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BRINGING ENERGY

TO THE WORLD

ANNUAL REPORT 2022

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. **The situation of the Directors of the Company who did not attend the Boarding Meeting.**

Position of absent Director	Name of absent Director	Reasons for absence	Name of proxy
Chairman	Song Hailiang	Work arrangement	Ma Mingwei
Director	Sun Hongshui	Work arrangement	Ma Mingwei

III. Pan-China Certified Public Accountants 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 of 41,691,163,636 shares, a cash dividend of RMB0.252 for every 10 shares (tax inclusive) is distributed to all shareholders, a total of cash dividends of RMB1.051 billion 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 2022 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 this 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

The Audit Committee of the Company has reviewed the annual results announcement for the twelve months ended 31 December 2022, the 2022 annual report, and the audited financial statements for the year 2022 prepared in accordance with the PRC GAAP Standards, and did not raise any objection to the accounting policies and practices adopted by the Company.

The reporting currency is RMB, unless otherwise specified. This report is prepared in Chinese and English versions. Should there be any discrepancies between the Chinese and English versions, the Chinese version shall prevail.



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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 the auditor’s report signed and sealed by the accounting firms and certified accountants.
3. 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.
4. 2022 annual results announcement published by the Company on HKExnews’s website (www.hkexnews.hk) and 2022 annual report of the Company published at the website of the Shanghai Stock Exchange (www.sse.com.cn).

DEFINITIONS

In this report, unless the context otherwise requires, the following terms have the following meanings:

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)
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)
Gezhoubu Explosive	refers to China Gezhoubu Group Explosive Co., Ltd.* (中國葛洲壩集團易普力股份有限公司)
Shanxi No. 2 Electric Power	refers to 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)
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)
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)
Nanling Industry Explosive	refers to Hunan Nanling Industry Explosive Material Co., Ltd.* (湖南南嶺民用爆破器材股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002096)
Cement Company	refers to China Gezhoubu Group Cement Co., Ltd.* (中國葛洲壩集團水泥有限公司)
Eco-environment Company	Refers to China Gezhoubu Group Eco-environment Co., Ltd. (中國葛洲壩集團生態環保有限公司), a company formed by restructuring and consolidation between Hydropower Company and China Gezhoubu Group Eco-environment Engineering Co., Ltd. (中國葛洲壩集團生態環境工程有限公司)

Definitions

Hydropower Company	refers to China Gezhouba Group Water Operation Co., Ltd. * (中國葛洲壩集團水務運營有限公司)
Financial Leasing Company	refers to China Energy Engineering Group Financial Leasing Co., Ltd. * (中國能源建設集團融資租賃有限公司)
Fund Company	refers to Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)
Neisui Expressway	refers to Gezhouba Group Sichuan Neisui Expressway Co., Ltd. (葛洲壩集團四川內遂高速公路有限公司)
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
Board of Supervisors or Supervisory Committee	refers to the board of supervisors of China Energy Engineering Corporation Limited
Supervisor(s)	refers to the supervisor(s) of China Energy Engineering Corporation Limited
Reporting Period	refers to the period starting on 1 January 2022 and ended 31 December 2022
year-on-year	refers to comparison with the same period of the previous year
SSE Listing Rules	refers to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
Hong Kong Listing Rules	refers to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
Model Code	refers to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Hong Kong Listing Rules
Corporate Governance Code	refers to the Corporate Governance Code as contained in Appendix 14 to the Hong Kong Listing Rules
SFO	refers to the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)

Definitions

PRC or China	refers to the People's Republic of China
SASAC or State-owned Assets Supervision Commission of the State Council	refers to the 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)
CSRC	refers to the China Securities Regulatory Commission
Hong Kong Stock Exchange	refers to The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
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"
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, which represents the benefit sharing, risk sharing and long-term cooperative relationship established by the government and social capital through franchising, service procurement, equity cooperation and others, in order to enhance the supply capacity of public products and services and improve the supply efficiency
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

Definitions

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
“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
Certain Opinions	refers to the 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》) (CEEC Gu Fa [2020] No. 110)
“two funds”	refers to accounts receivable and inventories
“three-new” energy engineering	refers to the new energy, new infrastructures and new industries
“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 learning, absorption and sharing in place, safety culture construction in place

CORPORATE INFORMATION AND KEY FINANCIAL INDICATORS

Founded on 19 December 2014, the Company is a joint stock company with limited liability established and cosponsored 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 systematic, integrated, full life cycle and package of development solutions and services to industries such as energy and power, infrastructure in the PRC as well as over the world. Its businesses cover traditional energy, new energy and integrated intelligent energy, water conservancy and water affairs, eco-environmental protection, comprehensive transportation, municipal administration, housing construction, real estate (new urbanization), building materials (cement, sand and stone aggregate, etc.), civil explosive, equipment manufacturing, capital (finance) and other businesses, 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 nine 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 2022, the Company had 4 academician expert workstations, 13 workstations of postdoctoral scientific researchers, 4 national research institutions and 63 provincial research institutions and 120 high-tech enterprises. It obtained 48 National Science and Technology Progress Awards, more than 2,500 major scientific and technological achievements and 11,372 patents in force. It formulated and revised over 1,300 national and industry standards. As the leader and main force in the fields of energy power and infrastructure construction, the Company successively undertook 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, built a number of domestic backbone projects with global recognition such as projects of Wudongde, Baihetan, Hualong No.1, created notable results in the fields such as large-scale wind-photovoltaic-storage-transportation project, UHV multi-terminal hybrid direct current project, high altitude transmission and transformation project, 1,240 MW high-efficiency ultra-supercritical coal-fired power project, and constructed a number of China-made dams, China-made power, China-made networks, China-made towns, China-made highways and China-made bridges with energy engineering characteristics, presenting the advance and mature Chinese technology, Chinese equipment, Chinese quality, Chinese management and Chinese operation service to the world constantly.

Corporate Information and Key Financial Indicators

Adhering to a strategic vision of being an “industry-leading and world-class” company, 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 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 is committed to obtain breakthrough progress in promoting the energy revolution and energy transformation development, speeding up high-quality development, deepening systematic reforms, comprehensively enhancing scientific management, comprehensively improve the Company’s core competitiveness and organization ability, strengthening the Party’s comprehensive leadership and the Party’s construction, accelerates the promotion of integration in depth among “seven networks”, i.e. the energy network, transportation network, digital network, hydropower network, ecology network, industrial network and cultural network, makes every effort to build the “three-new” energy engineering platform, i.e. the new energy, new infrastructures and new industries, systematically builds the Company into the one with high quality development, accelerates the establishment of a world-class enterprise, and creates more value for the customers, shareholders, employees and the society.

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	Joint Company Secretaries	Representative of securities affairs
Name	QIN Tianming	QIN Tianming, LEUNG Shui Bing	/
Correspondence address	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC; 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	/
Tel	010-5909 8818	010-5909 8818	/
Fax	/	/	/
E-mail	zgnj3996@ceec.net.cn	zgnj3996@ceec.net.cn	/

Corporate Information and Key Financial Indicators

III. BASIC COMPANY INFORMATION

Registered address	Room 01-2706, 1-24/F, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Business address	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Postal code of business address	100022
Business address in Hong Kong	31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
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 for publication of annual reports	Shanghai Stock Exchange website: www.sse.com.cn HKExnews's website: www.hkexnews.hk
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	/

V. STOCK INFORMATION OF THE COMPANY

Class of shares	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

Applicable Not Applicable

Board of the Company	Executive Directors	Song Hailiang, Sun Hongshui, Ma Mingwei
	Non-executive Directors	Li Shulei, Liu Xueshi, Si Xinbo
	Independent non-executive Directors	Zhao Lixin, Cheng Niangao, Ngai Wai Fung
Board of Supervisors of the Company	Supervisors	He Jiansheng, Wu Daozhan (employee representative Supervisor), Kan Zhen (employee representative Supervisor), Mao Fengfu, Lv Shisen
Strategy Committee	Members	Song Hailiang (Chairperson), Sun Hongshui, Li Shulei, Si Xinbo
Nomination Committee	Members	Song Hailiang (Chairperson), Zhao Lixin, Cheng Niangao

Corporate Information and Key Financial Indicators

Remuneration and Assessment Committee	Members	Cheng Niangao (Chairperson), Liu Xueshi, Ngai Wai Fung
Audit Committee	Members	Zhao Lixin (Chairperson), Li Shulei, Ngai Wai Fung
Supervisory Committee	Members	Zhao Lixin (Chairperson), Li Shulei, Ngai Wai Fung
Accounting firm appointed by the Company	Name	Pan-China Certified Public Accountants LLP
	Office address	6th Floor, No. 128, Xixi Road, Xihu District, Hangzhou City, Zhejiang Province, the PRC
	Signing accountants	Jin Jingyu, Wang Wenfeng
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
Legal advisors engaged by the Company (as to PRC law)	Name	Beijing Tian Yuan Law Firm
	Office address	Suite 509 Tower A, Corporation Square, 35 Financial Street, Xicheng District, Beijing, the PRC
Legal advisors engaged by the Company (as to Hong Kong law)	Name	Clifford Chance
	Office address	27/F, Jardine House, One Connaught Place, Central, Hong Kong
A Share registrar of the Company	Name	China Securities Depository and Clearing Company Limited Shanghai Branch
	Office address	188 South Yanggao Road, Pudong New Area, Shanghai
H Share registrar of the Company	Name	Computershare Hong Kong Investor Services Limited
	Office address	Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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	2022	2021	Change over the corresponding period last year (%)	2020
Operating income	366,393,301	322,318,565	13.67	270,327,662
Net profit attributable to shareholders of the Company	7,809,343	6,504,102	20.07	4,670,576
Net profit excluding non-recurring profit or loss attributable to shareholders of the Company	5,706,785	5,071,829	12.52	3,683,494
Net cash flows from operating activities	7,934,299	8,844,178	-10.29	6,490,100

	End of 2022	End of 2021	Change over the end of the corresponding period last year (%)	End of 2020
Net assets attributable to shareholders of listed company	101,893,661	94,198,680	8.17	68,416,918
Total assets	664,351,125	528,862,588	25.62	476,051,912

(II) Key Financial Indicators

Key financial indicators	2022	2021	Change over the corresponding period last year (%)	2020
Basic earnings per share (RMB per share)	0.18	0.19	-5.26	0.15
Diluted earnings per share (RMB per share)	0.18	0.19	-5.26	0.15
Basic earnings per share excluding non-recurring profit or loss (RMB per share)	0.13	0.14	-7.14	0.12
Weighted average return on net assets (%)	8.46	8.55	Decreased by 0.09	7.90
Weighted average return on net assets excluding nonrecurring profit or loss (%)	6.09	6.55	Decreased by 0.46	6.17

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 RMB318 million.

Corporate Information and Key Financial Indicators

VIII. DIFFERENCES OF ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

(I) Differences between net profit and net assets attributable to shareholders of listed company in financial reports disclosed in accordance with international accounting standards and PRC GAAP Standards

Applicable Not Applicable

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

Applicable Not Applicable

(III) Differences between domestic and foreign accounting standards

Applicable Not Applicable

IX. KEY FINANCIAL DATA BY QUARTER IN 2022

	<i>Unit: '000 Currency: RMB</i>			
	Q1 (January to March)	Q2 (April to June)	Q3 (July to September)	Q4 (October to December)
Operating income	71,275,956	87,010,978	83,495,450	124,610,917
Net profit attributable to equity holders of the listed company	960,166	1,833,388	1,384,277	3,631,513
Net profit excluding non-recurring profit or loss attributable to equity holders of the listed company	837,498	914,589	1,075,697	2,879,002
Net cash flows from operating activities	-14,301,677	508,716	-4,760,808	26,488,068

Differences between quarterly information and disclosed periodic report

Applicable Not Applicable

Corporate Information and Key Financial Indicators

X. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS

Applicable Not Applicable

Unit: '000 Currency: RMB

Non-recurring profit and loss items	Amount in 2022	Amount in 2021	Amount in 2020
Gains or loss from disposal of non-current assets	1,781,687	1,027,612	654,840
Government grants included in current profit or loss (other than government grants which are closely related to the Company's normal operations and granted based on a fixed amount or a fixed quantity unified by the state)	1,131,096	901,198	727,977
Capital occupation fee charged to non-financial enterprises included in current profits and losses	92,561	56,899	50,829
Gain or loss on debt restructuring	19,490	28,896	41,000
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	2,917	2,309	572,737
Anticipated litigation	-134,271	-1,399,800	-414,560
Other non-operating income and expenses other than the above	35,093	302,188	-43,709
Less: Effect of income tax	821,726	366,248	362,327
Effect of minority interest (after tax)	-4,289	879,219	-239,705
Total	2,102,558	1,432,273	987,082

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 non-recurring profit or loss, and the 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

Corporate Information and Key Financial Indicators

XI. ITEMS MEASURED AT FAIR VALUE

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of item	Opening balance	Closing balance	Change in the period	Amount of impact on current profit
Financial assets held for trading	3,020,714	3,080,541	59,827	81,167
Investment in other equity instruments	2,389,523	2,185,285	-204,238	
Other non-current financial assets	7,647,103	8,699,355	1,052,252	-9,780
Receivables Financing	2,315,441	849,501	-1,465,940	
Total	15,372,781	14,814,682	-558,109	71,387

XII. OTHERS

Applicable Not Applicable

CHAIRMAN'S STATEMENT



Song Hailiang
Chairman

Dear Shareholders,

Time flies while we ring in the new year. We start another journey smoothly. Looking back on 2022, we sincerely worked hand in hand and definitely moved forward, and delivered a satisfying answer to the dream of a new era. 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.

Over the past year, in the face of multiple objectives and difficulties, we have always adhered to the Certain Opinions and "1466" strategy as the guidance, actively integrated into the "three mainstream economic forms" of green and low-carbon economy, digital smart economy, and sharing and integrated economy, and actively embraced the "three major development trends" of high-quality development, integrated development, and integration development, focused on the "six whole fields", i.e. whole power, whole transportation, whole city, whole water, whole ecology and whole digital, and "seven network integration", i.e. energy network, transportation network, digital network, water network, ecological network, industrial network and cultural network, fully promoted the high-quality development of the twelve major businesses, and the Company presented a new situation of comprehensive advancement, comprehensive expansion, comprehensive improvement, and comprehensive energy storage as a whole.

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 have strongly demonstrated our mission to fulfill the requirements of the “three-to-be (三要)”. We have taken a solid step in implementing the principle of “to stabilize the economy”. The amount of newly-signed contracts, operating income, total profit and net profit increased by 20.2%, 13.7%, 4.8% and 8.4% year-on-year respectively. The amount of newly-signed contracts has exceeded a trillion for the first time. The Baihetan Hydropower Station and a number of “backbone of the country” undertaken by the Company have been put into operation, showing the hard-core demeanor as the engineering iron force. The Company precisely and scientifically implemented measures “to prevent and control the pandemic”, which has protected the life safety and health of staff and communities to the greatest extent. The Company upheld the bottom line solidly “to develop safely”, no major or more severe production safety accidents have occurred throughout the year, and the Company’s safety foundation has been further consolidated.

During the year, we strived to mark a splendid chapter for the construction of “three-new” energy engineering. We have firmly established the “three-new” concept, systematically drawn the image of energy engineering, and gathered a strong cohesion to rebuild the high-quality development of new energy engineering. We comprehensively promoted the “three-new” brand, and took the lead in establishing the “three-new alliance”, i.e. the energy storage innovation alliance, the supply chain alliance, and the overseas new energy investment alliance. We proactively delivered the “three-new” energy engineering voice through the Boao Forum and other high-end platforms, and made every effort to build a new image of energy engineering. We accelerated the promotion of “three-new” development, the amount of newly signed contracts of new energy for the year increased by 82.2% year-on-year, and the indicators of acquisition of new energy development of wind and photovoltaic power exceeded the sum of the previous five years. A number of strategic, demonstrative and guiding projects were rapidly implemented, and the “three-new” energy engineering momentum was even more surging.

