	–
Other receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	66,924	66,924

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Other receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢臺園林建設有限公司)	58,788	–
Other receivables	Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙臺)房地產開發有限公司)	51,769	–
Other receivables	Gezhouba Zhongke Energy Storage Technology Co., Ltd. (葛洲壩中科儲能技術有限公司)	49,572	–
Other receivables	Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	48,014	–
Other receivables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	33,668	–
Other receivables	Guiyang Comprehensive Bonded Zone Investment and Construction Co., Ltd. (貴陽綜合保稅區投資建設公司)	33,664	–
Other receivables	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	32,188	–
Other receivables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	30,728	–
Other receivables	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	28,855	–
Other receivables	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	26,316	–
Other receivables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	25,674	–
Other receivables	Gezhouba (Xi'an) Qinhan Avenue Investment and Construction Co., Ltd. (葛洲壩(西安)秦漢大道投資建設有限公司)	19,585	1,561
Other receivables	Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	17,816	–
Other receivables	Yichang Yiling Riqing Ecological Management Co., Ltd. (宜昌夷陵日清生態治理有限公司)	15,091	–
Other receivables	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	10,000	–
Other receivables	Shanghe County Qianyi Construction Investment Co., Ltd. (商河縣千醫建設投資有限公司)	9,837	–
Other receivables	Others	42,016	81
Other receivables	Total	5,843,486	198,210

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance	
		Book balance	Provision for bad debt
Contract assets	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	844,507	12,583
Contract assets	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	589,543	8,784
Contract assets	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	348,449	5,192
Contract assets	Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	322,324	4,803
Contract assets	Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建投納赫高速公路有限公司)	223,505	3,330
Contract assets	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	181,016	2,697
Contract assets	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	140,370	2,092
Contract assets	Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	109,929	1,638
Contract assets	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	96,505	1,438
Contract assets	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	88,347	1,316
Contract assets	Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	82,550	1,230
Contract assets	Wushen Banner Beilong Highway Construction Development Co., Ltd. (烏審旗北龍公路建設發展有限公司)	76,137	1,134
Contract assets	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	56,082	836

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2021	
		Book balance	Provision for bad debt
Contract assets	Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	49,541	738
Contract assets	Guangdong Jiangmen Hengguang New Energy Co., Ltd. (廣東江門恒光新能源有限公司)	38,031	567
Contract assets	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	35,437	528
Contract assets	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢臺園林建設有限公司)	32,519	485
Contract assets	Hunan Xiangjiang Water Affairs Co., Ltd. (湖南湘江水務有限責任公司)	23,319	347
Contract assets	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	20,478	305
Contract assets	Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	18,343	273
Contract assets	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	13,706	204
Contract assets	Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	13,466	201
Contract assets	Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	12,713	189
Contract assets	Jiaozuo Gezhouba China Railway 19th Bureau Ecological Treatment and Construction and Operation Co., Ltd. (焦作市葛洲壩中鐵十九局生態治理建設運營有限公司)	12,163	181
Contract assets	Yichang Miaozui Bridge Construction Engineering Co., Ltd. (宜昌廟嘴大橋建設工程有限公司)	8,507	127
Contract assets	Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	5,487	82
Contract assets	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	5,009	75
Contract assets	Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	4,434	66
Contract assets	Others	8,930	133
Contract assets	Total	3,461,347	51,574
Other non-current assets	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	450,000	-
Other non-current assets	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	100,000	-
Other non-current assets	Total	550,000	-
Long-term receivables	Hunan Dongjiang Lake Big Data Industrial Park Electricity Co., Ltd. (湖南東江湖大數據產業園電力有限公司)	7,363	110
Long-term receivables	Total	7,363	110

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

		Unit: '000	Currency: RMB	
		2020		
Name of project	Related party	Book balance	Provision for bad debt	
Bills receivables	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	950,000	–	
Bills receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	600,000	–	
Bills receivables	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	568,701	–	
Bills receivables	Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	491,000	–	
Bills receivables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	236,607	–	
Bills receivables	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	187,700	–	
Bills receivables	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	27,941	–	
Bills receivables	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	11,754	–	
Bills receivables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	1,780	–	
Bills receivables	Others	28,771	–	
Bills receivables	Total	3,104,254	–	
Trade receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	615,448	8,986	
Trade receivables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	418,546	6,111	
Trade receivables	Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	255,027	3,723	
Trade receivables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	234,717	3,427	
Trade receivables	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	223,130	2,231	
Trade receivables	Pingliang Pinghua Highway Construction and Operation Co., Ltd. (平涼平華公路建設運營有限責任公司)	200,524	6,016	

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2020	
		Book balance	Provision for bad debt
Trade receivables	Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟甯蓼河東方生態建設開發有限公司)	191,096	1,911
Trade receivables	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	145,002	2,117
Trade receivables	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	121,914	1,780
Trade receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	107,360	1,567
Trade receivables	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	106,140	1,550
Trade receivables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	77,154	1,126
Trade receivables	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	45,043	658
Trade receivables	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	44,290	647
Trade receivables	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	39,934	399
Trade receivables	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	30,020	438
Trade receivables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	22,931	335
Trade receivables	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	22,802	333
Trade receivables	Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	14,094	206
Trade receivables	Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	13,126	131
Trade receivables	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	13,090	191
Trade receivables	Others	120,950	1,764
Trade receivables	Total	3,062,338	45,647

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2020	
		Book balance	Provision for bad debt
Prepayments	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	214,047	–
Prepayments	Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)	16,889	–
Prepayments	China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)	2,024	–
Prepayments	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	1,889	–
Prepayments	Others	1,118	–
Prepayments	Total	235,967	–
Interest receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	3,577	3,577
Dividend receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	750	750
Loans to customers	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	700,000	17,500
Loans to customers	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	190,900	4,773
Loans to customers	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	184,300	4,608
Loans to customers	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	150,000	3,750
Loans to customers	Total	1,225,200	30,630
Other receivables	Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	2,024,630	–
Other receivables	Yunnan Gezhouba City Operation Investment Co., Ltd. (雲南葛洲壩城市運營投資有限公司)	631,207	–
Other receivables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	515,088	–
Other receivables	Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	501,574	–
Other receivables	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	400,000	–
Other receivables	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	364,627	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2020	
		Book balance	Provision for bad debt
Other receivables	Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	297,088	–
Other receivables	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	227,709	–
Other receivables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	156,694	–
Other receivables	Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	129,644	129,644
Other receivables	Gezhouba Group (Guiyang) Comprehensive Bonded Zone Investment and Construction Co., Ltd. (葛洲壩集團(貴陽)綜合保稅區投資建設有限公司)	81,474	–
Other receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	66,924	66,924
Other receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢臺園林建設有限公司)	45,058	–
Other receivables	Gezhouba Zhongke Energy Storage Technology Co., Ltd. (葛洲壩中科儲能技術有限公司)	40,552	–
Other receivables	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	38,872	–
Other receivables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	38,272	–
Other receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	35,980	–
Other receivables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	33,017	–
Other receivables	Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙臺)房地產開發有限公司)	28,607	–
Other receivables	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	5,470	–
Other receivables	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	4,821	–
Other receivables	Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	4,277	–
Other receivables	Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	3,208	–
Other receivables	Others	43,940	63
Other receivables	Total	5,718,733	196,631

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2020	
		Book balance	Provision for bad debt
Contract assets	Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	180,818	1,989
Contract assets	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	164,825	1,813
Contract assets	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	148,430	1,633
Contract assets	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	137,299	1,510
Contract assets	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	87,781	878
Contract assets	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	58,016	638
Contract assets	Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	39,273	432
Contract assets	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	37,307	410
Contract assets	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	36,774	368
Contract assets	Others	13,882	153
Contract assets	Total	904,405	9,824
Long-term receivables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	1,427,655	15,704
Long-term receivables	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	243,986	2,684
Long-term receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	94,476	1,039
Long-term receivables	Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	84,595	931
Long-term receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建設邢台園林建設有限公司)	67,586	743
Long-term receivables	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment Co., Ltd. (中能建南方建設(南雄)環保投資有限公司)	67,557	743
Long-term receivables	Others	198,373	2,182
Long-term receivables	Total	2,184,228	24,027

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

The Company

Unit: '000 Currency: RMB

Name of project	Related party	2021	
		Book balance	Provision for bad debt
Dividend receivables	China Gezhouba Group Stock Company Limited (the Head Office)	310,921	-
Dividend receivables	China Energy Engineering Group Planning & Engineering Corporation Limited (the Head Office) (中國能源建設集團規劃設計有限公司(本部))	23,893	-
Dividend receivables	China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (the Head Office) (中國能源建設集團華東建設投資有限公司(本部))	2,254	-
Dividend receivables	China Gezhouba Group International Engineering Co., Ltd. (the Head Office) (中國能源建設集團國際工程有限公司(本部))	44	-
Interest receivables	China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	20,472	-
Other receivables	China Energy Engineering Group Planning & Engineering Corporation Limited (the Head Office) (中國能源建設集團規劃設計有限公司(本部))	1,370,867	-
Other receivables	China Energy Engineering Group Investment Co., Ltd. (the Head Office) (中國能源建設集團投資有限公司(本部))	503,024	-
Other receivables	China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (the Head Office) (中國能源建設集團西北建設投資有限公司(本部))	130,409	-
Other receivables	China Power Engineering Consulting Group (Hong Kong) Investment Co., Limited (中國電力工程顧問集團(香港)投資有限公司)	38,664	-
Other receivables	China Gezhouba Group Company Limited (the Head Office) (中國葛洲壩集團公司本部)	21,069	-
Other receivables	China Energy Engineering Group Heilongjiang Energy Construction Co., Ltd. (the Head Office) (中國能源建設集團黑龍江能源建設有限公司(本部))	12,986	-
Other receivables	China Energy Engineering Group Equipment Co., Ltd. (The Headquarter) (中國能建集團裝備有限公司(總部))	9,118	-
Other receivables	China Energy Engineering Group Southern Construction Investment Co., Ltd. (the Head Office) (中國能源建設集團南方建設投資有限公司(本部))	3,611	-
Other receivables	China Energy Engineering Group Yongsheng New Energy Co., Ltd. (中國能源建設集團永勝新能源有限公司)	1,687	-

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of project	Related party	2021	
		Book balance	Provision for bad debt
Other receivables	China Energy Engineering Group Taihe New Energy Co., Ltd. (中國能源建設集團太和新能源有限公司)	850	-
Other receivables	CEEG (Hainan) Co., Ltd. (中能建(海南)有限公司)	846	-
Other receivables	Others	100	-
Other non-current assets	China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	200,000	-
Other non-current assets	China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	100,000	-

Unit: '000 Currency: RMB
2020

Name of item	Related party	Book balance	Provision for bad debt
Dividend receivables	China Gezhouba Group Stock Company Limited	310,921	-
Dividend receivables	China Energy Engineering Group Planning & Engineering Corporation Limited (中國能源建設集團規劃設計有限公司)	480,863	-
Dividend receivables	China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	2,131	-
Dividend receivables	China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	25,830	-
Dividend receivables	China Gezhouba Group International Engineering Co., Ltd. (中國能源建設集團國際工程有限公司)	881	-
Dividend receivables	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	15,449	-
Dividend receivables	China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	30,871	-
Interest receivables	China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	1,151	-
Other receivables	China Energy Engineering Group Planning & Engineering Corporation Limited (中國能源建設集團規劃設計有限公司)	1,370,867	-

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	2020	
		Book balance	Provision for bad debt
Other receivables	China Gezhouba Group Stock Company Limited	18,203	–
Other receivables	China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	130,409	–
Other receivables	Others	28,169	–
Long-term receivables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	585,177	–
Other current assets	China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	126,618	–
Other current assets	China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	40,671	–
Other current assets	China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	11,407	–
Other current assets	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	700,000	–
Other current assets	China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	500,000	–
Other current assets	China Gezhouba Group Stock Company Limited	1,200,000	–
Other non-current assets	China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	200,000	–
Other non-current assets	China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	200,000	–
Other non-current assets	China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	100,000	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Name of item	Related party	Closing book balance	Opening book balance
Bills payables	CSCC(Beijing)Financial Information Service Co.,Ltd. (中企雲鏈(北京)金融信息服務有限公司)	133,171	177,395
Bills payables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	3,620	23,019
Bills payables	Hunan Lenercom Technology Co.,Ltd. (湖南能創科技有限責任公司)	1,974	–
Bills payables	Parent of asset management center of Energy China Group (the Head Office) (中國能源建設集團資產管理中心母公司(本部))	1,711	–
Bills payables	Total	140,476	200,414
Trade payables	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	106,054	44,259
Trade payables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	120,358	32,324
Trade payables	Hebei Jingkun Electricity Equipment Co., Ltd. (河北京坤電力設備有限公司)	18,414	23,177
Trade payables	China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)	14,761	14,761
Trade payables	Electric Power Planning Institute Co., Ltd. (電力規劃總院有限公司)	11,740	–
Trade payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	9,668	–
Trade payables	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	3,927	–
Trade payables	Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)	3,628	–
Trade payables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	1,407	4,858
Trade payables	Beijing Chengjucheng Electricity Technology Testing Co., Ltd. (北京誠聚成電力技術檢測有限公司)	1,178	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Trade payables	Engineering Institute of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司工程研究院)	1,165	–
Trade payables	China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	1,005	–
Trade payables	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	708	358
Trade payables	Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	651	–
Trade payables	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	500	13,354
Trade payables	Nanjing Jiangbei New Area Underground Space Research Institute Co., Ltd. (南京江北新區地下空間研究院有限公司)	360	–
Trade payables	Shaanxi Yinhe Electrical Equipment Co., Ltd. (陝西銀河電氣設備有限公司)	262	–
Trade payables	Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	245	–
Trade payables	CSCC(Beijing)Financial Information Service Co., Ltd. (中企雲鏈(北京)金融信息服務有限公司)	–	15,051
Trade payables	Shanxi Puneng Construction Machinery and Tools Leasing Co., Ltd. (山西普能施工機具租賃有限公司)	–	3,721
Trade payables	Others	302	3,731
Trade payables	Total	296,333	155,594
Interest payables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	11,546	16,091
Interest payables	China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	535	2
Interest payables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	467	–
Interest payables	Sunite Right Banner Zhi New Energy Co., Ltd. (蘇尼特右旗智新能源有限責任公司)	397	–
Interest payables	Others	200	–
Interest payables	Total	13,145	16,093