Chairman's Statement

During the year, we have gone all out to win the decisive battle of the “three-year actions of reform”. We continued to optimize corporate governance, established committees under the Board of Directors as applicable with respective clear responsibilities and obligations, and gained fruitful results in system construction and comprehensive improvement of governance efficiency. We have solidly promoted the construction of adaptive organizations, coordinated the reforms of restructuring and consolidation as well as new platform enterprises, and realized the “double improvement” of reform quality and efficiency. We have made great efforts to the reform of three systems, achieved 100% coverage of the tenure system and contractual management of the management, rigidly implemented rewards and punishments, optimized the training of cadres, and widely recruited all kinds of talents, thereby the vitality of the Company was stimulated. The Company deeply implemented the “3+2” incentive mechanism, and the post-based dividend, excess profit sharing, project co-investment, etc. have come into force, and the enthusiasm of all staff and cadres for entrepreneurship has been rising unprecedentedly.

During the year, we have consolidated and expanded the good momentum of promoting the “three major reforms”. The reform of momentum was more powerful, and we have achieved a number of significant achievements in the “30•60” system solutions, new power systems and other fields, and the “digital energy engineering” has achieved milestone progress. The reform of quality was obvious, the new strategic blueprint of building a talent-based enterprise has been drawn up with clear path. The spin-off and listing of Gezhouba Explosive, a subsidiary of the Company, was successfully achieved. Through “two controls, two drops, one governance, one fast”, the comprehensive governance results became solid. The reform of efficiency has been accelerated, the first supply chain plan of a central construction enterprise has been formulated, the project management manual and internal cost quota have been prepared and issued, the investment project management and control has been effective, the fundamental “334” project has been deepened and consolidated, and the scientific corporate management level has stepped into a new stage.

Today's success is the accumulation of yesterday, and today's efforts will make tomorrow brilliant. For the potential and promising 2023, we will adhere to the ideological guidance, maintain strategic positioning, focus on core tasks, highlight capacity building, constantly surpass the past, surpass ourselves, surpass honor, surpass achievements, and comprehensively create a new situation of high-quality development of the Company and building a world-class enterprise.

In the new year, we will continue to strengthen the strategic fulcrum and accelerate the leap to a new level. We will go all out to accelerate the expansion of “new energy” and improve its quality, anchor the positioning of “the first development engine and the first source of profit” of new energy, and comprehensively enhance its absolute volume and contribution. We will strive to promote the deep expansion and rapid breakthrough of the “new infrastructures”, systematically study the deep integration of the “seven networks”, dedicate to tackle the “communication and energy integration”, and comprehensively promote the integration and upgrading of the “three-new” alliance. We will make every effort to strengthen the “new industry”, clarify the direction and make up for its shortcomings. We will, in a multi-pronged way, comprehensively promote the upgrading of business, such as traditional coal-fired power cleaning transformation, urban comprehensive development, ecological environmental protection, green building materials and prefabricated construction.

Chairman's Statement

In the new year, we will constantly improve the quality and efficiency of development and strive to promote stable growth. We always adhere to the high goal orientation, focus on profitable contracts, profitable income, and profits with cash flows, effectively expand more increments, and achieve more "real money". We will strengthen capital empowerment, strive to play a good combination of industry and finance, play an active role in asset revitalization, balance the development and debt solvent, and make capital security more solid. We will strengthen the "top-level support", unswervingly expand fundamental and pillar backbone enterprises and top-level enterprises, and promote the creation of more and greater value.

In the new year, we will continuously deepen the reforms and effectively strengthen the momentum source. We will further enhance the adaptability of reforms, accelerate the construction of "platform controlled" headquarters, carry out the analysis of the effectiveness of new platforms, and accelerate the implementation of a new round of reforms. We will further strengthen the penetration of reform, put responsibilities in effect at each level, and ensure that the reform is implemented from top to the bottom and form a closed loop. We will further enhance the effectiveness of reforms, dynamically review the completed key tasks, create a number of "standing" reform benchmarks, a number of individual champions in "value", and comprehensively promote the "talent highland" and "innovation highland" to achieve remarkable results. We will further strengthen the pertinence of reforms, and conduct the professionalism, marketization and internationalization in a more accurately and effectively manner.

In the new year, we will continuously improve our skills and competitiveness. We will vigorously improve the strategic traction ability, systematic operation ability, basic management ability, sci-tech innovation and digitalization ability, capital operation ability, project performance ability, resource allocation ability, comprehensive ability of cadre and talent team, and risk prevention and control ability, effectively respond to the uncertainty of external environment with the certainty of its own excellent ability, and seize the initiative and sound advantages in the accelerated evolution of the world, era and history, so as to constantly create a new space of high-quality development.

Thousands of sales compete to win, and there is full of glory and dreams in the new journey. We will resolutely stand at the forefront, be exploring, preserving and innovating to maintain the splendid results, and strive to deliver a satisfactory answer to the society and Shareholders.

Song Hailiang *Chairman*
Beijing, China
30 March 2023

MANAGEMENT DISCUSSION AND ANALYSIS (Report of the Board)



Sun Hongshui
Vice Chairman and
General Manager

I. DISCUSSION AND ANALYSIS ON OPERATIONS

The year 2022 is a very important and extraordinary year in the history of the Company's reform and development. In the face of the complicated external situation and the arduous task of reform and development, we insisted on taking Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as our guide, seriously implemented the decisions and deployments of the Party Central Committee and the State Council and the work requirements from the SASAC, vigorously implemented the "Certain Opinions" and "1466" strategy. With focus on the two central tasks of "maintaining stable growth and strengthening scientific management", we comprehensively strengthened the "three strengths", grasped the "three effects", and successfully completed the key tasks by bearing pressure, facing up to difficulties and striving for success. The Company maintained the development trend of making progress in the midst of stability and improving quality in the midst of progress. During the year, the newly signed contracts amounted to RMB1,049.09 billion, representing a year-on-year increase of 20.2%; the operating revenue amounted to RMB366.39 billion, representing a year-on-year increase of 13.7%; the total profit amounted to RMB13.68 billion, representing a year-on-year increase of 4.8%; and the net profit amounted to RMB10.41 billion, representing a year-on-year increase of 8.4%; and the net profit attributable to the parent company amounted to RMB7.81 billion, representing a year-on-year increase of 20.1%. The comprehensive strength, influence and brand value of the Company increased significantly. Energy China Group, with the Company as the core asset, ranked 269th in the Global 500, up by 32 over last year. The Company ranked second in the ENR Top 150 Global Engineering Design Firms, ranked 11th in the ENR Top 250 Global Engineering Contractors, ranked 17th in the Top 250 International Engineering Contractors, and ranked 16th in the ENR International Engineering Design Firms, up by 1, 2, 4 and 11 over last year respectively.

Management Discussion and Analysis (Report of the Board)

(I) Significant marketing effectiveness.

Firstly, the value of our innovative model has been highlighted. We insisted on high-end integrated marketing strategy, planned and implemented over 40 high-end marketing activities during the year, and signed over 20 strategic cooperation agreements. We innovated the “seven networks” integration and “five integrations” development models, focused on key areas including “energy +”, “city +” and “digital +”. We successfully gained a number of key projects, including Gansu Jiuquan New Energy Base, Fujian Pingtan Offshore Wind Power, Gansu Qingyang Big Data Industrial Park and Shandong Jinan Area Development Project. **Secondly, we achieved a number of breakthroughs in the domestic market.** We gave full play to our role as the headquarter in the six regions, and mobilized the enthusiasm and initiative of enterprises at all levels. Guided by the national major industries and regional development strategies, we continued to deepen our efforts in key provinces. The value of newly signed contracts throughout the year in Guangdong, Sichuan, Hubei, Hebei and Anhui exceeded RMB50 billion, and the value of newly signed contracts in 17 provinces exceeded RMB30 billion, representing a significant year-on-year increase in the number of contracted provinces. The value of domestic newly signed contracts throughout the year was RMB809.3 billion, representing an increase of 23.5%. **Thirdly, we achieved new heights in the overseas market.** We vigorously implemented the development strategy of prioritizing quality synergies for our international business, systematically optimized the market layout in our six overseas regions; coordinated and launched the “four key plans” for key countries, key businesses, key investments and key projects. We successfully signed a number of “large, integrated and new” projects with significant influence, including the photovoltaic project in Egypt and the natural gas power station in Mexico. The value of overseas newly signed contracts throughout the year amounted to RMB239.79 billion. In terms of year-on-year growth, we ranked top among the “going out” central enterprises. Among them, the newly signed contract amount in the markets along the “One Belt and One Road” was RMB165.03 billion, representing a year-on-year increase of 39.9%, accounting for approximately 68.8% of the overseas contract amount.

(II) Rapid development of new energy business.

Firstly, we steadfastly strengthened, improved and expanded our new energy business. With the inherent advantages in planning and design, and general contracting in the field of electric power engineering, the Company developed green and low-carbon businesses such as new energy and comprehensive smart energy as the in-priority development industries, and actively promoted the leapfrog and high-quality development of new energy industry. During the Reporting Period, the amount of newly signed contracts for new energy engineering construction projects was RMB355.01 billion, representing a year-on-year increase of 83.9%, of which the domestic newly signed contract amount was RMB277.18 billion, representing a year-on-year increase of 89.8%, and overseas newly signed contract amount was RMB77.84 billion, representing a year-on-year increase of 65.5%; and the revenue amounted to RMB83.03 billion, representing a year-on-year increase of 25.7%. **Secondly, the Company actively seized new energy resources.** The Company actively extended the industrial chain, vigorously promoted the integration of “investment, construction and operation”, and increased market development and resource investment. In 2022, the Company obtained 16.24 million kilowatts of new energy development indicator for wind and solar power generation, representing a year-on-year increase of 39.8%, and obtained 30.13 million kilowatts of new energy development indicator for wind and solar power generation in total. The projects invested in and constructed by the Company, including Guangxi Chongzuo Integrated Energy Base (First Phase), Hubei Yicheng Distributed Wind

Management Discussion and Analysis (Report of the Board)

Power Project and Guangdong Shanwei Offshore Wind Power Project, have been grid-connected and generated power. **Thirdly, the Company actively promoted the integrated development of “energy+”.** The Company gave full play to its advantages in industrial diversification and vigorously promoted the integrated development of new energy and infrastructure with remarkable achievements. The Company prepared the “Transportation and Energy Integration Development Report 2022”, and promoted the establishment of the Working Committee of Integrated Development of Transportation and Energy of the China Highway and Transportation Society. Relying on the Zaozhuang-Heze Expressway in Shandong Province, the Company has built the first transportation and energy-integrated demonstration project for the integration of PV, energy storage and charging in the entire highway area in China. The Company gave full play to its core advantage of providing “integration of power sources, networks, loads and storage” solutions, and fully participated in eight major nodes of the “East and West” project. The “East and West” smart zero-carbon big data industrial park project of integration of power sources, networks, loads and storage invested and constructed by the Company at the Qingyang hub node in Gansu Province will become a model of low-carbon, environmental protection and energy-saving digital energy integration projects. The Company vigorously promoted the development of construction and energy integration technology, actively created a “super brain” comprehensive energy intelligent management system for green buildings, and achieved smart management of energy supply and utilization in green buildings, which is widely used in demonstration projects of construction and energy integration such as Xiong’an New Area and Xi’an Xianyang International Airport Phase III.

(III) Key breakthroughs in scientific research and development

Firstly, we focused on tackling key core technologies. The “unveiling and commanding” major science and technology projects of the Company have achieved a number of results. We developed the 535kV hybrid DC circuit breaker with the highest voltage level and the largest breaking capacity in the world, providing guarantee for the Beijing low-carbon and green Winter Olympics. Two major equipment including the large opening trough collector, power station natural ventilation direct air-cooling system have been included in the national first unit (set) of major technical equipment project list. The World’s first IEC international standards for tower solar thermal power plants, which was prepared by us, was released. **Secondly, we accelerated the industrialization of new technologies.** New technology demonstration projects have been successfully promoted, among which, a number of 300MW compressed air energy storage demonstration projects in Yingcheng, Hubei and Tai’an, Shandong started construction, and the high-altitude wind power generation project in Jixi, Anhui was basically ready for production. The high-safety, long-life energy storage special battery solution developed by us reached industry advanced standards and completed its first delivery, and has broad industrial prospects. The Company vigorously promoted the development of hydrogen energy business, and the invested demonstration project of integration of wind, solar, hydrogen, storage and agriculture in Dalian Changxing Island is being prepared for commencement of construction. The Company has mastered the technology of 1,000 Nm³/h alkaline electrolytic water hydrogen production equipment. The Company has built the first 8MW-class large alkaline electrolytic water hydrogen production unit stable transient characteristics test platform in China. **Thirdly, we reshaped and rebuilt our support and security capabilities.** We made every effort to build a new engine for industrial incubation, set up high-standard cooperation platforms such as “Three New Alliance”, energy storage innovation alliance, and supply chain alliance; established a company-level expert system, and set up a senior technical advisory committee. In 2022, the Company won 230 provincial, ministerial and industry science and technology awards; was granted 2,100 patents, including 350 invention patents; and prepared and issued more than 100 international standards, national standards and industry standards.

Management Discussion and Analysis (Report of the Board)

(IV) Continuous development of reform and innovation.

Firstly, we successfully completed the three-year reform campaign. The Company actively implemented the three-year action of state-owned enterprise reform, promoted systematic reform and overall restructuring, and achieved a series of landmark, pioneering and milestone important reform achievements. All reform tasks have come to a successful conclusion, and we received an A grade in the special assessment from the SASAC. **Secondly, we continued to deepen our system reform and pilot projects.** We seriously implemented the “two consistency”, comprehensively strengthened the construction of the Board of Directors, improved the list of the proceedings of each decision-making body. We also established and improved our reporting mechanism for matters authorized by the Board of Directors and the operation mechanism of the special committees. We continued to deepen the construction of adaptive organizations, and dynamically optimized the organization and functions of the headquarter. We implemented pilot projects, and two of our enterprises have been selected for the pilot list of mixed reform, and five enterprises have been selected for the expanded list of demonstration enterprises of science reform. **Thirdly, we carried out a deep transformation to a market-oriented operation mechanism.** We penetratingly carried out the annual evaluation of the three system reforms of enterprises, and rigidly implemented the assessment results. We deepened the tenure system and contractual management, and rigidly withdrew members of the leadership team of enterprises that failed to meet the assessment standards or not qualified. We formulated the work plan of “3+2” medium and long-term incentive mechanism, strengthened market-oriented employment reform, and created the first “four pools and one platform” in central enterprises to promote the full sharing and orderly flow of various talents.

(V) Integrated development of industrial capital.

Firstly, we have completed the spin-off and listing of a subsidiary. Through the acquisition of 68.36% of shares of Gezhouba Explosive, a subsidiary of the Company, by Nanling Industry Explosive Material Co., Ltd., a listed company, by way of issuance of shares to the Company, the spin-off of Gezhouba Explosive for reorganization and listing has been realized. The successful spin-off and listing of Gezhouba Explosive has laid a solid foundation for “Civil Explosives of Energy China” to maintain its leading position in the civil explosives industry and achieve high-quality development, and provided a new model for central and local cooperation and the spin-off for reorganization and listing in the domestic capital market. **Secondly, we quickly initiated the first refinancing work of the A-share market.** The Company closely tracked and studied regulatory policies, seized the policy opportunities of the CSRC to liberalise the financing of real estate related enterprises, formulated refinancing plans, and took the lead in initiating refinancing work. The implementation of the refinancing plan will play a positive role in maintaining sound financial structure, increasing investment in new energy and serving the national “dual carbon” strategy. **Thirdly, we increased innovation in direct financing.** We successfully issued Nei Sui Expressway REITs, providing the industry with typical practical experience in effectively connecting asset revitalization and public REITs in the infrastructure field. We also have issued various innovative types of bonds and asset securitization products such as low-carbon transformation, technological innovation and One Belt and One Road with a total amount of RMB18.51 billion, setting multiple records for the first order of the same type and the lowest interest rate in the same period.