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Other payables	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	1,632,446	1,632,446
Other payables	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	1,163,710	1,135,499
Other payables	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	931,207	885,711
Other payables	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州如茂房地產開發有限公司)	895,558	897,558
Other payables	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	629,633	590,114
Other payables	Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	508,658	437,258
Other payables	Shandong Gezhouba Juanyun Expressway Co., Ltd. (山東葛洲壩鄒鄆高速公路有限公司)	472,481	–
Other payables	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	357,230	225,620
Other payables	Pingan Gezhouba (Shenzhen) Expressway Investment Partnership Company (平安葛洲壩(深圳)高速公路投資合夥企業(有限合夥))	278,352	118,969
Other payables	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	270,088	573,092
Other payables	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	251,034	–
Other payables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	272,730	38,199
Other payables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	236,327	320,923
Other payables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	116,746	43,561
Other payables	Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	109,090	873,281
Other payables	China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	102,251	199,342
Other payables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	85,713	418,591
Other payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. Ningshi Branch (陝西葛洲壩延黃寧石高速公路有限公司甯石分公司)	69,329	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Other payables	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	64,825	45,620
Other payables	Three Gorges Vocational College of Electric Power (三峽電力職業學院)	50,185	30,000
Other payables	CSCC (Beijing) Financial Information Service Co., Ltd. (中企雲鏈(北京)金融信息服務有限公司)	46,965	–
Other payables	China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	15,525	–
Other payables	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	42,814	87,240
Other payables	Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	31,253	83,984
Other payables	Gezhouba (Shenzhen) Real Estate Development Co., Ltd. (葛洲壩(深圳)房地產開發有限公司)	31,200	31,200
Other payables	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	20,262	30,987
Other payables	Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越地產開發有限公司)	14,196	54,936
Other payables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	10,095	8,399
Other payables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	8,395	14,664
Other payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	4,136	789,246
Other payables	Hangzhou Longshang Real Estate Development Co., Ltd. (杭州龍尚房地產開發有限公司)	3,568	3,568
Other payables	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	3,332	3,891
Other payables	Shaanxi Guanhuo Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	2,694	–
Other payables	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建設(南雄)環保投資運營有限公司)	2,564	3,915
Other payables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	2,520	–
Other payables	Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)	1,399	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Other payables	Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	1,321	3,074
Other payables	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	1,214	–
Other payables	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	1,000	–
Other payables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)(Headquarter)	935	–
Other payables	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	207	87,205
Other payables	Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	76	4
Other payables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	53	6,000
Other payables	Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	33	20
Other payables	China Gezhouba Group Company Limited Yichang Base Management Center (中國葛洲壩集團有限公司宜昌基地管理中心)	–	59,170
Other payables	Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越房地產開發有限公司)	14,196	54,936
Other payables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	10,095	8,399
Other payables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	8,395	14,664
Other payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	4,136	789,246
Other payables	Hangzhou Longshang Real Estate Development Co., Ltd. (杭州龍尚房地產開發有限公司)	3,568	3,568
Other payables	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	3,332	3,891
Other payables	Shaanxi Guanhuang Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	2,694	–
Other payables	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建投(南雄)環保投資運營有限公司)	2,564	3,915

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Other payables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	2,520	–
Other payables	Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)	1,399	–
Other payables	Gezhouba (Huizhou) Jiangnan Avenue Investment and Construction Co., Ltd. (葛洲壩(惠州)江南大道投資建設有限公司)	1,321	3,074
Other payables	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	1,214	–
Other payables	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	1,000	–
Other payables	*Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)(Headquarter)	935	–
Other payables	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	207	87,205
Other payables	Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	76	4
Other payables	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	53	6,000
Other payables	Gezhouba (Wu'an) Investment and Construction Co., Ltd. (葛洲壩(武安)投資建設有限公司)	33	20
Other payables	China Gezhouba Group Company Limited Yichang Base Management Center (中國葛洲壩集團有限公司宜昌基地管理中心)	–	59,170
Other payables	Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	–	142,192
Other payables	Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	–	392,889
Other payables	Others	1,359	7,560
Other payables	Total	8,744,709	10,275,928

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Contract liabilities	China Energy Engineering Helujian (Fengtai) Investment & Construction Co., Ltd. (中能建合路建(鳳台)投資建設有限公司)	55,155	–
Contract liabilities	China Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	54,116	71,348
Contract liabilities	China Energy Engineering (Hangzhou Lin'an) Construction Development Co., Ltd. (中能建(杭州臨安)建設發展有限公司)	31,488	–
Contract liabilities	Anqing Zhongnengjian Jinpeng Construction Development Co., Ltd. (安慶中能建金鵬建設發展有限公司)	24,357	6,381
Contract liabilities	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	8,795	3,379
Contract liabilities	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	6,965	–
Contract liabilities	Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)	6,964	–
Contract liabilities	Jianghu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	4,122	–
Contract liabilities	China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(灑池)投資建設有限公司)	3,812	–
Contract liabilities	China Energy Engineering (Jieshou) Investment & Construction Co., Ltd. (中能建(界首)投資建設有限公司)	2,567	–
Contract liabilities	Chongqing Tongnan Three Gorges Water Environment Comprehensive Management Co., Ltd. (重慶潼南三峽水環境綜合治理有限責任公司)	1,641	–
Contract liabilities	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	1,188	3,794
Contract liabilities	Anhui Zhijing (Linquan) Investment & Construction Co., Ltd. (安徽至精(臨泉)投資建設有限公司)	529	62,030
Contract liabilities	Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	448	–
Contract liabilities	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	416	–
Contract liabilities	Shanghai County Qianyi Construction and Investment Co., Ltd. (商河縣千醫建設投資有限公司)	–	14,712

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of project	Related party	Closing book balance	Opening book balance
Contract liabilities	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	–	12,487
Contract liabilities	Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	–	10,805
Contract liabilities	Jingzhou Gezhouba Chengbei Expressway Investment and Construction Co., Ltd. (荊州葛洲壩城北快速路投資建設有限公司)	–	9,365
Contract liabilities	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	–	4,820
Contract liabilities	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	–	926
Contract liabilities	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	–	617
Contract liabilities	Others	157	4,380
Contract liabilities	Total	202,720	205,044

Name of item	Related party	Closing book balance	Opening book balance
Receipts in advance	Guizhou Zhongnengjian Southern Construction and Investment Nahe Expressway Co., Ltd. (貴州中能建南方建設納赫高速公路有限公司)	513,221	–
Receipts in advance	Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	311,564	–
Receipts in advance	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	98,174	331,411
Receipts in advance	Pingliang Pinghua Highway Construction and Operation Co., Ltd. (平涼平華公路建設運營有限責任公司)	72,844	–
Receipts in advance	Shanghai County Qianyi Construction and Investment Co., Ltd. (商河縣千巒建設投資有限公司)	52,180	16,000
Receipts in advance	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	35,747	15,600
Receipts in advance	Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	32,111	27,861

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Receipts in advance	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	30,342	29,400
Receipts in advance	Jinxiang Northern Municipal Construction and Development Co., Ltd. (金鄉北方城市建設發展有限公司)	30,000	30,000
Receipts in advance	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	27,448	–
Receipts in advance	China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(灑池)投資建設有限公司)	23,023	30,098
Receipts in advance	Fanchang County Three Gorges Water Environment Comprehensive Treatment Co., Ltd. (繁昌縣三峽水環境綜合治理有限責任公司)	11,633	–
Receipts in advance	China Energy Engineering (Hejin) Construction Investment Co., Ltd. (中能建(河津)建設投資有限公司)	9,289	–
Receipts in advance	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	17,141	7,992
Receipts in advance	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	3,337	85,695
Receipts in advance	Huaibei Chint Electric Power Development Co., Ltd. (淮北正泰電力發展有限公司)	2,850	–
Receipts in advance	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	2,188	16,945
Receipts in advance	Gezhouba Baoding Construction Development Co., Ltd. (葛洲壩保定建設開發有限公司)	718	–
Receipts in advance	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	–	17,181
Receipts in advance	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	–	410,146
Receipts in advance	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	–	115,000
Receipts in advance	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	–	89,728
Receipts in advance	China Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	–	21,266

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Receipts in advance	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建投(南雄)環保投資運營有限公司)	–	9,291
Receipts in advance	Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)	–	8,985
Receipts in advance	Jianghu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	–	7,851
Receipts in advance	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	–	7,412
Receipts in advance	Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)	–	6,485
Receipts in advance	Hunan Dongjiang Lake Big Data Industrial Park Electricity Co., Ltd. (湖南東江湖大數據產業園電力有限公司)	–	5,300
Receipts in advance	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	–	557
Receipts in advance	Others	2,193	3,874
Receipts in advance	Total	1,276,003	1,294,078

Name of item	Related party	Closing book balance	Opening book balance
Receipts of deposits	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	1,600,955	2,367,370
Receipts of deposits	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	744,408	556,442
Receipts of deposits	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	251,309	218,810
Receipts of deposits	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	190,000	–
Receipts of deposits	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	151,381	140,175
Receipts of deposits	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	116,658	–
Receipts of deposits	China EPPEI Smart Energy Co., Ltd. (中能智新科技產業發展有限公司)	79,599	95,573
Receipts of deposits	China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	62,254	22,216
Receipts of deposits	Sonid Right Banner Zhixin Energy Co., Ltd. (蘇尼特右旗智新能源有限責任公司)	47,507	–

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Receipts of deposits	China Energy Engineering Group Beijing Electric Power Construction Co., Company (中國能源建設集團北京電力建設有限公司)	30,065	78,577
Receipts of deposits	Three Gorges Vocational College of Electric Power (三峽電力職業學院)	23,686	42,244
	Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	22,813	–
Receipts of deposits	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	20,758	39,259
Receipts of deposits	Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	10,413	–
Receipts of deposits	Yichang Electric Institute Reception Center Co., Ltd. (宜昌市電院接待中心有限責任公司)	7,807	7,355
Receipts of deposits	Engineering Institute of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司工程研究院)	5,236	5,637
Receipts of deposits	Beijing Electrical Construction Vocational Skill Training School, Chaoyang District, Beijing (北京市朝陽區北京電建職業技能培訓學校)	4,246	3,042
Receipts of deposits	Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	2,238	–
Receipts of deposits	Others	1,001	1,226
Receipts of deposits	Total	3,372,334	3,577,926
Receipts of deposits	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	20,758	39,259
Receipts of deposits	Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	10,413	–
Receipts of deposits	Yichang Electric Institute Reception Center Co., Ltd. (宜昌市電院接待中心有限責任公司)	7,807	7,355
Receipts of deposits	Engineering Institute of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司工程研究院)	5,236	5,637
Receipts of deposits	Beijing Electrical Construction Vocational Skill Training School, Chaoyang District, Beijing (北京市朝陽區北京電建職業技能培訓學校)	4,246	3,042
Receipts of deposits	Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	2,238	–
Receipts of deposits	Others	1,001	1,226
Receipts of deposits	Total	3,372,334	3,577,926

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

6. Amounts Due from/to Related Parties (continued)

(2). Amounts due to related parties (continued)

The Company

Unit: '000 Currency: RMB

Name of item	Related party	Closing book balance	Opening book balance
Other payables	China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	890,039	1,037,105
Other payables	China Gezhouba Group Company Limited (中國葛洲壩集團公司)	786,210	786,210
Other payables	China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	765,921	903,682
Other payables	China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	462,660	487,873
Other payables	China Energy Engineering Group Southern Construction Investment Co., Ltd. (中國能源建設集團南方建設投資有限公司)	192,277	201,799
Other payables	China Energy Engineering Group Planning & Engineering Corporation Limited (中國能源建設集團規劃設計有限公司)	110,372	110,372
Other payables	China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd. (中國能源建設集團廣東省電力設計研究院有限公司)	76,894	76,856
Other payables	China Gezhouba Group International Engineering Co., Ltd. (中國能源建設集團國際工程有限公司)	55,861	124
Other payables	China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	10,028	10,028
Other payables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	635	–
Other payables	China Energy Construction Group E-Commerce Co., Ltd. (中國能源建設集團電子商務有限公司)	178	129
Other payables	Engineering Institute of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司工程研究院)	90	193
Other payables	Gezhouba (Yichang) Communication Engineering Co., Ltd. (葛洲壩(宜昌)通信工程有限公司)	30	230
Other payables	Parent company of China Energy Construction Group Tianjin Electric Power Construction Co., Ltd. (headquarters) (中國能源建設集團天津電力建設有限公司母公司(本部))	30	–
Other payables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	–	7,469
Other payables	China Energy Engineering Group Jiangsu No. 3 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團江蘇省電力建設第三工程有限公司)	–	800

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XIII. CAPITAL MANAGEMENT

Applicable Not Applicable

The main objective of the Group's capital management is to ensure the Group's continuous operation and to continue to provide returns to shareholders by setting product and service prices commensurate with risk levels and ensuring financing at reasonable financing costs.

The Group regularly reviews and manages its own capital structure in order to maintain a balance between the higher return on equity that may result from higher borrowing levels and the advantages and protection of a healthy capital position. If economic conditions change and affect the Group, the Group will adjust the capital structure.

The Group's capital includes net liabilities (including short-term borrowings, long-term borrowings, bonds payable, lease liabilities, net of monetary funds), perpetual capital instruments and equity attributable to equity holders of the Company. The Group's net debt as at 31 December 2021 was RMB56,027,661,000 (2020: RMB61,833,232,000).

XIV. COMMITMENTS AND CONTINGENCIES**1. Significant Commitments**

Applicable Not Applicable

Capital commitments

Item	Unit: '000 Currency: RMB	
	2021	2020
Signed contracts for acquisition of fixed assets contracted or to be performed	2,407,375	2,665,838
External investment contracts contracted but not performed or not completely performed	–	371,150
Total	2,407,375	3,036,988

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XIV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies

(1). *Material contingencies existing as at the balance sheet date*

Applicable Not Applicable

The breakdown of the external guarantees provided by the Group is as follows:

Item	Unit: '000 Currency: RMB	
	2021	2020
Guarantees given to banks and other financial institutions in respect of bank loans and financing leasing of the parties below		
Joint venture	14,400	18,000
Associate	2,846,144	1,329,347
Third party	1,656,223	1,390,489
Investee of other equity investment	–	18,200
Sub-total	4,516,767	2,756,036
Guarantees given to banks in respect of mortgaged loans of customers	7,092,834	4,681,147
Total	11,609,601	7,437,183

Of which, guarantees provided in respect of mortgaged loans of customers refer to the guarantees provided for mortgage loans between the property purchasers of the Group and banks. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by customers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The guarantee periods commence from the dates of grant of the relevant mortgage loans and end after the buyer obtained the property ownership certificate. The Group is of the opinion that the possibility of default by the relevant buyers is remote and, in case of default in payments, the net realisable value of the related properties can recover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Thus, no provision of liabilities was made for these guarantees. Other fair value of guarantees given by the Group to related parties and third parties in respect of credit financing and lease contracts.