Management Discussion and Analysis (Report of the Board)

(VI) Steady improvement in management quality and efficiency.

Firstly, we continued to strengthen the management foundation. The Company implemented the basic “334” project, benchmarked the world-class management improvement actions, systematically launched optimization and reengineering of system and process, and effectively promoted scientific, standardized and efficient management. We built a corporate data center to support the integration of industry and finance, and launched the construction of 51 information projects throughout the year. We launched 32 group-level information systems, and the level of digitization of management has increased rapidly. **Secondly, we continued to increase quality and efficiency.** We formulated a work plan to increase revenue and reduce expenses, and pushed forward various measures as a whole. The labor productivity of all employees increased by 7.01% year-on-year, and the ratio of three expenses to revenue decreased by 0.15 percentage point year-on-year. We started to reduce existing loans on a comprehensive basis, with the average interest rate dropped by more than 30 basis points. **Thirdly, we continued to improve project and supply chain management.** Projects constructed by the Company, such as Baihetan Hydropower Station, Qatar Super Large Strategic Storage Tank, and Turkey Hunutlu Power Station, were successfully put into production and operation. We won 21 national quality engineering awards, and two non-power investment integrated construction and operation projects won the Luban Award and the National Quality Engineering Award for the first time. We were the first among the central enterprises to compile and publish the supply chain development plan, and we jointly initiated the establishment of the China Construction Industry Supply Chain Cooperation and Development Alliance, and we were successfully selected as the second batch of national supply chain management innovation and application demonstration enterprises. **Fourthly, we continued to optimize risk control.** We strengthened the governance of dispute cases, promoted the management of cases, and achieved the first “double reduction” in the number and value of cases. We made every effort to build Energy China under the rule of law, and carried out actions including three legal audits, compliance management strengthening year action, internal control system process optimization, overseas project hidden hazard investigation and special supervision and inspection, etc., and continued to consolidate the large risk control system. **Fifthly, we continued to strengthen the safety line of defense.** No major production safety accidents occurred throughout the year, and the number of general accidents and casualties dropped significantly. The number of accidents and casualties dropped significantly.

II. INDUSTRY SITUATION OF THE COMPANY DURING THE REPORTING PERIOD

(I) Power Industry

1. New energy and integrated smart energy

In 2022, the domestic new energy industry maintained a strong development trend. The development and construction have been accelerated. The first batch of large wind power bases have all started construction, and the second and third batches of base projects were being pushed forward. The installation scale grew rapidly, and wind power and photovoltaic have become the mainstay of new installations and new power generation in China, with 125 million kilowatts of new wind power and photovoltaic installed capacity throughout the year, accounting for 76% of newly installed capacity nationwide, and the new wind and photovoltaic power generation capacity accounted for more than 55% of the new power generation capacity in China. The cost of development and construction continued to decrease, and wind power and photovoltaic power generation have entered a new stage of flat-rate, non-subsidized, market-oriented development. The industry, provincial and municipal carbon peak action plans, renewable energy development plans, medium- and long-term plans for hydrogen energy industry development, new energy storage implementation plans and other policies have been released one after another, providing protection for the high-quality development of new energy in the new era.

Management Discussion and Analysis (Report of the Board)

The Company is a firm pioneer and promoter of the development of new energy. In terms of the implementation of new energy projects for survey and design tasks and construction tasks, the Company's cumulative installed capacity exceeds 200 million kilowatts and 100 million kilowatts, respectively.

2. *Traditional energy*

In 2022, the overall development of domestic traditional energy was stable. The construction of nuclear power generation welcomed a period of high-quality development, with 10 nuclear power generation units approved, and an investment of RMB67.7 billion completed during the year, representing a year-on-year increase of 25.7%; the hydroelectric power industry developed steadily, with additional installed hydroelectric power capacity of 23.87 million kilowatts during the year, a year-on-year increase of 1.6%. The development and construction of pumped storage energy picked up speed, with installed capacity of pumped storage energy increased by 25.8% year-on-year; the construction of power grid projects progressed steadily, with an investment of RMB501.2 billion completed during the year, a year-on-year increase of 2.0%.

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 2022, the domestic market put focus on interconnection, complementary networks, and strong chains, and comprehensively pushed forward the construction of water conservancy infrastructure. The constructions of a number of flood control backbone projects, small and medium-sized river management, de-risking and strengthening of dangerous reservoirs, flash flood disaster prevention and control projects were promoted; The national water network major projects, 47 major water conservancy projects, including the River Diversion Project in the middle line of South-to-North Water Diversion Project were vigorously implemented; and the completed investment during the year in water construction reached the RMB-trillion level for the first time, a year-on-year increase of 44%.

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.

Management Discussion and Analysis (Report of the Board)

2. *Eco-friendly*

In 2022, with carbon reduction as the key direction, China promoted the collaborative management of pollution reduction and carbon reduction, officially launched the treatment of new pollutants, and fully opened the ecological protection campaign in Yellow River Basin. The Yellow River Protection Law of the People's Republic of China, the implementation plan for reducing pollution and carbon emissions, the action plan for the treatment of new pollutants, and the action plan for the hard battle for the ecological protection of the Yellow River were released. The Ministry of Finance arranged central ecological funds amounting to RMB62.1 billion, representing a year-on-year increase of 8.6%.

Eco-environmental protection industry is a key development direction of the Company. The Company is committed to carrying out key technology research and actively grabbing the ecological and environmental protection market.

(III) Transportation Industry

In 2022, China accelerated the construction of a strong transportation country and expanded investment in transportation infrastructure. Railway construction remained at a high level development, with fixed asset investment of RMB710.9 billion completed on national railway, and 4,100 kilometers of new lines put into operation, including 2,082 kilometers of high-speed railways; rural road network construction and upgrading continued to advance, with 150,000 kilometers of new and reconstructed rural roads completed throughout the year; highway construction picked up speed, with more than 8,000 kilometers of newly constructed and renovation and expansion highways, and the National Highway Network Plan was released; urban rail construction reached a new level, added 1,085.17 kilometers of urban rail transit lines throughout the year, with the mileage in operation exceeding 10,000 kilometers.

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, the Company has created a number of exemplary projects in the industry.

(IV) Construction Industry

In 2022, under the impact of the downward fall of the real estate market and the contraction of the demand side, the domestic construction industry achieved a total annual output value of RMB31.2 trillion, representing an increase of 6.5% year-on-year, and the construction area of houses in the construction industry was 15.6 billion square meters, representing a year-on-year decrease of 0.7%. The pace of transformation and upgrading of the construction industry accelerated. The "14th Five-Year Plan" for the development of the construction industry, the "14th Five-Year Plan" for the development of energy-saving and green buildings, and the implementation plan for carbon peaking in urban and rural construction were released. The pilot demonstrations of intelligent manufacturing were deployed and launched, fitted buildings have entered a stage of rapid development, and the proportion of new green buildings in the country has exceeded 90%, and the digital transformation of the construction industry was progressing steadily.

As one of the large central state-owned enterprises in the construction industry, the Company has the comprehensive ability to integrate architectural design, construction, investment and operation.

Management Discussion and Analysis (Report of the Board)

(V) Manufacturing

1. Cement

In 2022, cement demand across the country experienced a fall due to the downward impact of the real estate market and other over-expected factors. The annual cement production was 2.118 billion tons, decreased approximately 10.8% year-on-year. After the publication of the implementation plan of carbon peaking in the building materials industry, higher requirements were put forward for the green and low carbon recycling development of cement.

The Company has a complete industrial chain, including cement, commercial concrete, sand and gravel aggregates, logistics and distribution, technical consultation, R&D and manufacturing. The Company has the largest specialty cement production base in China, and our specialty cement production technology is at the leading level in the industry.

2. Civil explosives

In 2022, the main economic indicators of civil explosive enterprises remained growth. The gross production and sales completed by civil explosive production enterprises increased by 13.5% and 11.9% year-on-year, respectively.

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.

3. Equipment manufacturing

In 2022, the pace of high-end, intelligent and green development of the domestic equipment manufacturing industry accelerated. The first domestic F-class 50 MW heavy-duty gas turbine with full intellectual property rights and the world's largest single-capacity offshore wind turbine and other projects were officially launched. The added value of the equipment manufacturing industry increased by 5.6% year-on-year.

The Company has been cultivating the power industry for many years and has achieved a number of domestic and even international leading technological achievements in the field of energy and power equipment manufacturing.

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-power businesses such as water conservancy, ecological environmental protection, comprehensive transportation, municipal administration, housing construction, etc. The Company has strengthened the traction

Management Discussion and Analysis (Report of the Board)

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 2022 was RMB14.31 billion, representing a year-on-year increase of 20.1%.

(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 other construction and contracting business. The amount of newly signed contracts for the construction and contracting business of the Company in 2022 amounted to RMB991.01 billion, representing a year-on-year increase of 23.7%, in which:

1. *New energy and integrated smart energy*

The Company made new energy development a top priority during the year, actively seized the new energy market and vigorously developed new energy and integrated intelligent energy engineering business. Domestically, the Company signed a number of new energy projects, including the Guangdong Yangjiang Qingzhou Phase Five Offshore Wind Farm Project, the Integrated Demonstration Project for Integrated Energy Consumption Balance of Photovoltaic Energy Region in Jiulongpo District, Chongqing City, and the Shanxi Shuozhou Youyu County 400MW/800MWh Independent Energy Storage Project. Overseas, we signed a number of new energy projects, including the Vietnam Tianfu Offshore Wind Power Project, the Kazakhstan Jettelsu Integrated Water, Photovoltaic and Storage Project, and the South Africa 150MW Compressed Air Energy Storage Project. We accelerated the deployment of our hydrogen energy business and signed a number of representative projects, including the Inner Mongolia Erdos Narisong 400,000-kilowatt Photovoltaic Hydrogen Production Demonstration Project and the Hebei Chengde Luanping Tianhong 200MW Agricultural Photovoltaic Hydrogen Production Rural Revitalization Project. In 2022, the value of newly signed contracts of our new energy and integrated smart energy engineering and construction business amounted to RMB355.01 billion, representing a year-on-year increase of 83.9% and accounting for 33.8% of the total, up 11.7 percentage points over last year.

2. *Traditional energy*

With the advantages of the headquarters in coordination, planning and market layout, the Company achieved relatively good results in the traditional markets of thermal power, hydropower, nuclear power and power transmission and transformation. Domestically, we signed a number of large-scale traditional energy projects, including the Xinjiang Huadian Changji Ingemar Coal and Power Integration Pithead Power Plant, the Qinghai Hainan Prefecture Gonghe County (Duolong) 3.9 million kilowatts Pumped Storage Power Station, Zhejiang San'ao Nuclear Power Plant Phase I Project, and the World-class City Grid Power Channel Phase I Project in Wuchang District, Wuhan City, Hubei Province. Overseas, we signed a number of traditional energy representative projects, including the Romania Cluj Combined Gas-Steam Cogeneration Plant Project and Congo (Bu) Muhara Hydroelectric Power Station and Supporting Transmission and Transformation Project. In 2022, the value of newly signed contracts of our traditional energy engineering and construction business amounted to RMB249.25 billion, representing a year-on-year increase of 23.9% and accounting for 23.8% of the total.

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3. Urban construction

The Company actively participated in integrated urban development, new-type urbanization and industrial park development, explored municipal and housing construction markets, coordinated the development of regional coordination, insisted on strategic, integrated and group marketing of major and mega projects, continuously innovated business models, increased investment and financing traction, and achieved rapid growth in the urban construction field. We signed a number of urban construction projects, such as Hebei Jingnan Innovative Technology New City Integrated Development Project, Hunan Changsha Tianxin District Xinkaipu Area Urban Renewal Project, Hainan Haikou City, Jiangdong New District Resettlement Housing Section III Project, Sichuan Pengzhou Baoxin Aviation and Aerospace Technology Valley. Overseas, we successfully signed a number of urban construction projects, including the Housing construction project in Al Falah area and Al Raha Island, Abu Dhabi, United Arab Emirates, Sri Lanka South Asia ASEAN International Economic, Trade and Cultural Services Center, Malaysian Maritime Authority Administrative Complex. In 2022, the value of newly signed contracts of our urban construction business amounted to RMB212.16 billion, representing a year-on-year increase of 23.1%.

4. Comprehensive transportation

The Company coordinated multiple resources with elaborate organization and scientific planning, and successfully entered into the project of Shucheng-Jinzhai Section of Hexian to Xiangyang Expressway, the project of Kaiping-Taishan Section of Guangtai Expressway, and the project of Kaizhou to Liangping Expressway in Chongqing. 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 2022, the cement production was 23.594 million tonnes, representing a year-on-year decrease of 7.3%; the clinker production was 20.246 million tonnes, representing a year-on-year decrease of 1.9%; the production and sales of commercial concrete was 1.572 million cubic meters, representing a year-on-year increase of 11.1%; the production of gravel aggregates was 4.07 million tonnes, representing a year-on-year decrease of 1.8%.

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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 technical skill, equipment technology, explosive technology, construction management and operation mode. 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 detonators, intelligent blasting and green mines. The Company seized opportunities to promote the reorganization of civil explosive business, and the development scale remained the industry leader. In 2022, the Company proactively promoted the green mine construction, advanced the clean and low carbon development of civil explosive industry, and continuously consolidated the industry position of the Company. The revenue was RMB5.56 billion, representing a year-on-year increase of 2.66%. The sales of industrial explosives were 378,500 tonnes, representing a year-on-year increase of 1.26%.

3. *Equipment manufacturing*

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 deployed in 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 2022, the Company further enhanced the coordinated and integrated advantages of equipment manufacturing, the internal coordinated amount achieved to RMB3.51 billion, representing a year-on-year increase of 225.6%. After deducting the internal coordinated amount, the newly signed contract amount was RMB10.91 billion, representing a year-on-year decrease of 12.7%.

(IV) **Investment and operation business**

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

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1. New energy and integrated intelligent energy

Closely following the “30•60” carbon peak carbon neutral goal, the Company intensified the market development and resource investment in the new energy investment business, vigorously promoted the integration of “investment, construction and operation”, optimized and strengthened the new energy industry sector. In 2022, the Company obtained new energy investment indicators of 16.24 million kilowatts, additional on-grid wind and photovoltaic new energy controlled installed capacity of 2.388 million kilowatts. As of the end of 2022, the new energy on-grid totaled 4.987 million kilowatts, including: wind power of 1.742 million kilowatts, solar power of 3.021 million kilowatts and biomass power of 224,000 kilowatts.

2. Traditional energy

The Company fully exerted the whole industry chain advantages of power construction, vigorously promoted the development of pumped storage business, and successively obtained investment and development rights for four national “14th Five-Year Plan” projects such as Hubei Qichun, with a total installed capacity of 7.9 million kilowatts. As of the end of 2022, the controlled installed capacity of traditional energy business was 2.0373 million kilowatts, including: thermal power of 1.2547 million kilowatts and hydropower of 782,600 kilowatts.

3. Environmental protection and water affairs

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 770.7268 million tons/year and water treatment capacity of 584.5048 million tons/year.

4. 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 Shaanxi Ningshi Expressway, Guangxi Tianxi Expressway invested and constructed by the Company successively completed and put into operation. The Company intensified the capital operation, revitalized the assets of Neisui Expressway, and successfully issued the first off-balance-sheet expressway infrastructure REITs with its size of issuance recorded the highest on the SSE, supporting the investment cycle and high-quality development of expressways. During the Reporting Period, the controlling operating mileage is 1,129.8 kilometers.

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5. 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 niche 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, Kunming Wuhua, Changsha Tianxin and Xiong'an, opening up a new situation for urban comprehensive development and operation. The Company has actively practiced the work idea of integrated urban development, increased synergy, continuously innovated internal cooperation and business models, and acquired projects such as Ji'nan, Shandong, Chaoyang, Beijing, Wuhu, Anhui by integrating with the regional headquarters, landing the headquarters of the Company's subsidiaries, importing the Group's industries and pulling market synergy by investment, which has brought into play the advantages of the Company's whole industrial chain and realized business model innovation.

6. Capital and financial services

The capital and financial service business of the Company includes the finance company and other non-monetary banking services, which provide strong support for the Company to strengthen centralized capital management, serve the main business, enrich financing means, enhance capital operation and save financing costs. During the Reporting Period, the Company continued to deepen its strategic cooperation with financial institutions and successfully issued various innovative varieties of bonds and asset securitization products of RMB18.51 billion.

(V) Other Businesses

The Company's other businesses include software and information services, logistics trade, leasing and business services, etc. During the Reporting Period, as the main carriers supporting the Company's technological development and comprehensive digital transformation, the Company's software and information services provided strong support for the Company's digital transformation. The logistics and trade business of the Company achieved positive results in its operation and development; the leasing and commercial service business of the Company, focusing on principal businesses, continued to promote the transformation of business model, and maintained a stable development.

IV. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Applicable Not Applicable

(I) Outstanding Integrated Development Capacity of New Energy

The Company has a completed industrial chain integrating planning and consulting, evaluations and review, survey and design, engineering construction and management, operational maintenance and investment operation, technical services, and equipment manufacturing, which has formed a strong full-life-cycle integrated development capability of investment, construction and operation. The subsidiaries of the Company cover all provinces, municipalities and regions across China, have served the national and local energy and power industry authorities for a long time, and have established long-term and stable cooperative relations with local governments, power enterprises, power

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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 on the new energy consumption monitoring and early warning center of China, the Company has accumulated rich resources and capabilities in new energy power access and consumption. The “two integration” system solution of power source, network, loads and storage and the multi-energy complementary development is at the leading level in China.

(II) Leading Technology Research and Development and Innovation Level

The Company further improved the innovation platform system led by the technology center and characterized by “integration of unification and differentiation”, and newly established R&D platforms, including the Compressed Air Research Institute, the Intelligent Transportation Research Institute, the Research Institute of Nuclear Power Standing Islands, the Research Institute of Energy and Construction Engineering Inspection and Green Advanced Materials Research Institute. The National Technology Innovation Center for Green and Low-carbon Buildings, which the Company participated in building, was approved by the Ministry of Science and Technology. The Company took the lead in establishing the “China New Energy Storage Industry Innovation Alliance” and the “Three New Alliance” for new energy, new infrastructure and new industries. The Company organized special actions for scientific and technological innovation, formulated the Implementation Plan for Special Actions for Scientific and Technological Innovation of Energy China, deployed 54 tasks around key core technologies, building national R&D platforms, creating original technology curators and modern industrial chain chains, and resolutely won the battle of key core technologies.

(III) Outstanding Engineering Strength and Engineering Performance

In the industries such as China’s domestic power planning consulting, thermal power generation, nuclear power conventional island, backbone power grid design and other markets, the Company has achieved a market share of more than 70%, enjoying a high industry-leading position and speaking right. The Company has rich engineering performance in the whole life cycle of energy and power engineering, especially in the construction of new energy, water conservancy and hydropower, nuclear power, coal-fired power generation and extra-high voltage transmission lines. The Company has vigorously expanded the general contracting market by developing new business models such as EPC, EPC+F, investment-driven 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. Since the establishment, the Company has won 48 National Quality Engineering Gold Awards, 17 China Construction Engineering Luban Awards, 5 China Civil Engineering Zhan Tianyou Awards, 5 China Excellent Engineering Survey and Design Gold Awards, 10 China Excellent Engineering Consulting Achievement First Prizes and 4 Gold Key Awards for excellent general contracting projects in the national engineering survey and design industry.

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(IV) Excellent Technical Level and Talent Team

With focuses on the strategic goal of “30·60” and building “Energy China” solutions in the directions of new energy, comprehensive smart energy, smart construction, and traditional power. The Company enjoys international leading advantages in the technology fields of offshore wind power, solar power generation, core technology of solar thermal power generation, flexible AC/DC transmission, clean coal-fired high-efficiency power generation, ultra-high voltage AC/DC, megawatt-class ultra-supercritical units, conventional islands of third-generation nuclear power plants, and GIL integrated corridor transmission and transformation. The Company is in the leading position in China in new energy storage technology, CCUS technology, high-altitude wind energy technology, design and installation technology of conventional islands of nuclear power plants, and geothermal energy utilization technology. The Company has gathered planning, design and construction experts and professional and technical personnel representing the world and domestic advanced level in the field of energy power, has many experts who enjoy the State Council’s 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

In 2022, the newly signed contract amount of the Group was RMB1,049.09 billion, representing a year-on-year increase of 20.2%; the operating revenue amounted to RMB366.39 billion, representing a year-on-year increase of 13.7%; the total profit amounted to RMB13.68 billion, representing a year-on-year increase of 4.8%; and the net profit amounted to RMB10.41 billion, representing a year-on-year increase of 8.4%. Please refer to “I. Discussion and Analysis on Operations” of this section for details.

(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	366,393,301	322,318,565	13.67
Operating cost	320,891,131	279,909,972	14.64
Sales expense	1,687,317	1,667,424	1.19
Management fee	13,721,805	12,746,643	7.65
Financial expense	4,615,842	3,672,626	25.68
Research and development expense	10,441,637	8,789,472	18.80
Net cash flow from operating activities	7,934,299	8,844,178	-10.29
Net cash flow from investing activities	-49,025,772	-18,653,107	-162.83
Net cash flow from financing activities	52,324,231	12,323,840	324.58

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Reasons for change in operating income: In 2022, the Company achieved operating income of RMB366.393 billion, representing a year-on-year increase of 13.67%. The increase was mainly attributable to the Company's proactive implementation of dual carbon strategies, resulted in the rapid growth of new energy contracting business, together with the enhanced investment-leading, PPP and other investment businesses has driven the non-power business development such as comprehensive transportation.

Reasons for change in operating cost: In 2022, the Company incurred operating costs of RMB320.891 billion, a year-on-year increase of 14.64%. This increase was due to the expansion of business development scale.

Reasons for change in financial expense: The expansion of the scale of business development and the increase in financing needs.

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

In 2022, the Company achieved the operating revenue amounted to RMB366.393 billion, representing a year-on-year increase of 13.67%; the operating costs amounted to RMB320.891 billion, representing a year-on-year increase of 14.64%.

Please refer to "Note V.38 Revenue" in the financial statements attached to Financial Report of this report for recognition method of revenue, etc.

(1). Main business by sector and by region

Unit: '000 Currency: RMB

Main businesses by sector						
Sector	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
Survey, design and consulting services business	17,462,464	10,214,126	41.51	18.29	7.04	Increased by 6.15 percentage points
Including: New energy and comprehensive smart energy	3,266,700	2,334,992	28.52	81.89	99.00	Decreased by 6.15 percentage points
Construction and Contracting Business	302,055,621	278,942,929	7.65	14.45	15.51	Decreased by 0.84 percentage point
Including: New energy and comprehensive smart energy	83,030,054	78,616,302	5.32	18.91	17.90	Increased by 0.81 percentage point

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Main businesses by sector						
Sector	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
Industrial manufacturing	27,512,426	22,642,968	17.70	-2.61	5.05	Decreased by 6.00 percentage points
Including: Construction materials	8,517,910	6,645,292	21.98	-16.13	4.82	Decreased by 15.59 percentage points
Civil explosives	5,562,372	4,260,625	23.40	2.66	3.83	Decreased by 0.86 percentage point
Investment and operation business	33,595,353	25,085,091	25.33	23.25	26.22%	Decreased by 1.76 percentage points
Including: New energy and integrated smart energy	2,341,093	1,222,797	47.77	86.92	124.06	Decreased by 8.66 percentage points
Ecological and environmental protection	190,572	122,242	35.86	-86.38	-91.46	Increased by 38.14 percentage points
Comprehensive transportation	2,013,321	913,522	54.63	7.97	67.83	Decreased by 16.18 percentage points
Real estate (new urbanization)	20,067,853	16,195,854	19.29	29.14	22.58	Decreased by 1.04 percentage points
Other businesses	8,249,539	6,067,370	26.45	29.82	19.70	Increased by 6.22 percentage points
Inter-segment elimination	-22,482,101	-22,061,353	1.87	23.36	25.17	Decreased by 1.42 percentage points

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	319,614,035	278,961,575	12.72	15.77	17.58	Decreased by 1.34 percentage points
Overseas	46,779,266	41,929,556	10.37	1.14	-1.72	Increased by 2.61 percentage points

Note: Due to the specialty of the Group's businesses, the main business by industries of the Group are analyzed by sectors

Explanation on main business by sector:

① Survey, Design and Consulting Services Business

The operating income of the survey, design and consulting services business mainly derives 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

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and power project testing, evaluation and supervision services. In 2022, the Company continued to expand and improve its cross-industry comprehensive design capabilities, and actively entered the non-power business such as the water conservancy, ecological and environmental protection, integrated transportation, municipal, housing, and strengthened the role of design consulting lead. The Company achieved operating revenue of RMB17.462 billion, a year-on-year increase of 18.29%, gross profit margin of 41.51%, a year-on-year increase of 6.15 percentage points, and the traditional energy projects maintained stable growth and changed from rapid development to high quality development.

② Construction and Contracting Business

The construction and contracting business mainly includes domestic and overseas new energy and integrated intelligent energy, traditional energy, urban construction, integrated transportation and other engineering construction businesses. In 2022, the Company actively explored the new energy market, and vigorously developed new energy and integrated intelligent energy engineering business. Revenue from new energy general contracting business increased significantly. The construction and contracting business achieved operating revenue of RMB302.056 billion, a year-on-year increase of 14.45%, while gross profit margin was 7.65%, a slight decrease year-on-year.

③ Industrial Manufacturing Business

The operating income of the industrial manufacturing business mainly derives 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. In 2022, the Company achieved operating revenue of RMB27.512 billion, representing a year-on-year decrease of 2.61%, the gross margin decreased by 6 percentage points year-on-year, mainly due to the depression and insufficient demand of real estate industry, the decline of price of cement, but the rising prices of coal and other raw materials, and the narrowing room of profitability of cement business.

④ Investment and operation business

The operating income of the investment and operation business mainly derives from the investment and other business in traditional energy, new energy and comprehensive smart energy, investment and operation business of integrated transportation projects, real estate (new urbanization) investment and development business, and financial services. In 2022, operating income from the segment amounted to RMB33.595 billion, representing a year-on-year increase of 23.25%. The gross margin decreased by 1.76 percentage points year-on-year, mainly due to: firstly, the decrease in subsidies for new energy projects and new project put into operation were under grid parity; secondly, the decrease in revenue and gross profit margin from the comprehensive transportation business.

⑤ Other businesses

The operating income of other businesses mainly derives from software and informatization services, logistics trade, leasing and business services, etc. In 2022, the operating revenue was RMB8.250 billion, representing a year-on-year decrease of 29.82%; and the gross profit margin was 26.45%.

(2). Analysis table of production and sales

Applicable Not Applicable

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

Applicable Not Applicable

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(4). Analysis of cost

Unit: '000 Currency: RMB

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
Survey, design and consulting services business	Labor and subcontracting fees and other fees	10,214,126	3.18	9,542,609	3.41	7.04	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 and other fees	278,942,929	86.93	241,495,726	86.28	15.51	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	22,642,968	7.06	21,553,727	7.70	5.05	The increase in the business volume during the year resulted in an increase in costs during the year
Investment and other business	Labor fees and other fees	25,085,091	7.82	19,873,639	7.10	26.22	The increase in the business volume during the year resulted in an increase in costs during the year
Others	Labor and subcontracting fees, machinery usage fees and other fees	6,067,370	1.89	5,068,964	1.81	19.70	The increase in the business volume during the year resulted in an increase in costs during the year
Elimination		-22,061,353	-6.88	-17,624,693	-6.30	25.17	
Total		320,891,131	100.00	279,909,972	100.00	14.64	

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

Applicable Not Applicable

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(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

During the Reporting Period, the sales to the top five customers were RMB27.531 billion, accounting for 7.51% of the total annual sales; among the sales to the top five customers, the sales of related parties were RMB4.733 billion, accounting for 1.29% 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

B. Major suppliers of the Company

Applicable Not Applicable

During the Reporting Period, the procurement amount from the top five suppliers was RMB15.442 billion, accounting for 5.43% of the total procurement amount of the year; of which, procurement amount from the related parties among the top five suppliers was RMB0, accounting for 0% of the total procurement amount of the year.

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 2022, the Company incurred sales expenses of RMB1.687 billion, representing a year-on-year increase of 1.19%, mainly due to the expansion of business scale and the increase in related sales services.

In 2022, the Company incurred administrative expenses of RMB13.722 billion, representing a year-on-year increase of 7.65%, mainly due to the expansion of business scale, the increase in related office expenses and travel expenses.

In 2022, the Company incurred financial expenses of RMB4.616 billion, representing a year-on-year increase of 25.68%, mainly due to the expansion of our business scale, which has resulted in an increase in financing demand.

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In 2022, the Company incurred research and development expenses of RMB10.442 billion, representing a year-on-year increase of 18.80%, 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

Unit: '000 Currency: RMB

Expenses of research and development investment of current period	10,441,637
Capitalized research and development investment of current period	12,134
Total research and development investment	10,453,771
Percentage of research and development investment of operating income (%)	2.85
Percentage of capitalized research and development investment (%)	0.12

(2). Table of research and development personnel

Applicable Not Applicable

Number of research and development personnel	21,426
Percentage of the number of research and development personnel to the total number of the Company (%)	18.7
Educational structure of research and development personnel	
Types of educational structures	Number of educational structures
PhD degree	335
Master's degree	6,531
Bachelor's degree	14,560
Age structure of research and development personnel	
Types of age structure	Number of age structure
Under aged 30 (excluding aged 30)	3,398
Aged 30-40 (including aged 30, excluding aged 40)	8,810
Aged 40-50 (including aged 40, excluding aged 50)	5,591
Aged 50-60 (including aged 50, excluding aged 60)	3,592
Aged 60 or above	35

(3). Descriptions

Applicable Not Applicable

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In 2022, the Company continued to increase its investment in science and technology, with the R&D investment ratio reaching 2.85%, representing a year-on-year increase of 17.83%. The Company has launched the first batch of 29 “unveiling and commanding” major science and technology projects in the field of “dual carbon”, completed the annual nodal points. The Company has achieved a number of important milestones in the fields of “30•60” system solutions, new power systems, new energy storage, hydrogen energy, integration of transportation and construction energy, and smart energy. Among them, in terms of “30•60” system solutions, the Company formed the implementation path of green low-carbon development in the energy, construction, transportation, steel and chemical industries; in terms of hydrogen energy, the Company completed the development of a 30Nm³/h alkaline electrolyzer prototype and built a test platform, laying a good foundation for the Company to develop large-scale electrolyzer equipment; in terms of new energy storage, the Company proposed the “Compressed Air Energy Storage Power Plant System Solution of Energy China”, promoting the Company’s compressed air energy storage technology to reach the international leading level; in terms of the integration of traffic and energy construction, the Company researched and formed the overall solution for the integration of traffic and energy in airport, port, highway and other scenarios, and started the demonstration projects for the integration of traffic and energy in Zaohe Expressway and Huanghua Airport.