In addition, China Energy Engineering Group Jiangsu No. 3 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團江蘇省電力建設第三工程有限公司) ("Jiangsu No. 3 EPCE"), a subsidiary of the Group, was involved in 1 legal action. The first-instance judgment is to assume joint and several liability for repayment, and Jiangsu No. 3 EPCE has appealed. This matter is not included in the above guarantee balance.

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XIV. COMMITMENTS AND CONTINGENCIES (CONTINUED)**2. Contingencies (continued)***(2). Contingent liabilities*

In 2021, Gezhoubu Huanjia Company, as a defendant, involved in 43 litigations and its controlling parent China Gezhoubu Group Lvyuan Technology Co., Ltd. (“Gezhoubu Lvyuan”), was also one of the defendants of the litigation. Of which, as at 31 December 2021, 5 litigations with an amount of RMB70,068,000 are still pending. Based on the advice from the Group’s legal counsel, the Company is of the opinion that the likelihood of lose of the above-mentioned outstanding legal proceedings is remote.

(3). To state that the Company has no material contingency that needs to be disclosed:

Applicable Not Applicable

XV. EVENTS AFTER THE BALANCE SHEET DATE

The heightened geopolitical tensions arising from the COVID-19 pandemic since the beginning of 2020 and recent events have continued to create uncertainty in the Group’s operating environment and may affect the Group’s results of operations and financial condition.

Despite the gradual easing of the new crown epidemic in mainland China, there are still various epidemic prevention measures such as travel restrictions to avoid the wide spread of the new crown epidemic. In addition, the geopolitical tensions caused by recent events around the world have increased, and the development of these events has brought more uncertainty changes to the world economy. The Group will continue to pay close attention to the possible impact of the above situation on the Group’s business, and actively take various countermeasures, including but not limited to continuous monitor and analysis of domestic and foreign epidemic prevention policies, and project owners and customers on project progress and negotiate delivery schedules, assess sustainability of existing subcontractors and suppliers, and assess major projects in progress.

As far as the Group’s business is concerned, the precautionary measures related to the COVID-19 pandemic and heightened geopolitical tensions may affect the progress of the Group’s construction projects in relevant countries and regions, settlement with project owners and customers, and related accounts receivable. Corresponding to the repayment ability of owners and customers, as well as the possibility of future execution of existing reserve contracts in relevant countries and regions, the profitability of the Group in relevant countries and regions may be affected, and related assets may also have potential impairment risks.

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XVI. SEGMENT REPORT

Applicable Not Applicable

The Company adjusted reportable segments according to the internal organisational structure, management requirement and internal report system of the Group in 2021, the original five reportable segments namely survey, design and consulting services, construction and contracting, industrial manufacturing, clean energy and environmental water affairs were revised into five reportable segment, namely survey, design and consulting services, construction and contracting, industrial manufacturing, investment and operation and other businesses. The management of the Group conducts separate management for operating results of each business unit. The five reportable segments of the Group were:

- survey, design and consulting services: mainly comprise of the survey, design, project consulting and project supervision business for domestic and overseas tradition energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal, buildings and structures;
- construction and contracting: mainly comprise of the project contracting, engineering and construction, and project operation and maintenance business for domestic and overseas tradition energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal, buildings and structures;
- industrial manufacturing: mainly comprise of the design, manufacturing and sales business for construction materials, civil explosives, and auxiliary machinery and equipment, energy saving equipment and other power industries related equipment;
- investment and operation: mainly comprise of the investment and operation of traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation projects, and the investment, development business and capital finance and other businesses of real estates (new urbanization);
- other businesses: mainly comprise of logistic and trading, leasing and commercial business services, software and information services and other service businesses.

(1). Profit information of reportable segment

The management of the Group regularly reviews the revenue, expenses and operating results of each segment to assess the performance of each segment and allocate resources to it. The basis of preparation of the information as follows:

Intersegment transactions are measured based on the actual transaction price. Segment revenue and segment expenses are recognized based on the actual revenue generated and actual expenses incurred by the respective segments, and expenses indirectly attributable to each segment shall be allocated among segments according to percentage of revenue.

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XVI. SEGMENT REPORT (CONTINUED)

(1). Profit information of reportable segment (continued)

The information on each reportable segment of the Group as disclosed below was provided to the management of the Group when measuring the profit of the reportable segment applying or not applying following data:

2021

Unit: '000 Currency: RMB

Item	Survey, design and consulting services	Construction and contracting	Industrial manufacturing	Investment and operation	Other businesses	Inter-segment eliminations	Unallocated amount	Total
Revenue from external transactions	14,737,671	246,970,777	28,017,500	26,419,170	6,173,447	-	-	322,318,565
Revenue from intersegment transactions	24,439	16,949,155	231,889	838,319	181,308	(18,225,110)	-	-
Non-segmental cost	(9,518,170)	(224,951,018)	(21,341,645)	(19,200,625)	(4,898,514)	-	-	(279,909,972)
Cost of intersegment transactions	(24,439)	(16,544,708)	(212,082)	(673,014)	(170,450)	17,624,693	-	-
Including: Other income	77,106	456,001	254,112	48,834	177,285	-	30,520	1,043,858
Selling expenses	(284,526)	(142,858)	(656,962)	(441,257)	(150,993)	9,172	-	(1,667,424)
Administrative expenses	(1,560,286)	(6,132,765)	(1,942,712)	(1,461,497)	(1,729,460)	80,077	-	(12,746,643)
Research and development expenses	(1,710,432)	(6,147,472)	(715,831)	(44,312)	(173,213)	1,788	-	(8,789,472)
Tax and surcharges	(151,278)	(427,933)	(252,202)	(537,952)	(67,493)	-	-	(1,436,858)
Segment profit	1,590,085	10,029,179	3,382,067	4,947,666	(658,083)	(509,380)	30,520	18,812,054
Finance costs	-	-	-	-	-	-	(3,672,626)	(3,672,626)
Credit impairment losses	-	-	-	-	-	-	(993,373)	(993,373)
Impairment loss of assets	-	-	-	-	-	-	(858,814)	(858,814)
Gains or loss arising from changes in fair value	-	-	-	-	-	-	8,139	8,139
Gains from asset disposal	-	-	-	-	-	-	809,897	809,897
Investment income	-	-	-	-	-	-	471,875	471,875
Foreign exchange gains	-	-	-	-	-	-	(1,483)	(1,483)
Non-operating income	-	-	-	-	-	-	331,850	331,850
Non-operating expense	-	-	-	-	-	-	(1,857,136)	(1,857,136)
Profit before tax	-	-	-	-	-	-	13,050,383	13,050,383
Income Tax	-	-	-	-	-	-	(3,452,839)	(3,452,839)
Net profit	-	-	-	-	-	-	9,597,544	9,597,544

Financial Report

XVI. SEGMENT REPORT (CONTINUED)

(1). Profit information of reportable segment (continued)

2020

Unit: '000 Currency: RMB

Item	Survey, design and consulting services	Construction and contracting	Industrial manufacturing	Investment and operation	Other businesses	Inter-segment eliminations	Unallocated amount	Total
Revenue from external transactions	14,017,845	201,241,669	24,026,777	25,341,282	5,700,089	-	-	270,327,662
Revenue from intersegment transactions	184,395	10,824,488	227,435	1,654,120	106,018	(12,996,456)	-	-
Non-segmental cost	(9,053,427)	(182,785,551)	(17,599,310)	(20,063,713)	(4,099,103)	-	-	(233,601,104)
Cost of intersegment transactions	(184,395)	(10,657,988)	(199,888)	(1,491,815)	(145,436)	12,679,522	-	-
Including: Other income	176,854	323,575	361,282	359,965	59,675	-	-	1,281,351
Selling expenses	(258,916)	(133,096)	(540,822)	(465,913)	(83,770)	11,266	-	(1,471,251)
Administrative expenses	(2,053,292)	(4,883,256)	(1,728,972)	(1,323,595)	(1,722,717)	156,496	-	(11,555,336)
Research and development expenses	(1,570,358)	(4,413,342)	(606,621)	(54,034)	(140,455)	-	-	(6,784,810)
Tax and surcharges	(168,977)	(384,919)	(211,511)	(893,517)	(36,152)	-	-	(1,695,076)
Segment profit	1,089,729	9,131,580	3,728,370	3,062,780	(361,851)	(149,172)	-	16,501,436
Finance costs	-	-	-	-	-	-	(3,792,584)	(3,792,584)
Credit impairment losses	-	-	-	-	-	-	(1,420,852)	(1,420,852)
Impairment loss of assets	-	-	-	-	-	-	(325,763)	(325,763)
Gains or loss arising from changes in fair value	-	-	-	-	-	-	570,878	570,878
Gains from asset disposal	-	-	-	-	-	-	432,783	432,783
Investment income	-	-	-	-	-	-	558,505	558,505
Foreign exchange gains	-	-	-	-	-	-	(4,179)	(4,179)
Non-operating income	-	-	-	-	-	-	262,877	262,877
Non-operating expense	-	-	-	-	-	-	(742,856)	(742,856)
Profit before tax	-	-	-	-	-	-	12,040,245	12,040,245
Income Tax	-	-	-	-	-	-	(3,403,302)	(3,403,302)
Net profit	-	-	-	-	-	-	8,636,943	8,636,943

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XVI. SEGMENT REPORT (CONTINUED)

(2). Geographical information

The following table sets out information about the geographical location of the Group's revenue from external transactions and the Group's non-current assets (excluding financial assets, deferred income tax assets, same as below). The geographical information is based on the location of customers receiving services or goods. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of fixed assets, the location of the operation to which they are allocated, in the case of intangible assets and goodwill; and the location of operations, in the case of interests in associates and jointly controlled enterprises.

Unit: '000 Currency: RMB

Country or region	Total revenue from external transactions	
	2021	2020
The PRC	276,065,344	238,177,270
Including: Mainland China	276,065,344	238,177,270
Sub-total	276,065,344	238,177,270
Vietnam	11,565,479	2,809,083
Pakistan	6,659,597	5,739,837
U.A.E.	3,286,190	2,544,893
Angola	2,583,186	962,451
Indonesia	2,328,026	3,041,715
Bangladesh	2,213,400	1,688,562
Other countries or regions	17,617,343	15,363,851
Sub-total	46,253,221	32,150,392
Total	322,318,565	270,327,662

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XVI. SEGMENT REPORT (CONTINUED)

(2). Geographical information (continued)

Unit: '000 Currency: RMB

Country or region	Total non-current assets	
	2021	2020
The PRC	147,171,762	116,222,790
Including: Mainland China	147,171,762	116,222,790
Sub-total	147,171,762	116,222,790
Vietnam	11,364,842	10,595,686
Pakistan	8,561,975	6,967,754
Kazakhstan	750,076	834,305
Spain	481,282	488,652
Namibia	191,845	–
Argentina	172,839	172,181
Malaysia	153,488	132,774
Kuwait	117,568	164,221
Other countries or regions	753,367	902,534
Subtotal	22,547,282	20,258,107
Total	169,719,044	136,480,897

Note: As at 31 December 2021 and 31 December 2020, the aforementioned non-current assets exclude loans to customers, investment in other equity instruments, other non-current financial assets, long-term receivables and other financial assets and deferred income tax assets including in other non-current assets.

(3) Major clients

In 2021 and 2020, the revenue from each single customer of the Group was less than 10% of the total revenue of the Group

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT

1. Other Payables

Unit: '000 Currency: RMB

Item	Note	Closing balance	Opening balance
Interest payable	(i)	–	256,885
Dividends payable	(ii)	63,416	52,747
Other payables		3,381,419	3,634,801
Total		3,444,835	3,944,433

(i) Dividends payable

Dividends payable are dividends payable by the Company to its ordinary shareholders and holders of other equity instruments. The Company has no outstanding dividends payable for more than one year.

(ii) Other payables

(a) By nature of the amount:

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Three supply and one industry separation transfer funds	1,080,722	1,080,722
Advances payable	2,269,539	2,540,796
Other	31,158	13,283
Total	3,381,419	3,634,801

2. Other Receivables

By item

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Interest receivables	20,472	1,151
Dividend receivables	1,572,206	910,486
Other receivables	2,149,481	1,602,922
Total	3,742,159	2,514,559

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Other Receivables (continued)

(1). Dividend receivables

Applicable Not Applicable

Unit: '000 Currency: RMB

Item (or Investee)	Closing balance	Opening balance
China Energy Engineering Group Planning and Engineering Co., Ltd.	619,808	477,869
China Gezhouba Group Company Limited	867,165	310,921
China Energy Engineering Group Eastern Construction and Investment Co., Ltd.	34,995	44,012
China Energy Engineering Group Finance Co., Ltd.	7,873	30,871
China Energy Engineering Group Financial Leasing Co., Ltd.	–	20,102
China Energy Engineering Group Investment Co., Ltd.	41,797	25,830
China Energy Engineering Group International Engineering Co., Ltd (中國能源建設集團國際工程有限公司)	44	881
CEEG (Hainan) Co., Ltd. (中能建(海南)有限公司)	524	–
Total	1,572,206	910,486

(2) Significant dividend receivables with aging over 1 year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item (or investee)	Closing balance	Ageing	Reason for overdue	Whether impairment occurs and its judgment basis
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	310,921	3-4 years	There is no clear timetable for receiving the corresponding dividends and no collection is made	No In good operating condition with solvency
Total	310,921	/	/	/

Project (or Investee)	Balance as at 31 December 2020	Ageing	Reason for overdue	Whether impairment occurs and its judgment basis
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	310,921	2-3 year	There is no clear timetable for receiving the corresponding dividends and no collection is made	No In good operating condition with solvency
Total	310,921			

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Other Receivables (continued)

(1). Analysis by customer category:

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Category of customer	Closing balance	Opening balance
Amounts receivable from subsidiaries	2,093,277	1,547,648
Receivables from third parties	56,204	55,274
Subtotal	2,149,481	1,602,922
Less: Provision for bad debts	–	–
Total	2,149,481	1,602,922

(2). Disclosure by ageing

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Ageing	Closing balance	Opening balance
Within 1 year (including 1 year)	607,898	70,456
1 to 2 years (including 2 years)	9,118	–
2 to 3 years (including 3 years)	–	1,532,466
3 to 4 years (including 4 years)	1,532,466	–
Subtotal	2,149,481	1,602,922
Less: Provision for bad debts	–	–
Total	2,149,481	1,602,922

Ageing starts to be calculated from the date of confirmation of other receivables.