(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		
	2022	2021	Growth rate (%)
Net cash flows from operating activities	7,934,299	8,844,178	-10.29
Net cash flows from investing activities	-49,025,772	-18,653,107	-162.83
Net cash flows from financing activities	52,324,231	12,323,840	324.58

Applicable Not Applicable

In 2022, the net cash flow from operating activities of the Company was RMB7,934 million, representing a year-over-year decrease in inflow of RMB910 million.

In 2022, the net cash flow from investing activities of the Company was RMB-49.026 billion, representing a year-over-year increase in outflow of RMB30.373 billion compared with the same period last year. This was mainly due to the increase in foreign investments and acquisition and construction of assets during the year.

In 2022, the net cash flow from financing activities of the Company was RMB52.324 billion, representing a year-over-year increase in inflow of RMB40.000 billion. This was mainly due to the increase in financing demands as a result of the business development.

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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 years indicated:

	<i>Unit: '000 Currency: RMB</i>	
	2022	2021
Fixed assets	3,094,854	3,481,266
Construction in progress	14,323,348	7,374,728
Intangible assets	6,042,628	8,809,479
Total	23,460,830	19,665,473

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 2022, the Company has no other significant expenses exceeding 25% of net profit.

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

Applicable Not Applicable

(III) Analysis of Assets and Liabilities

Applicable Not Applicable

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1. Assets and liabilities

Unit: Thousand Yuan 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	73,103,842	11.00	58,299,098	11.02	25.39	Due to business development and arising from operation income
Accounts receivable	73,010,470	10.99	56,955,906	10.77	28.19	Increase in business scale
Contract assets	89,402,926	13.46	64,953,377	12.28	37.64	Increase in business scale
Fixed assets	42,934,534	6.46	39,586,551	7.49	8.46	Increase in new energy infrastructures
Account payables	166,095,040	25.00	124,576,834	23.56	33.33	Increase in business scale
Long-term loans	132,123,527	19.89	84,618,293	16.00	56.14	Satisfy the investment needs

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	Closing book value	Reason for restriction
Cash	9,102,902	Issuing bank acceptance bills, guarantee deposits, and time deposits over three months etc.
Bill receivable	5,673,270	Loan pledge
Account receivables	5,268,108	Loan pledge
Inventories	14,153,234	Loan mortgage/litigation seizures
Fixed assets	1,279,319	Loan mortgage
Long-term receivables	7,916,135	Loan pledge
Intangible assets	30,698,771	Loan mortgage/pledge
Total	74,091,739	

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4. Debts and contingent liabilities

(1) Indebtedness

As at 31 December 2022, the Company's total liabilities amounted to RMB496.865 billion and total assets amounted to RMB664.351 billion. The gearing ratio was 74.79%, representing an increase of 3.10 percentage points from last year. The Company's total indebtedness amounted to RMB186.340 billion. The following table sets forth the details of bank borrowings, other borrowings and corporate bonds of the Company as at the dates indicated:

	<i>Unit: '000 Currency: RMB</i>	
	2022	2021
Long-term		
Bank borrowings		
Unsecured	80,776,230	47,212,515
Secured	51,347,297	37,261,696
Other borrowings		
Secured		144,082
Corporate bonds (note)	9,800,000	11,292,484
Subtotal	141,923,527	95,910,777
Short-term		
Bank borrowings		
Unsecured	24,090,139	14,359,918
Secured	1,459,443	1,412,333
Customers deposits and deposits from banks and other financial institutions		
Unsecured	3,191,860	2,921,494
Corporate bonds (note)	3,413,346	1,957,056
Non-current liabilities within one year		
Unsecured	9,806,384	1,919,745
Secured	2,455,131	1,697,915
Subtotal	44,416,303	24,268,461
Total	186,339,830	120,179,238

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

5. Gearing ratio

The gearing ratio of the Company at the end of the period was 111.26%, representing an increase of 30.99 percentage points as compared from the beginning of the year. Gearing ratio represents interest-bearing debts divided by total equity at the end of the period.

6. Other explanation

Applicable Not Applicable

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(IV) Analysis of Industry Operating Information

Applicable Not Applicable

The industry classification of the Company is construction. The Company analyzes the operating information required by the industry guidelines as follows:

1. Qualifications of the Company

In 2022, the Company held a total of 14 special qualifications for general contracting of engineering construction (6 special qualifications for general contracting of water conservancy and hydropower projects, 3 special qualifications for general contracting of highway construction, 3 special qualifications for general contracting of power engineering construction, and 2 special-grade qualifications for general contracting of construction engineering), 10 comprehensive Grade-A qualifications for engineering design, 21 comprehensive Grade-A qualifications for engineering survey, 245 first-class qualifications for various types of engineering construction contracting (92 general contracting and 153 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.

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 projects (unit)	9	3	380	0	37	429
Total amount	96,064.44	145,053.83	1,127,327.12	0	205,613.37	1,574,058.76

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Area	Number of projects (unit)	Total amount
Domestic	417	1,273,654.46
Overseas	12	300,404.30
Including:		
Asia	12	300,404.30
Total	429	1,574,058.76

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Other explanation

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 projects (unit)	202	219	2,479	0	202	3,102
Total amount	11,048,586.51	23,750,310.60	84,231,756.97	0.00	8,416,941.17	127,447,595.25

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Area	Number of projects (unit)	Total amount
Domestic	2,738	87,698,521.78
Overseas	364	39,749,073.48
Including:		
Asia	227	24,021,647.77
Europe	12	2,278,989.30
Africa	93	7,483,643.37
America	29	5,911,497.44
Oceania	3	53,295.60
Total	3,102	127,447,595.25

4. Major projects under construction

Applicable Not Applicable

5. Accumulated newly signed projects during the Reporting Period

Applicable Not Applicable

During the Reporting Period, the cumulative number of newly signed projects was 30,657, with an amount of RMB1,049,085,711,800.

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6. Orders backlog at the end of the Reporting Period

Applicable Not Applicable

At the end of the Reporting Period, the total amount of orders backlog was RMB1,817,295,986,700. Among them, the amount of projects contracted but not commenced was RMB882,525,094,100, and amount of the projects under construction but not completed was RMB934,776,862,600.

7. Project revenue in the past three year

Applicable Not Applicable

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

Unit: '000 Currency: RMB

Item	2022	Proportion of operating income (%)	2021	Proportion of operating income (%)	2020	Proportion of operating income (%)
Traditional energy	127,104,489	42.08	112,775,654	42.73	95,343,548	44.96
New energy and integrated smart energy	83,030,054	27.49	69,828,004	26.46	49,135,842	23.17
Building and structures	28,806,491	9.54	21,180,678	8.03	11,094,516	5.23
Infrastructure construction	35,377,587	11.71	28,285,543	10.72	31,415,242	14.81
Eco-environmental protection	5,264,603	1.74	4,877,133	1.85	3,773,864	1.78
Others	22,472,397	7.44	26,972,919	10.22	21,303,146	10.05

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

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

Unit: '000 Currency: RMB

Item	2022	Proportion of operating costs (%)	2021	Proportion of operating costs (%)	2020	Proportion of operating costs (%)
Traditional energy	119,425,677	42.81	102,560,463	42.47	87,682,891	45.33
New energy and integrated smart energy	78,616,302	28.18	66,680,602	27.61	46,672,026	24.13
Building and structures	25,334,511	9.08	19,119,296	7.92	9,846,564	5.09
Infrastructure construction	29,179,187	10.46	24,078,525	9.97	27,159,111	14.04
Eco-environmental protection	4,731,580	1.70	4,361,016	1.81	3,333,737	1.72
Others	21,655,672	7.76	24,695,825	10.23	18,749,210	9.69

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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*

According to the requirements of GB/T19001-2016 "Quality Management System Requirements" and GB/T50430-2017 "Quality Management Code for Engineering Construction Enterprises", etc., 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 Project Engineering Construction Enterprises", the "Construction Quality Evaluation Standards for Construction Projects", and the "Unified Standards for Quality Acceptance of Construction Engineering Construction", etc.

The Company strengthened the QHSE system governance, launched the construction of "Quality, Environment, Occupational Health and Safety Management System", strived to standardize QHSE management, and boosted the market competitiveness of the Company.

The Company attaches great importance to quality and has made steady progress. The Company fully implemented the first-set sample system and the licensing acceptance system to ensure the physical quality with process quality. The Company strengthened the casting of excellence, and made a breakthrough in creation of non-power projects integrated with investment, construction and operation. The Company has won 21 national quality engineering awards throughout the year. The quality situation of the Company was generally stable, and we achieved the goal of zero quality accidents throughout the year.

10. *Operation of the safety production system of the Company*

Around the adaptive organization construction, the Company optimized and upgraded the safety production system, improved the system, and revised the Production Safety Accident, Quality Accident and Environmental Incident Management Measures, the QHSE Reward and Punishment Measures" and "Emergency Management Measures. The existing safety production systems include the Safety Production Management Regulations, the Safety Production Responsibility System, the Safety Risk Management Measures, the Administrative Measures for the Investigation and Treatment of Production Safety Accidents and Hidden Dangers, the Measures for Safety Management of Engineering Project Process, Emergency Management Measures, the Measures for the Implementation of Safety Production Performance Supervision, the Contracting (Subcontracting) Safety Management Measures, the Administrative Measures for QHSE Education and Training, QHSE Rewards and Punishments Measures, the Administrative Measures for the Management of Production Safety Accidents, Quality Accidents and Environmental Events, and the Rules for QHSE Evaluation and Scoring of Subsidiaries.

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The Company strengthened the study and dissemination of the safety production system, strictly implemented the requirements of the system, rigidly implemented the “fifteen rigid measures” and “five musts” around the “12 in place”, deepened the special rectification of safety production, built a firm line of defense for safety production, and ensured the continued effective operation of the safety management system.

In 2022, the production safety system of the Company operated under good 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 2022, the external investment of the Company amounted to RMB65.0 billion, of which the investment in new energy and integrated smart energy business was RMB15.3 billion, the investment in real estate development was RMB19.8 billion, the investment in area comprehensive development business was RMB10.7 billion, and the investment in comprehensive transportation business was RMB8.8 billion.

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 2022.

2. Significant non-equity investments

Applicable Not Applicable

The Company has no major non-equity investment project with external investment amount exceeding 10% of the Company’s net assets in 2022. The main operating real estate projects held as of 31 December 2022 are listed below.

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Table of Situation of Operating Real Estate Projects							
No.	Name of project	Location	Land area (square meters)	GFA (square meters)	Shareholding percentage by the Company	Percentage of completion	Note
1	Beijing China Residence	Beijing	104,578	347,037	100%	82.28%	
2	Beijing Zijun Orchid Garden	Beijing	74,773	241,764	100%	100%	
3	Suzhou Zijun Orchid Garden	Suzhou	74,775	263,160	22%	91.10%	Non-consolidated item
4	Nanjing China Residence	Nanjing	26,380	114,033	100%	98.43%	
5	Nanjing Zijun Orchid Garden	Nanjing	143,744	559,642	35.70%	77.72%	
6	Nanjing G30 Project	Nanjing	42,783	232,925	33.90%	92.93%	Non-consolidated item
7	Nanjing G49 Project	Nanjing	43,708	173,306	100%	91.61%	
8	Hangzhou Jing Lin Tian Zhu	Hangzhou	42,907	141,691	34%	99.2%	Non-consolidated item
9	Hangzhou China Residence	Hangzhou	56,755	229,319	70%	96.86%	
10	Wuhan International Plaza South Area	Wuhan	42,570	364,000	50%	85.36%	Non-consolidated item
11	Wuhan Kunyu Residence	Wuhan	107,544	779,370	40%	89.28%	Non-consolidated item
12	Chongqing Expo City	Chongqing	618,622	1,615,764	49%	95.02%	Non-consolidated item
13	Chongqing European Garden	Chongqing	813,401	2,073,763	49%	79.78%	Non-consolidated item
14	Guangzhou Nansha Project	Guangzhou	342,754	1,048,426	61.82%	52.55%	
15	Hainan Haitang Fuwan	Sanya	374,200	298,617	100%	90.13%	
16	Xiong'an Zangang Hub Area No. 1	Xiong'an	294,420	841,073	100%	22.59%	
17	Nanjing G70 Project	Nanjing	42,308	165,800	100%	78.19%	
18	Suzhou Zhiqiu Villa	Suzhou	38,557	63,300	100%	94.44%	
19	Hefei China Residence Phase III	Hefei	26,200	65,100	100%	85.92%	
20	Chongqing Yuhu Orchid Garden	Chongqing	120,800	353,200	100%	78.12%	
21	Wuhan Jiangyue Orchid Garden	Wuhan	47,300	204,500	30%	82.59%	Non-consolidated item
22	Zhuzhou Geningyue Oriental	Zhuzhou	75,417	248,684	45%	54.72%	Non-consolidated item
23	Chaohu Zijun Residence	Chaohu	61,600	146,200	100%	61.60%	
24	Wanning Project	Wanning	12,500	38,800	40%	30.95%	Non-consolidated item
25	Nansha 2021NJY-10 plot	Guangzhou	13,304	85,104	100%	73.32%	
26	Nanjing Jiangyue Orchid Garden	Nanjing	25,237	54,908	100%	74.96%	
27	Chongqing Airport Project	Chongqing	99,908	207,789	45%	41.35%	Non-consolidated item
28	Jinan Licheng Tangye Project	Jinan	100,194	297,651	70%	51.89%	
29	Chengdu Houjia Project	Chengdu	37,400	106,600	100%	54.47%	
30	Wuhan Yinbo Project	Wuhan	33,300	104,900	60%	57.42%	
31	Beijing Huashihuayan Project	Beijing	12,500	63,100	100%	56.57%	

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Table of Situation of Operating Real Estate Projects							
No.	Name of project	Location	Land area (square meters)	GFA (square meters)	Shareholding percentage by the Company	Percentage of completion	Note
32	Nanjing China Residence Phase II	Nanjing	40,500	153,500	100%	35.45%	
33	Beijing Jingyue Orchid Garden	Beijing	24,602	91,479	97%	62.22%	
34	Kunming Puji Road Project	Kunming	62,043	306,600	100%	29.89%	
35	Hangzhou Kan'ao Residence	Hangzhou	36,051	103,000	100%	71.20%	
36	Wuhu Project	Wuhu	201,246	524,503	27%	12.85%	
37	Beiqing Oak Bay	Beijing	50,073	210,300	45%	74.04%	Non-consolidated item
38	Jinan Baima Project	Jinan	71,064	240,650	40%	16.77%	

3. Financial assets measured at fair value

Applicable Not Applicable

Unit: '000 Currency: RMB

Type	Opening amount	Profit of loss of change in fair value for the period	Accumulated change in fair value in equity	Impairment provided for the period	Purchase amount for the period	Amount for disposal/redemption for the period	Other changes	Closing amount
Trading financial assets	3,020,714	-37,799			665,398	-533,685	-34,087	3,080,541
Investment in other equity instruments	2,389,523		153,376		40,424	-84,761	-313,277	2,185,285
Other non-current financial assets	7,647,103	61,895			2,045,527	-1,055,170		8,699,355
Receivables financing	2,315,441						-1,465,940	849,501
Total	15,372,781	24,096	153,376		2,751,349	-1,673,616	-1,813,304	14,814,682

Securities investment

Applicable Not Applicable

Private fund investment

Applicable Not Applicable

Derivatives investment

Applicable Not Applicable

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

Applicable Not Applicable

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(VI) Sale of Major Assets and Equity

Applicable Not Applicable

Gezhouba Group Transportation Investment Co., Ltd. (葛洲壩集團交通投資有限公司), a subsidiary of the Company, transferred 100% equity interest in its subsidiary, Gezhouba Group Sichuan Neisui Expressway Co., Ltd. (葛洲壩集團四川內遂高速公路有限公司) to the Asset-backed Special Plan for the China Merchants – Gezhouba Neisui Expressway Yangtze River Economic Belt initiated and set up by China Merchants Wealth Asset Management Limited (招商財富資產管理有限公司) through public bidding in the Beijing Equity Exchange at a price of RMB1.98 billion. The transaction is a necessary step for China Gezhouba Group Co., Ltd., a subsidiary of the Company, to issue the “Asset-backed Special Plan for the China Merchants – Gezhouba Neisui Expressway Yangtze River Economic Belt”. Through the issuance of the product, the Company realized cash inflow, shortened the investment return period of infrastructure projects, and improved the asset turnover rate of infrastructure projects, which is conducive to the Company to optimize the asset structure, improve the efficiency of capital use and enhance the operation and management capabilities, and has not affected the business continuity and management stability of the Company. The event was completed on 24 June 2022 according to the Company’s scheduled plan. Upon the issuance of the project, the total profit of the current period was RMB1.001 billion, accounting for 7.32% of the Company’s net profit at the end of 2022. In addition, the recovery of capital investment and loans to shareholders was approximately RMB2.7 billion, reducing the finance costs by nearly RMB30 million each year.

(VII) Analysis of Major Holding Companies

Applicable Not Applicable

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	360,050,431	95,058,816	1,735,885
China Power Engineering Consulting Group Co., Ltd	Investment holding	RMB2,097,370,200	122,960,145	36,400,803	4,156,574
China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd.	Engineering survey, engineering design, engineering consulting, general contracting	RMB1,053,300,000	17,493,123	3,731,475	602,765

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Company name	Business nature	Registered capital	Amount of asset	Amount of owner's equity	Net profit attributable to owners of the parent company
China Electric Power Engineering Consulting Group Northwest Electric Power Design Institute Co., Ltd.	Engineering survey, engineering design, engineering consulting, general contracting	RMB1,000,000,000	14,234,418	3,360,984	490,194
China Electric Power Engineering Consulting Group Southwest Electric Power Design Institute Co., Ltd.	Engineering survey, engineering design, engineering consulting, general contracting	RMB1,000,000,000	6,861,680	2,978,300	425,041
China Energy Engineering Group Equipment Co., Ltd.	Equipment manufacturing	RMB3,883,722,739.67	19,846,282	3,669,426	141,296
China Energy Engineering Group North Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	44,011,220	3,997,759	-1,348,080
China Energy Engineering Group Eastern Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	58,195,667	9,311,879	482,285
China Energy Engineering Group Southern Construction and Investment Co., Ltd.	Investment holding	RMB5,000,000,000	31,101,779	5,968,934	-42,851
China Energy Engineering Group Northwest Construction and Investment Co., Ltd.	Investment holding	RMB2,500,000,000	20,235,036	3,263,962	116,318

(VIII) Structured Entities Controlled by the Company

Applicable Not Applicable

Name	Principal location of operation	Location of registration	Business nature	Shareholding proportion	Obtaining method
Gezhouba (Tianjin) Investment Partnership (Limited Partnership) (葛洲壩(天津)投資合夥企業(有限合夥))	Binhai New District, Tianjin	Binhai New District, Tianjin	Capital investment service	20%	Established by investment
CITIC Trust · Stability No.1 Collective Asset Trust Plan (中信信託·穩健1號集合資金信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment

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

Unit: RMB in million Currency: RMB

	2022	2021	2020	2019	2018
Revenue:					
Survey, design and consulting services	17,462	14,762	14,202	13,154	12,216
Construction and contracting	302,056	263,920	212,066	185,425	163,295
Industrial manufacturing	27,512	28,249	24,254	23,711	21,820
Investment and operation	33,595	27,258	26,995	28,525	30,845
Other businesses	8,250	6,355	5,806	7,183	7,553
Inter-segment elimination and adjustment	-22,482	-18,225	-12,996	-10,707	-11,695
Total	366,393	322,319	270,328	247,291	224,034
Gross profit	45,502	42,409	36,727	32,337	29,763
Profit before taxation	13,675	13,050	12,040	13,308	11,677
Net profit	10,407	9,598	8,637	9,600	8,552
Profit for the year attributable to equity holders of the Company	7,809	6,504	4,671	5,079	4,571
Basic and diluted earnings per share (RMB/yuan)	0.18	0.19	0.15	0.17	0.15

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

Unit: RMB in million Currency: RMB

	2022	2021	2020	2019	2018
Current assets	378,753	309,936	288,151	263,459	257,035
Non-current assets	285,598	218,927	187,901	158,212	132,351
Total assets	664,351	528,863	476,052	421,670	389,386
Current liabilities	341,558	270,522	253,102	224,937	226,313
Non-current liabilities	155,307	108,607	85,021	83,443	67,909
Total liabilities	496,865	379,129	338,123	308,380	294,222
Total equity	167,486	149,734	137,929	113,290	95,164
Total equity and liabilities	664,351	528,863	476,052	421,670	389,386

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

(I) Industry Pattern and Trends

Applicable Not Applicable

Looking forward to 2023, with the gradual increasing risk of overseas economic recession, the comprehensive implementation of a package of policies and successive measures to stabilize the economic, China's economy will shift from "external circle" to relying on "internal circle", and show a trend of further recovery. According to the 2023 Government Work Report, China's GDP is expected to grow by about 5% in 2023. The Company will seize the key opportunity period for the recovery and development of the national economy, adhere to the high goal orientation, remain deeply committed to the main responsibilities and main businesses, accelerate the cultivation of new industries, and continuously launch new momentum for high-quality development.

1. Power industry

During the "14th Five-Year Plan" period, China will continue to adjust and optimize the energy structure, strengthen the development and construction of wind and solar power development, coordinate hydropower development, and actively develop nuclear power in a safe and orderly manner. According to the Analysis and Forecast Report on the National Power Supply and Demand Situation in 2023, the installed capacity of wind power, solar power and hydropower in China will reach approximately 430 million kilowatts, 490 million kilowatts and 420 million kilowatts respectively in 2023, and the scale of nuclear power in operation will reach 58.46 million kilowatts. China will accelerate the construction of new power systems and promote the planning and construction of power transmission channels across provinces and regions. The ultra-high voltage is expected to usher in the peak of investment and construction, and the energy storage market is expected to usher in explosive growth. It is expected that the grid investment will exceed RMB520 billion in 2023, reaching a new record high. According to the forecast of the Energy Storage Industry Research White Paper, the cumulative scale of new energy storage in China will reach 48.5GW in 2026, with a compound annual growth rate of 53.3% from 2022 to 2026.

The Company will firmly focus on the development of new energy as its top priority industry, vigorously promote the integrated development of new energy investment, construction and operation, fully expand new energy engineering business, vigorously develop emerging businesses such as energy storage, and accelerate the integrated development of energy. The Company will continue to consolidate the advantages in the field of traditional energy and power, focus on the direction of optimized development and integrated development, and further extend, expand and strengthen the entire industrial chain.

2. Water conservancy and environmental industry

During the "14th Five-Year Plan" period, the water conservancy construction in China has broad prospects. The water conservancy investment mainly focuses on 4 directions, including flood control and disaster reduction, water supply guarantee projects, water ecological restoration and smart water conservancy. According to the Guiding Opinions on the Implementation of Major National Water Network Projects, a number of major water diversion and key water sources projects will be completed by 2025, with additional water supply capacity of 29 billion cubic meters, and the backbone project system of irrigation and drainage in large and medium-sized irrigation areas will be gradually

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improved. According to the spirit of the 2023 National Water Conservancy Work Conference, in 2023, China will accelerate the improvement of the flood control engineering system, accelerate the construction of the national water network, strengthen the construction of rural water conservancy, vigorously promote the construction of digital twin water conservancy, and actively promote the construction of a number of major projects such as the Yellow River Guxian Water Conservancy Project and the Gansu Bailong River Water Diversion Project.

The Company will give full play to the engineering construction advantage, focus on national flood control safety and major strategic reinforcement projects, as well as follow up and support the construction of major water conservancy projects.

During the “14th Five-Year Plan” period, the ecological and environmental protection industry in China will usher in new opportunities. In the field of water pollution prevention and control, the Company will focus on improving the quality and efficiency of sewage treatment. In the field of air pollution prevention and control, the Company will focus on the transformation of ultra-low emissions and non-power flue gas treatment. In the field of solid waste pollution prevention and control, the Company will continue to promote the construction of “zero-waste city” in the future. According to the Action Plan for Accelerating High-quality Development of Ecological and Environmental Protection Industry, Deepening the Fight for Pollution Prevention and Control and Fully Supporting Carbon Peaking and Carbon Neutralization (2021-2030) issued by the China Association of Environmental Protection Industry, the annual compound growth rate of operating income of the ecological and environmental protection industry will not be less than 10% by 2025. According to the forecast, by the end of 2027, the operating income of environmental protection industry in China is expected to exceed RMB4,400 billion.

The Company will make great efforts to supplement the technology and qualification deficiencies in the field of ecological and environmental protection, focus on the integrated protection and restoration project of mountains, water, forests, fields, lakes, grasses and ice, and do a good job in the development of key projects.

3. Transportation industry

During the “14th Five-Year Plan” period, China will accelerate the construction of a powerful transportation country and build a modern comprehensive transportation system. There is still room for highway investment and construction, and the scale of railway investment is expected to maintain a high level. According to the “Fourteenth Five-Year Plan” for the Development of Modern Comprehensive Transportation System, during the “14th Five-Year Plan” period, China will add 12,000 kilometers of high-speed railways in operation, 29,000 kilometers of completed expressways and 3,400 kilometers of urban rail transit in operation. According to the National Highway Network Planning, the planned net increase of expressway is approximately 26,000 kilometers. In 2023, China will promote national key projects such as the Sichuan-Tibet Railway with high quality and put into operation more than 3,000 kilometers of new lines, including 2,500 kilometers of high-speed railway.

The Company will actively develop the highway business and participate in the investment and construction of railways and airports, as well as promote the green integrated development of transportation and energy under the guidance of the Report on the Integrated Development of Transportation and Energy in 2022 jointly issued by the Company.

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4. Construction industry

During the “14th Five-Year Plan” period, China’s construction industry will gradually move towards the inventory era, and the overall growth rate will slow down. With the urbanization rate gradually rising to 75% in 2035 and 80% in 2050, there is still some room for development in the construction industry. Green and intelligent construction will become the main line of the development of the construction industry, and assembled buildings, intelligent construction and green construction will lead the development of the industry. According to the “Fourteenth Five-Year Plan” for the Development of Construction Industry, the proportion of assembled buildings in new construction in China will reach over 30% by 2025. Looking forward to 2023, the national economy will rebound, and the macro environment and downstream demand faced by the construction industry are expected to continue to improve.

The Company will actively implement the regional development strategy, seize the opportunity of urbanization development, focus on subdivided potential markets and important livelihood projects, give full play to the advantages of integration of whole industrial chain, and vigorously develop the construction market.

(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”, and based on the “one center” in the “30•60” system solution, the “two basic points” of energy storage and hydrogen energy, actively integrate into the “three major economic forms” of shared and integrated economy, green and low-carbon economy and digital smart economy, actively comply with and embrace the “three major development trends” of high-quality development, integrative development and integrated development, strive to build the “three new” platform of new energy, new infrastructure and new industry, and focus on the deep integration of the “seven networks” of energy, transportation, digital, water conservancy, ecology, industry and culture, vigorously implements the “1466” 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 governance 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. By 2035, the Company will be fully built into a world-class enterprise with global competitiveness.

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(III) Business Plan

Applicable Not Applicable

In 2023, the planned value of newly signed contracts of the Company is RMB1,150 billion, the planned revenue is RMB378 billion, and the planned investment is RMB134.2 billion.

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 Company's investment business and investment scope, the investment behavior may face the decision-making risk caused by entering unfamiliar field; the PPP business may, affected by the long project cycle and local government's solvency, expose to the risk of deviation of investment returns from expectation; as to the real estate business, affected by factors such as cyclical adjustment, market differentiation, confidence in property purchase, etc., it is more difficult to make new investment decisions and there exists pressure on the destocking of original projects. The Company will strengthen investment management, scientifically measure and control the scale of PPP projects, strictly control the entry of PPP projects, strengthen coordination and communication with the government, and ensure investment safety; and the Company will deepen the research and analysis of the real estate market, accurately study and judge the development trend of the industry and regional market, change the investment approaches, make ensure the acquisition of high-quality projects, strengthen the sales management and reduce the risk of project destocking.

2. International operation risk

The international political and economic environment is still severe and complex, with high debt, high inflation, gaming among major countries, geopolitical conflicts and anti-globalization continuing, and the reshape of supply chain and industrial chain, the commodity market price fluctuates frequently, the global economic recovery is slow, and the demand-side market continues to shrink. In some countries or regions, the significant change in investment and financing, fiscal and tax policies make it more difficult to the market development and the suspension of project implementation, increase in costs and higher performance risk. The Company will continue to establish and improve the international business risk control and compliance system, and continue to carry out risk research and judgement, monitoring and early warning of key national markets; strengthen the front-end screening of projects, and execute the feasibility study and returns calculation of projects such as investment, merger and acquisition, general contracting; strengthen the risk prevention and control at the project performance stage to ensure the steady progress and standardized performance of major projects; and continuously improve social public security emergency management and other measures to ensure the health and safety of overseas employees.

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3. Debt risk

Affected by the change of the project business model and other factors, several subsidiaries have increased the proportion of businesses driven by structured financing and investment, resulting in an increase in the scale of investment and financing, and interest-bearing liabilities. And due to factors such as rising commodity prices, the project costs will increase, the term of performance will be extended, which will result in an insufficient project cash generating capacity. The Company will strengthen the coordination and management of funds, actively activate the existing assets, and make financing arrangements; the Company strengthen liquidity management, execute the disposal of due debts, plan debt reduction or replacement, improve collection management and collection mechanism for investment projects, and take multiple measures to solve the capital demand; the Company will strengthen the project operation and management, formulate the control objectives of "two funds" by hierarchy and classification, vigorously reduce the scale of "two funds", and stimulate the endogenous efficiency; and the Company will optimize the business model of projects and enhance the original cash generation ability.

4. Engineering project management risk

The quality of bid winners of several projects is not so high, the access of subcontractors is not strictly controlled, the signing of subcontracts is not standardized, and the control of subcontract performance is not in place, all of which may lead to default and losses of engineering projects. Furthermore, the project organization and planning are not in place and the on-site control is not effective, which may lead to the increase of construction costs, project losses, owner complaints, administrative and criminal penalties and other issues. The Company will fully implement the new project management system and accelerate the construction of the project management support system of "four storages and one platform"; the Company will rigidly implement the new requirements of subcontracting management to reduce the risk of project subcontracting performance; and the Company will continue to optimize the new mechanism of project regulation, promote the implementation of the regulatory requirements of "whole process, all elements, all levels and full costs" of the project, and advance the high-efficient performance of the project and the creation of profits and benefits. three new

(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

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VIII. OTHER DISCLOSURE

(I) Business Review

The performance and business of the Company in 2022, 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 2022 are set out in "Corporate Governance (Corporate Governance Report)" of this report.