(3). Classification by nature of accounts

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Nature	Closing balance	Opening balance
Advances receivable	2,070,996	1,566,577
Others	78,485	36,345
Subtotal	2,149,481	1,602,922
Less: Provision for bad debts	–	–
Total	2,149,481	1,602,922

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Other Receivables (continued)

(4). The top five balances at the end of the year by debtors

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Company name	Nature of the amount	Balance as at 31 December 2021	Aging	As a percentage of total balance at the end of the year (%)	Year-end balance of bad debt provision
China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)	Advances receivable from subsidiaries	1,370,867	3 years to 4 years (including 4 years)	63.78%	-
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	Advances receivable from subsidiaries	503,024	Within 6 months (including 6 months)	23.40%	-
China Energy Engineering Group Northwest Construction and Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	Advances receivable from subsidiaries	130,409	3 years to 4 years (including 4 years)	6.07%	-
China Power Engineering Consulting Group (Hong Kong) Investment Co., Ltd. (中國電力工程顧問集團(香港)投資有限公司)	Advances receivable from subsidiaries	38,664	Within 6 months (including 6 months)	1.80%	-
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	Advances receivable from subsidiaries	21,069	3 years to 4 years (including 4 years)	0.98%	-
Total		2,064,033		96.02%	-

Company name	Nature of the amount	Balance as at 31 December 2020	Aging	As a percentage of total balance at the end of the year (%)	Year-end balance of bad debt provision
China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)	Advances receivable from subsidiaries	1,370,867	2 to 3 years (including 3 years)	85.52%	-
China Energy Engineering Group Northwest Construction and Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	Advances receivable from subsidiaries	130,409	2 to 3 years (including 3 years)	8.14%	-
Restricted Equity Incentive Plan Trust Plan	Other advances receivable	18,950	2 to 3 years (including 3 years)	1.18%	-
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	Advances receivable from subsidiaries	18,203	2 to 3 years (including 3 years)	1.14%	-
China Energy Engineering Group Equipment Co., Ltd. (中國能源建設集團裝備有限公司)	Advances receivable from subsidiaries	13,915	Within 6 months (including 6 months)	0.87%	-
Total		1,552,344		96.85%	-

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Long-term Equity Investments

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	31 December 2021		
	Book balance	Provisions for impairment	Book value
Investment in subsidiaries	86,439,648	–	86,439,648
Investment in associates and joint ventures	22,269	–	22,269
Total	86,461,917	–	86,461,917

Item	31 December 2020		
	Book balance	Provisions for impairment	Book value
Investment in subsidiaries	54,679,053	–	54,679,053
Investment in associates and joint ventures	22,269	–	22,269
Total	54,701,322	–	54,701,322

(1). Investment in subsidiaries

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Name	Opening balance	Increase in the year	Decrease in the year	Closing balance	Provision for impairment in the year	Closing balance of provisions for impairment
China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司)	–	32,094,610	–	32,094,610	–	–
China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)	19,228,582	–	–	19,228,582	–	–
China Gezhoubu Group Co., Ltd. (中國葛洲壩集團有限公司)	5,783,291	–	–	5,783,291	–	–
China Energy Engineering Group Southern Construction Investment Co., Ltd. (中國能源建設集團南方建設投資有限公司)	5,332,041	–	–	5,332,041	–	–
China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	3,894,859	–	–	3,894,859	–	–
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	3,215,840	–	–	3,215,840	–	–

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Name	Opening balance	Increase in the year	Decrease in the year	Closing balance	Provision for impairment in the year	Closing balance of provisions for impairment
China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	3,148,835	-	-	3,148,835	-	-
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	3,148,449	-	-	3,148,449	-	-
China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	2,185,436	-	-	2,185,436	-	-
China Energy Construction Pilot I (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航壹號(天津)企業管理中心(有限合夥))	1,470,000	-	-	1,470,000	-	-
China Energy Construction Pilot V (Tianjin) Enterprise Management Center (Limited Partnership) (中國能建領航伍號(天津)企業管理中心(有限合夥))	1,400,000	-	-	1,400,000	-	-
China Energy Construction Pilot IV (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航肆號(天津)企業管理中心(有限合夥))	1,310,000	-	-	1,310,000	-	-
China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	1,303,883	-	-	1,303,883	-	-
China Energy Construction Pilot II (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航貳號(天津)企業管理中心(有限合夥))	920,000	-	-	920,000	-	-
China Energy Construction Pilot III (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航三號(天津)企業管理中心(有限合夥))	640,000	-	-	640,000	-	-
China Energy Engineering Group Science and Technology Development Co., Ltd. (中國能源建設集團科技發展有限公司)	380,000	-	-	380,000	-	-
China Power Engineering Consulting Group International Engineering Co., Ltd. (中能建國際建設有限公司)	-	356,000	-	356,000	-	-
China Energy Engineering (Hong Kong) Company Limited (中國能源建設香港有限公司)	231,956	-	-	231,956	-	-
China Energy Engineering Group International Engineering Co., Ltd. (中國能源建設集團國際工程有限公司)	200,000	-	-	200,000	-	-
China Energy Construction (Kaiping) Environmental Technology Co., Ltd. (中國能源建設香港有限公司)	76,857	-	-	76,857	-	-
China Power Engineering Consulting Group International Engineering Co., Ltd. (中國電力工程顧問集團國際工程有限公司)	-	55,735	-	55,735	-	-
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	45,000	-	-	45,000	-	-

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Name	Opening balance	Increase in the year	Decrease in the year	Closing balance	Provision for impairment in the year	Closing balance of provisions for impairment
China Energy Construction Green Building Materials Co., Ltd. (中能建綠色建材有限公司)	-	18,000	-	18,000	-	-
Energy China Group Tower Co., Ltd. (中國能建集團鐵塔股份有限公司)	274	-	-	274	-	-
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	750,000	-	750,000	-	-	-
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	13,750	-	13,750	-	-	-
Total	54,679,053	32,524,345	763,750	86,439,648	-	-

Name	Balance as at 1 January 2020	Increase in the year	Decrease in the year	Balance as at 31 December 2020	Provision for impairment in the year	Closing balance of provisions for impairment
China Energy Engineering Group Planning and Engineering Co., Ltd. (中國能源建設集團規劃設計有限公司)	19,228,582	-	-	19,228,582	-	-
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	5,783,291	-	-	5,783,291	-	-
China Energy Engineering Group Southern Construction Investment Co., Ltd. (the Head Office) (中國能源建設集團南方建設投資有限公司)	5,332,041	-	-	5,332,041	-	-
China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	3,894,859	-	-	3,894,859	-	-
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	3,215,840	-	-	3,215,840	-	-
China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	3,148,835	-	-	3,148,835	-	-
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	3,148,449	-	-	3,148,449	-	-
China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	2,185,436	-	-	2,185,436	-	-