Details of dividend distribution and policies of the Company are set out in "Significant Events" and "Corporate Governance (Corporate Governance Report)" in this report. The social responsibility and environmental protection of the Company in 2022 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 at the same date of 2022 annual report of the Company.

Details of the events that have a significant impact on the Company and other disclosable matters in 2022 are set out in "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 comprehensive urban development, and speed up the transformation to value investment, industry investment and full chain investment. The Company will fully integrate into the green and low-carbon economy, digital smart economy and shared and integrated economy, with the core support of systematically building "three new" Energy China, 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.

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(III) Subsequent Events

The Company announced the spin-off of the subsidiary Gezhouba Explosive for reorganization and listing on 19 October 2021, 2 November 2021, 1 August 2022 and 14 September 2022. According to the listing plan for the spin-off for reorganization and listing (the second revised version) and the listed announcement published by Nanling Industry Explosive, Nanling Industry Explosive purchased 68.36% of shares of Gezhouba Explosive, a subsidiary of the Company, by way of issuing shares, and raised relevant funds through issuance of shares to no more than 35 qualified specific investors to supplement the working capital and repay the debts of Nanling Industry Explosive and Gezhouba Explosive, so as to realize the spin-off of Gezhouba Explosive for reorganization and listing. On 28 December 2022, the Listed Company Merger and Reorganization Vetting Committee of the CSRC convened the 27th meeting in 2022, which reviewed the issuance of shares for assets acquisition by Nanling Industry Explosive, and the reorganization was unconditionally approved. On 11 January 2023, Nanling Industry Explosive received the Reply of Approval for Issuance of Shares by Hunan Nanling Industry Explosive Material Co., Ltd.* to China Gezhouba Group Stock Company Limited* and Other Parties for Assets Acquisition and Relevant Fund Raising (Zheng Jian Xu Ke [2023] No. 32) 《關於核准湖南南嶺民用爆破器材股份有限公司向中國葛洲壩集團股份有限公司等發行股份購買資產並募集配套資金的批覆》(證監許可[2023]32號)) issued by the CSRC, and announced the completion of the issuance of shares for assets acquisition on 30 January 2023. The listing date of new shares is 3 February 2023. Currently, Nanling Industry Explosive has become the controlling shareholder of Gezhouba Explosive; China Gezhouba Group Company Limited holds 47.90% of shares of Nanling Industry Explosive, and is the controlling shareholder of Nanling Industry Explosive. Energy China is the indirect controlling shareholder of Nanling Industry Explosive. The transaction is still subject to the approval of the CSRC. Subject to the approval of the CSRC, Nanling Industry Explosive will issue shares to specific targets for fund raising at an opportune time within the validity period of the approval in accordance with the provisions of the approval, and handle the registration and listing procedures of its new shares. The Company will timely release the progress of the transaction in accordance with regulatory regulations.

By order of the Board
Song Hailiang
Chairman

30 March 2023

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 of the People's Republic of China, the Securities Law of the People's Republic of China, the Corporate Governance Guidelines for Listed Companies, the SSE Listing Rules, 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: zgnj3996@ceec.net.cn.

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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 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. For extraordinary meetings of the Board and meetings of the special committees of the Board, reasonable notice is generally given. The agenda and 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 the Directors have sufficient time to review the meeting papers.

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 related party transactions (also the "connected transactions", same below), 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

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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.

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. There is no female Director in the Board of the Company for the time being. According to the relevant requirements of the Hong Kong Listing Rules, the Company will appoint at least one female Director before 31 December 2024.

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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).

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;

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- (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.

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

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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.

(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 management 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. In order to solve the possible problem of horizontal competition, the Company initiated the feasibility study of the merger of Beijing Electric Power Construction into the Company in 2022, and planned to start and complete the merger of Beijing Electric Power Construction into the Company in 2023, to thoroughly solve the possible problem of horizontal competition.

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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
Annual General Meeting of 2021	8 June 2022	The website of the Shanghai Stock Exchange (www.sse.com.cn)/The webset of HKExnews: www.hkexnews.hk	29 June 2022/ 28 June 2022	For details, please refer to the "Announcement on Resolutions at the Annual General Meeting of China Energy Engineering Co., Ltd. in 2021" (Gong Gao Lin 2022-026)/"Poll Voting Results of the Annual General Meeting for the Year 2021 Held on 28 June 2022 and Profit Distribution Plan for the Year 2021 and Payment of Final Dividend"
First Extraordinary General Meeting of 2022	30 September 2022	The website of the Shanghai Stock Exchange (www.sse.com.cn)/The webset of HKExnews: www.hkexnews.hk	1 October 2022/ 30 September 2022	For details, please refer to the "Announcement on Resolutions at the First Extraordinary General Meeting of China Energy Engineering Co., Ltd. in 2022" (Gong Gao Lin 2022-042)/"Poll Voting Results of the First Extraordinary General Meeting of 2022 Held on 30 September 2022"

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

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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 holds 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 holds a bachelor's degree in engineering and a bachelor's degree in 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. Ma Mingwei, born in June 1964, senior economist. He holds a bachelor's degree in history and a 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 and the member of the Strategy Committee, the Audit Committee and Board of Supervisors 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, holds a bachelor's degree in 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 holds a master's degree in business administration. 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 Board of Supervisors as well as 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. 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, holds 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 (Hong Kong Stock Exchange, Stock Code: 03998), Powerlong Real Estate Holdings Limited (Hong Kong Stock Exchange, Stock Code: 01238) and Beijing Capital Grand Limited (Hong Kong Stock Exchange, Stock Code: 01329). Dr. Ngai is also the independent director of SPI Energy Co., Ltd. (Nasdaq: SPI). Dr. Ngai was the independent non-executive director of 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 translation denotes for identification purposes only) from November 2015 to May 2021, China Communications Construction Company Limited from November 2017 to February 2022, BaWang International (Group) Holding Limited from December 2008 to May 2022 and TravelSky Technology Limited from January 2016 to September 2022. He was the independent director of LDK Solar Co., Limited ("LDK") from July 2011 to April 2020.

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2 Board of Supervisors

Mr. He Jiansheng, born in February 1964, is a professorate senior engineer, and holds a master's degree in economic law. He joined the Group in 1983, and is currently the chairman of the Board of Supervisors 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 Daozhuan, born in December 1965, is a senior economist with professional qualifications, and holds a master's degree in business administration. He joined the Group in 1986, and is currently a supervisor of the Company, the general manager of the Board of Supervisors 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 holds a master's degree 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 holds a master's degree 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 engineering and a bachelor's degree in 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 holds a bachelor's degree in engineering. 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. 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. 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 business administration. She joined the Group in 2021, and is currently the chief accountant of the Company. She has served as 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	Commencement date of the term of office	Expiration date of the term of office	A shares held at the beginning of the year	Number of A 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	57	27 October 2020	4 February 2024					141.57	No
SUN Honghui	Vice Chairman of the Board and Executive Director	Male	60	30 June 2020	4 February 2024					147.35	No
	General Manager			26 May 2020	4 February 2024						
MA Mingwei	Executive Director	Male	58	30 June 2020	4 February 2024					153.25	No
LI Shulei	Non-executive Director	Male	58	5 February 2021	4 February 2024					0.00	No
LIU Xueshi	Non-executive Director	Male	57	28 December 2017	4 February 2024					0.00	No
SI Xinbo	Non-executive Director	Male	55	28 December 2017	4 February 2024					0.00	No
ZHAO Lixin	Independent Non-executive Director	Male	68	30 June 2020	4 February 2024					8.00	No
CHENG Niangao	Independent Non-executive Director	Male	66	30 June 2020	4 February 2024					8.00	No
NGAI Wai Fung	Independent Non-executive Director	Male	60	5 February 2021	4 February 2024					12.80	No
HE Jiansheng	Chairman of the Board of Supervisors	Male	58	5 February 2021	4 February 2024	266,022	266,022			107.32	No
WU Daozhan	Employee Representative Supervisor	Male	57	26 May 2021	4 February 2024					103.30	No
KAN Zhen	Employee Representative Supervisor	Male	59	28 December 2017	4 February 2024					102.03	No
MAO Fengfu	Supervisor	Male	58	5 February 2021	4 February 2024					0.00	No

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Name	Position (Note)	Gender	Age	Commencement date of the term of office	Expiration date of the term of office	A shares held at the beginning of the year	Number of A 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
LV Shisen	Supervisor	Male	54	5 February 2021	4 February 2024					0.00	No
WU Chunli	Deputy General Manager	Male	59	28 December 2017	4 February 2024					161.30	No
ZHOU Hougui	Deputy General Manager	Male	60	28 December 2017	4 February 2024					161.29	No
WU Yun	Deputy General Manager	Male	58	28 December 2017	4 February 2024					163.00	No
CHEN Xiaohua	Deputy General Manager	Male	48	27 August 2021	4 February 2024	443,370	443,370			88.54	No
LI Lai Nar	Chief Accountant	Female	52	26 November 2021	4 February 2024					71.08	No
QIN Tianming	Secretary to the Board	Male	55	27 August 2021	4 February 2024					109.80	No
Total	/	/	/	/	/	709,392	709,392		/	1,538.63	/

Explanation of other matters

✓Applicable Not Applicable

- The total remuneration during the Reporting Period is before deducting individual income tax and includes basic pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, enterprise annuity and housing provident fund paid by the Company for individuals.
- At the beginning of 2022, He Jiansheng, Wu Daozhuan, Chen Xiaohua and Qin Tianming held 264,000, 214,000, 230,000, and 214,000 H shares of the Company, respectively, of which Chen Xiaohua reduced 230,000 H shares during the Reporting Period, and the shareholding of other personnel remained unchanged during the Reporting Period.

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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 of the term of office	Expiration date of the term of office
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 of the term of office	Expiration date of the term of office
Li Shulei	China State Shipbuilding Group Co., Ltd.	External director	December 2020	
Li Shulei	China 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	May 2022
Ngai Wai Fung	Beijing Capital Grand Limited	Independent non-executive director	December 2013	

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Name of the employee	Name of other entities	Positions in other entities	Commencement date of the term of office	Expiration date of the term of office
Ngai Wai Fung	TravelSky Technology Limited	Independent non-executive director	January 2016	September 2022
Ngai Wai Fung	China Communications Construction Company Limited	Independent non-executive director	November 2017	February 2022
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				

(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 Board of Supervisors.</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 Full-time 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 2022.
Total of actual remuneration received by Directors, supervisors and senior management at the end of the Reporting Period	RMB15,386,300

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

Applicable Not Applicable

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

Applicable Not Applicable

(VII) Others

Applicable Not Applicable

V. MEETINGS OF THE BOARD HELD DURING THE REPORTING PERIOD

Session No.	Date of meeting	Resolutions
11th meeting of the third session of the Board	17 January 2022	Announcement on the Resolutions of the 11th meeting of the third session of the Board of Directors of the Company (Lin 2022-002)
12th meeting of the third session of the Board	29 March 2022	Announcement on the Resolutions of the 12th meeting of the third session of the Board of Directors of the Company (Lin 2022-010)
13th meeting of the third session of the Board	7 April 2022	Announcement on the Resolutions of the 13th meeting of the third session of the Board of Directors of the Company (Lin 2022-016)
14th meeting of the third session of the Board	29 April 2022	Announcement on the Resolutions of the 14th meeting of the third session of the Board of Directors of the Company (Lin 2022-018)
15th meeting of the third session of the Board	14 June 2022	Announcement on the Resolutions of the 15th meeting of the third session of the Board of Directors of the Company (Lin 2022-024)
16th meeting of the third session of the Board	29 July 2022	Announcement on the Resolutions of the 16th meeting of the third session of the Board of Directors of the Company (Lin 2022-029)
17th meeting of the third session of the Board	29 August 2022 – 30 August 2022	Announcement on the Resolutions of the 17th meeting of the third session of the Board of Directors of the Company (Lin 2022-033)
18th meeting of the third session of the Board	13 September 2022	Announcement on the Resolutions of the 18th meeting of the third session of the Board of Directors of the Company (Lin 2022-037)
19th meeting of the third session of the Board	28 October 2022	Announcement on the Resolutions of the 19th meeting of the third session of the Board of Directors of the Company (Lin 2022-045)
20th meeting of the third session of the Board	20 December 2022	Announcement on the Resolutions of the 20th meeting of the third session of the Board of Directors of the Company (Lin 2022-049)

In 2022, a total of 10 Board meetings were held by the Company, at which 67 resolutions including the Production and Operation Plan of the Company in 2022 and the work report of the Board for the year 2021 were considered and approved, and 5 reports including the implementation of the resolutions of the Board of Company in 2021 were listened.

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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	Attendance	Number of attendance	Attendance
Song Hailiang	No	10	4	5	1	0	No	90%	1	50%
Sun Hongshui	No	10	4	5	1	0	No	90%	2	100%
Ma Mingwei	No	10	5	5	0	0	No	100%	2	100%
Li Shulei	No	10	5	5	0	0	No	100%	2	100%
Liu Xueshi	No	10	3	5	2	0	No	80%	2	100%
Si Xinbo	No	10	4	5	1	0	No	90%	2	100%
Zhao Lixin	Yes	10	5	5	0	0	No	100%	2	100%
Cheng Niangao	Yes	10	5	5	0	0	No	100%	2	100%
Ngai Wai Fung	Yes	10	5	5	0	0	No	100%	2	100%

- Mr. Song Hailiang was unable to attend the annual general meeting of 2021 of the Company held on 28 June 2022 due to other work engagements; Mr. Song Hailiang was unable to attend the 16th meeting of the third session of the Board of the Company held on 29 July 2022 due to other work engagements, and designated Mr. Sun Hongshui as proxy to attend the meeting.
- Mr. Sun Hongshui was unable to attend the 17th meeting of the third session of the Board of the Company held on 29 August 2022 due to other work engagements.
- Mr. Liu Xueshi was unable to attend the 16th meeting of the third session of the Board of the Company held on 29 July 2022 due to other work engagements, and designated Mr. Ma Mingwei as proxy to attend the meeting; Mr. Liu Xueshi was unable to attend the 19th meeting of the third session of the Board of the Company held on 28 October 2022 due to other work engagements, and designated Mr. Si Xinbo as proxy to attend the meeting.
- Mr. Si Xinbo was unable to attend the 17th meeting of the third session of the Board of the Company held on 29 August 2022 due to other work engagements, and designated Mr. Li Shulei as proxy to attend the meeting.

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5. 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 meetings held. Please refer to the section headed "Brief introduction of general meetings" for number of general meetings held.

Explanation of two consecutive absences from the Board meeting

Applicable Not Applicable

Number of the Board meetings held during the year	10
Among which:	
Number of meetings held by communication	5
Number of meetings held on site in combination with communication	5

(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	26 May 2022	The second session of the initial training for Directors, Supervisors and senior management of the Shanghai Stock Exchange in 2022	8 hours	Song Hailiang, Sun Hongshui, Ma Mingwei, Li Shulei, Liu Xueshi, Si Xinbo, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
2	8 September 2022	The third session of the training for Directors and Supervisors of listed companies of the CSRC Beijing Bureau in 2022	4 hours	Sun Hongshui, Ma Mingwei, Li Shulei, Liu Xueshi, Si Xinbo, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
3	14 October 2022	The fifth session of the training for Directors and Supervisors of listed companies of the CSRC Beijing Bureau in 2022	4 hours	Song Hailiang, Ma Mingwei, Li Shulei, Liu Xueshi, Si Xinbo, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
4	29 December 2022	The ninth session of the training for Directors and Supervisors of listed companies of the CSRC Beijing Bureau in 2022	4 hours	Song Hailiang, Sun Hongshui and Cheng Niangao

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VII. SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

✓ Applicable Not Applicable

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

Type of special committee	Name of member
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)
Nomination Committee	Song Hailiang (Chairperson of the Nomination Committee and executive Director), Zhao Lixin (member of the Nomination Committee and independent non-executive Director) and Cheng Niangao (member of the Nomination Committee and independent non-executive Director)
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)
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) and Ngai Wai Fung (member of the Audit Committee and independent non-executive Director)
Board of Supervisors	Zhao Lixin (Chairperson of the Board of Supervisors and independent non-executive Director), Li Shulei (member of the Board of Supervisors and non-executive Director) and Ngai Wai Fung (member of the Board of Supervisors and independent non-executive Director)

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

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
29 March 2022	4th meeting of the Strategy Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Investment Plans of the Company in 2022	
29 August 2022	5th meeting of the Strategy Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Adjustment to the Investment Plans of the Company in 2022	

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.