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Name	Balance as at 1 January 2020	Increase in the year	Decrease in the year	Balance as at 31 December 2020	Provision for impairment in the year	Closing balance of provisions for impairment
China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	1,303,883	-	-	1,303,883	-	-
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	750,000	-	-	750,000	-	-
China Energy Construction Pilot IV (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航肆號(天津)企業管理中心(有限合夥))	500,000	810,000	-	1,310,000	-	-
China Energy Construction Pilot I (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航壹號(天津)企業管理中心(有限合夥))	500,000	970,000	-	1,470,000	-	-
China Energy Construction Pilot V (Tianjin) Enterprise Management Center (Limited Partnership) (中國能源建設集團領航伍號(天津)企業管理中心(有限合夥))	400,000	1,000,000	-	1,400,000	-	-
China Energy Engineering Group Science and Technology Development Co., Ltd. (中國能源建設集團科技發展有限公司)	380,000	-	-	380,000	-	-
China Energy Construction Pilot III (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航三號(天津)企業管理中心(有限合夥))	300,000	340,000	-	640,000	-	-
China Energy Construction Pilot II (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航貳號(天津)企業管理中心(有限合夥))	300,000	620,000	-	920,000	-	-
China Energy Engineering (Hong Kong) Company Limited (中國能源建設香港有限公司)	231,956	-	-	231,956	-	-
China Energy Engineering Group International Engineering Co., Ltd. (中國能源建設集團國際工程有限公司)	200,000	-	-	200,000	-	-
China Energy Construction (Kaiping) Environmental Technology Co., Ltd. (中能建(開平)環保科技有限公司)	76,857	-	-	76,857	-	-
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	15,000	30,000	-	45,000	-	-
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	13,750	-	-	13,750	-	-
Energy China Group Tower Co., Ltd. (中國能建集團鐵塔股份有限公司)	-	274	-	274	-	-
Total	50,908,779	3,770,274	-	54,679,053	-	-

For information on subsidiaries of the Company please refer to Note IX.

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Long-term Equity Investments (continued)

(2). Investment in associates and joint ventures

Applicable Not Applicable

Unit: '000 Currency: RMB

Investee	Opening balance	Increase in investment	Decrease in investment	Changes for the year				Closing balance
				Investment gains/losses recognized under equity method	Other comprehensive income	Change in other equity	Declared and paid cash dividends or profits	
Joint ventures								
Huatai Insurance Brokers (華泰保險經紀公司)	22,269	-	-	101	-	-	(101)	22,269
Total	22,269	-	-	101	-	-	(101)	22,269

4. Revenue and Costs of Sales

(1). Revenue and costs of sales

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal activities	-	-	-	-
Other businesses	132,310	-	82,737	-
Total	132,310	-	82,737	-

5. Investment Income

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	2021	2020
Income from long-term equity investments under equity method	101	82
Income from long-term equity investments under cost method	1,983,663	1,118,952
Interest income from debt investments	49,809	74,302
Total	2,033,573	1,193,336

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XVIII. SUPPLEMENTARY INFORMATION

1. Breakdown of Non-Recurring Profit or Loss

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	2021	2020
(1) Gains and losses on disposal of non-current assets	1,027,612	654,840
(2) Government subsidies included in current profit and loss	901,198	727,977
(3) Capital occupation fee included in current profit and loss	56,899	50,829
(4) Debt restructuring gains and losses	28,896	41,000
(5) Gains and losses from changes in fair value arising from holding-for-trading financial assets, and investment income from disposal	2,309	572,737
(6) Anticipated litigation/guarantee losses	(1,399,800)	(414,560)
Other non-operating income and expenses other than the above	302,188	(43,709)
(7) Subtotal	919,302	1,589,114
(8) Income tax impact	(366,248)	(362,327)
Minority shareholders' equity impact (after tax)	879,219	(239,705)
Total	1,432,273	987,082

Note: Non-recurring profit or loss items (1) to (7) above are presented as amount before taxation.

2. Calculation of Earnings Per Share

Applicable Not Applicable

The return on net assets and earnings per share calculated by the Group according to the Information Disclosure Rule No. 9 for Companies which Publicly Offer Its Shares – Calculation and Disclosure of Net Asset Income Rate and Earning Per Share (2010 amended) promulgated by the CSRC and relevant provisions of accounting standards are as follows:

2021

Profit for the Reporting Period	Weighted average return on net assets (%)	Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	9.20%	0.19	0.19
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	7.05%	0.14	0.14

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XVIII. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Calculation of Earnings Per Share (continued)

2020

Profit for the Reporting Period	Weighted average return on net assets (%)	Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	7.90%	0.15	0.15
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	6.17%	0.12	0.12

(1). Calculation of earnings per share

(i) Basic earnings per share

Please refer to Note VII.62 for the calculation of basic earnings per share.

(ii) Basic earnings per share after deducting non-recurring profit or loss

Basic earnings per share after deducting non-recurring profit or loss is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss by weighted average number of ordinary shares in issue of the Company:

	Unit: '000	Currency: RMB
	2021	2020
Consolidated net profit attributable to ordinary shareholders of the Company	6,138,793	4,506,919
Non-recurring profit or loss attributable to ordinary shareholders of the Company	1,432,273	987,082
Consolidated net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	4,706,520	3,519,837
Weighted average number of ordinary shares in issue of the Company	32,773,556	29,855,864
Basic earnings per share after deducting non-recurring profit or loss (RMB/share)	0.14	0.12

(iii) Diluted earnings per share

The Company has no dilutive potential ordinary shares. Thus, diluted earnings per share equal to basic earnings per share.

(1) Calculation of weighted average return on net assets

Applicable Not Applicable

(i) Weighted average return on net assets

Weighted average return on net assets is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company by weighted average consolidated net assets of ordinary shareholders of the Company:

	Unit: '000	Currency: RMB
	2021	2020
Consolidated net profit attributable to ordinary shareholders of the Company	6,138,793	4,506,919
Weighted average consolidated net assets of ordinary shareholders of the Company	66,753,711	57,030,840
Weighted average return on net assets	9.20%	7.90%

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XVIII. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Calculation of Earnings Per Share (continued)

(1) Calculation of weighted average return on net assets (continued)

(i) Weighted average return on net assets (continued)

The weighted average consolidated net assets of ordinary shareholders of the Company are calculated as follows:

	Unit: '000	Currency: RMB
	2021	2020
Consolidated net assets attributable to ordinary shareholders of the Company at the beginning of the year	58,916,918	55,144,762
Effect of consolidated net profit attributable to ordinary shareholders of the Company for the year	3,069,397	2,253,460
Effect of consolidated other comprehensive income attributable to ordinary shareholders of the Company for the year	(34,115)	84,717
Effect of distribution to ordinary shareholders	(337,730)	(459,312)
Effect of change in other equity	85,152	7,214
Effect of issuance of new shares (note VII.42)	5,054,089	–
Weighted average consolidated net assets of ordinary shareholders of the Company at the end of the year	66,753,711	57,030,840

(ii) Weighted average return on net assets after deducting non-recurring profit or loss

Weighted average return on net assets after deducting non-recurring profit or loss is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss by weighted average consolidated net assets of ordinary shareholders of the Company:

	Unit: '000	Currency: RMB
	2021	2020
Consolidated net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	4,706,520	3,519,837
Weighted average consolidated net assets of ordinary shareholders of the Company	66,753,711	57,030,840
Weighted average ROE (excl. non-recurring P/L)	7.05%	6.17%

Chairman of the Board: Song Hailiang

Date of approval and delivery by the Board: 29 March 2022



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