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During the Reporting Period, Mr. Song Hailiang should attend 2 meetings of the Strategy Committee, and attended 2 meetings in person; Mr. Sun Hongshui should attend 2 meetings of the Strategy Committee, and attended 1 meetings in person and 1 meeting by proxy; Mr. Li Shulei should attend 2 meetings of the Strategy Committee, and attended 2 meetings in person; and Mr. Si Xinbo should attend 2 meetings of the Strategy Committee, and attended 1 meetings in person and 1 meeting by proxy. 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.

(3). The Audit Committee held seven meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
16 January 2022	9th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve Proposal regarding the Uniform Adoption of the Chinese Accounting Standards for Business Enterprises in Preparing the Financial and Accounting Report	
7 March 2022	10th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve Proposal regarding the Work Plan of the Audit Committee of the Third Session of the Board of the Company in 2022	To listen to the Report of Related Transaction Management of the Company, the Report of KPMG regarding the Audit of Annual Report and the Report of ShineWing Certified Public Accountants regarding the Audit of Internal Control
28 March 2022	11th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve 8 proposals including the Proposal regarding 2021 Annual Report and its Summary of Company and the Proposal regarding the 2022 Annual Financial Budget Plan of the Company	To listen to 7 reports including the Report on the Production and Operation, Financial Position and Significant Investment and Financing Matters of the Company in 2021 and the Report on the Performance of the Audit Committee in 2021
28 April 2022	12th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Engagement of the Auditor for the Year 2022	
29 August 2022	13th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the 2022 Interim Report of the Company and the Proposal regarding the Capital Increase and Share Expansion by China Energy Engineering Group Finance Co., Ltd. and Related Transactions	To listen to the Report of Pan-China Certified Public Accountants regarding the 2022 Interim Review Report

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Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
25 October 2022	14th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Third Quarterly Report of the Company of 2022 and the Proposal regarding the Proposal on the Administrative Measures for External Guarantees of China Energy Engineering Corporation Limited	
22 December 2022	15th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the 2022 Audit Work Arrangement and Work Progress of Annual Report and Internal Control	

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: managing the external auditor, monitoring financial statements and reports, overseeing and evaluating internal audit, supervising and evaluating internal control, reviewing the status of connected/related party transactions, and being responsible for other matters conferred by the Board of the Company and other matters involved in according to relevant laws and regulations.

During the Reporting Period, Mr. Zhao Lixin should attend 7 meetings of the Audit Committee, and attended 7 meeting in person; Mr. Li Shulei should attend 7 meetings of the Audit Committee, and attended 7 meeting in person; and Mr. Ngai Wai Fung should attend 7 meetings of the Audit Committee, and attended 7 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.

(4). The Nomination Committee held no meeting during the Reporting Period

During the Reporting Period, the Nomination Committee made recommendations to the Company on talent pool plans and proposals, the appointment or reappointment of Directors of the Board and succession planning for Directors in accordance with the regulations and reviewed the structure, size, personnel composition and related qualifications of the Board of the Company. In terms of appointing female Directors, the Company will actively take measures to meet the requirements of the diversity of the Board.

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.

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(5). The Remuneration and Assessment Committee held no meeting during the Reporting Period

During the Reporting Period, the Remuneration and Assessment Committee has optimized the remuneration distribution mechanism through study.

Major duties of the Remuneration and Assessment Committee are: proposing recommendations to the Board of Directors regarding the remuneration policies and structures of all Directors and senior management of the Company; formulating the 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.

(6). The Supervisory Committee held no meeting during the Reporting Period

On 20 December 2022, the 20th meeting of the third session of the Board of the Company considered and approved to form the Supervisory Committee of the Board of Directors of China Energy Engineering Corporation Limited.

Major duties of the Supervisory Committee are: supervising and guiding the Company in the implementation of the decisions deployment situation of the CPC Central Committee and the State Council and the work requirements of the SASAC; urging the Company to strengthen the rectification and implementation of problems found in audits, supervision of state-owned capital and special inspections; supervising the implementation of resolutions of the Board by the management; supervising the decision making of relevant authorized objects; listening to the reports of the relevant functional departments of the Company on the post-evaluation of investment projects; listening to special reports and conduct special inspections according to the work needs; and other functions specified by laws and regulations, in the Articles of Association and conferred by the Board.

(7). Details of objection matters

Applicable Not Applicable

VIII. EXPLANATION OF THE BOARD OF SUPERVISORS 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 COMPANY AND THE MAJOR SUBSIDIARIES

(I) Employees

Number of existing employees of the parent company	257
Number of existing employees of major subsidiaries	114,529
Total number of existing employees	114,786
Number of the resigned and retired staff in the parent company and its major subsidiaries	116,673
Professional composition	
Category of professionals	Number of employees
Technicians	20,007
Engineering technicians	40,190
Management	40,526
Service personnel	3,314
Other personnel	10,749
Total	114,786
Educational level	
Category of educational level	Number (person)
Doctoral degree	372
Master degree	14,570
Bachelor degree	48,979
College degree	22,778
Junior college degree or below	28,087
Total	114,786

As of the end of the Reporting Period, the ratio of male employees to female employees (including senior management) was 4:1. The Company attached importance to the gender diversity of employees, strictly followed the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws and regulations, fully respected individual differences of talents, and prohibited discrimination against gender, age, religion, race and other aspects in the recruitment process. The Company will continue to implement measures to support employee diversity during recruitment.

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(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.

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. In 2022, the Company conducted training sessions with 890 thousand person-time, generally improved the business skills and comprehensive quality of employees, providing a strong talent guarantee for the in-depth implementation of the "4223" strategy of strengthening enterprises with talents and building world-class enterprises. Besides, the Company continued to strengthen the top-level design and unified construction of training work. Firstly, the Company issued the "The 14th Five-Year Plan for Training Development", the "Plan for the Construction of a Large Training System", and the "Measures for the Management of Training System Evaluation", strengthened the top-level design; secondly, the Company established Party School, Talent Development Institute, Central China Training Center and Skill Talent Training Base to strengthen the cultivation of professional talents; thirdly, the Company launched a study on the standardization of training work to establish Energy China's training standards from aspects such as training program planning, organization and implementation, and training evaluation; fourthly, the Company actively promoted the "Energy China Learning" online platform and "Energy China Talent" WeChat public account to increase online training and publicity to adapt to new environmental changes.

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(IV) Labor Outsourcing

Applicable Not Applicable

(V) Staff Retirement Benefits

Details of the Company's staff retirement benefits are set out in the Note VII. 30 to the consolidated financial statements.

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

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

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 Pan-China Certified Public Accountants LLP, the net profit attributable to the shareholders of the Company for 2022 amounted to RMB7,809,342,550.34. After deducting statutory surplus reserve accrued according to regulations of RMB1,980,921,398.86 and payment of interests of RMB317,929,691.33 for perpetual bonds, distributable profit was RMB5,510,491,460.15. 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 RMB2.52 cents (tax inclusive) per share to the shareholders registered on the equity registration date with total amount of RMB1,050,617,323.63 (tax inclusive), accounting for 14.02% 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 2022 annual general meeting. The Company will announce the date of the 2022 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 2022 annual general meeting. The aforementioned profit distribution proposal, upon consideration and approval at the 2022 annual general meeting, is expected to be implemented within two months from the date of 2022 annual general meeting.

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(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) If profits are made during the Reporting Period and the parent company's profits distributable to ordinary shareholders are positive, while 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

(IV) Profit Distribution and Conversion of Capital Reserves into Share Capital During the Reporting Period

Applicable Not Applicable

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

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

Information on share incentive

Applicable Not Applicable

Other explanation

Applicable Not Applicable

Information on employee stock ownership plan

Applicable Not Applicable

Other incentive measures

Applicable Not Applicable

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(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.

(V) Other descriptions

On 21 November 2016, the Company considered and approved the restricted share incentive scheme at its 2016 first extraordinary general meeting, the details of which are as follows:

The Shareholders of the Company approved and adopted the restricted share incentive scheme of the Company (the "Scheme") at the 2016 first extraordinary general meeting held on 21 November 2016. The main terms of the Scheme are summarized as follows:

1. Purpose

The purpose of the Scheme is to further optimize the corporate governance structure, to develop and constantly improve the interests balance mechanism among the Shareholders, the operational and executive management, to closely align the interests and benefits of and risks sharing among the Shareholders, the Company and the employees in order to maximize the proactiveness of the senior management and key employees and to support the realization of the Company's strategy and sustainable development. The Scheme will also serve to attract, retain and motivate valuable management and key business employees to foster the long-term development of the Company.

2. Scope of Scheme Participants

The Scheme Participants shall include the Directors, senior management and core technical and management personnel who, as determined by the Board, contribute directly to the overall business performance and sustainable development of the Company. The participation in the Scheme of the Directors and senior management, who are under the administration of the party committee of SASAC, is subject to the approval of SASAC. The Scheme Participants shall exclude the Shareholders who hold more than 5% equity interest in the Company carrying voting rights on the Grant Date of Restricted Shares. The assessment result of the Scheme Participant shall achieve grade C (competent or above) according to the related measures for performance appraisal of the Company.

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A person shall not be considered as a Scheme Participant under the Scheme if he/she:

- (i) is neither an employee or a staff of the Company;
- (ii) is an independent Director or supervisor of the Company;
- (iii) has been publicly censured or declared as an ineligible candidate by the Hong Kong Stock Exchange in the last three years;
- (iv) has been imposed with administrative penalties by the CSRC during the last three years due to material non-compliance of laws or regulations;
- (v) is prohibited from acting as a Director or a member of the senior management of a company as required by the Company Law; or
- (vi) is committed to other material non-compliance of the Company's policy as determined by the Board.

The Scheme Participants shall not concurrently participate in two or more share incentive schemes of the listed companies. The list of Scheme Participants shall be proposed by the Remuneration and Assessment Committee of the Company, considered and approved by the Board, and verified by the Board of Supervisors.

Pursuant to the Scheme, the Board shall select the Scheme Participants and determine the number of Restricted Shares to be granted. The Company will appoint an agent to purchase the H Shares from the secondary market and the grant price shall be payable by the Scheme Participants.

3. Maximum Grant of Shares

The maximum total number of Shares comprised in the Restricted Shares to be granted under the Scheme shall not exceed 10% of the total issued share capital of the Company as at the date of approval of the Scheme at the EGM, i.e. 3,002,039,636.4 Shares.

4. Maximum Shares to be obtained by the Scheme Participants

Unless approval is obtained at the Shareholders' general meeting by way of special resolution, the total number of Restricted Shares granted or to be granted to any Scheme Participant shall not exceed 1% of the total issued share capital of the Company as at the date of approval of the Scheme at the EGM.

5. Lock-up Period and Unlocking Period

(i) Lock-up Period

In principle, the Lock-up Period shall be for a period of not less than two years commencing from the Grant Date, during which the Restricted Shares granted to the Scheme Participants shall be locked up and shall not be transferred nor used as guarantee or for repayment of debts.

(ii) Unlocking Period

In principle, the Unlocking Period shall be for a period of not less than three years commencing from the expiry of the Lock-up Period.

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6. *Time of acceptance of Incentive Shares*

On 21 November 2016, as considered and approved at the extraordinary general meeting, 287,500,000 Restricted Shares were granted to 542 selected Scheme Participants; according to the resolution of the Board on 22 November 2018, 83.994 million Restricted Shares of 481 Scheme 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 were held by Scheme Participants and supposed to be unlocked for the third phase of unlocking of the Scheme back to the entrusted management agency at the grant price.

7. *Pricing basis of grant price*

The grant price of the Restricted Shares to be granted to the Scheme Participants shall be determined by the Board. The base date for the pricing basis of grant price is the Grant Date. The pricing basis of the grant price shall be the higher of the following:

- (i) the closing price of the H Shares as quoted on the Hong Kong Stock Exchange on the Grant Date; and
- (ii) the average closing price of the H Shares as quoted on the Hong Kong Stock Exchange for the five trading days immediately preceding the Grant Date.

8. *Duration of the Scheme*

The Scheme shall be effective for a term of 10 years commencing from the Adoption Date, unless early termination is proposed by the Board and approved by the Shareholders. Unless otherwise required, the Restricted Shares granted before the termination of the Scheme shall remain effective and could be unlocked according to the requirements of the Scheme.

9. *Purchase of Restricted Shares by the Company*

All Restricted Shares granted to the Scheme Participants which have not been unlocked or are lapsed can be purchased by the Company pursuant to the relevant rules of the Scheme at the lower of the grant price or the prevailing market price upon the expiry of the Unlocking Period or on the lapse date of the Restricted Shares, and the relevant Scheme Participant shall give up all corresponding dividends thereof.

On 21 November 2016 (the "Grant Date"), 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. 287,500,000 Restricted Shares, representing approximately 0.96% of the issued share capital of the Company as at the Grant Date, were granted to 542 selected Scheme Participants, including senior management and core technical and management personnel of the Company who have, as determined by the Board, contributed directly to the overall business performance and sustainable development of the Company. The Directors and senior management under the administration of the party committee of the SASAC did not participate in the Initial Grant.

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The grant price is HK\$0.66 per Share, determined according to 60% of the pricing basis. 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 87.162 million Restricted Shares of the Company that are held by 479 Scheme Participants of the Scheme and should be unlocked for the third phase of unlocking of the Scheme back to the entrusted management agency at the grant price. For the year ended 31 December 2022, according to the Scheme, no Restricted Share has been granted, lapsed or cancelled, nor was there Restricted Share granted but unlocked under the Scheme.

For details of main terms of the Scheme and the grant of Incentive Shares, please refer to the circular of the Company dated 6 October 2016 and the announcements of the Company dated 27 July 2016, 21 November 2016, 16 November 2018, 21 November 2019 and 30 June 2020, respectively.

As at 31 December 2022, the Incentive Shares granted under the Scheme and the changes are as follows:

Name and Class of grantee	Grant Date	Number of Restricted Shares granted under the Scheme	Date of unlocking	Grant price	Number of Shares granted but unlocked as at 1 January 2022	Granted during the Reporting Period	Lapsed/ repurchased by the Company during the Reporting Period	Cancelled during the Reporting Period	Number of Shares granted but unlocked as at 31 December 2022
Employees	21 November 2016	287,500,000	Note	HK\$0.66 per Share	-	-	-	-	-
Total	-	287,500,000	-	-	-	-	-	-	-

Note: All granted Restricted Shares have an locking period of two years from the Grant Date, the unlocking period under the Initial Grant shall be the three years subsequent to the date immediately following the expiry of the Lock-up Period under the Initial Grant. If the unlocking conditions stipulated under the scheme of Initial Grant have been fulfilled during the unlocking period, the Restricted Shares shall be unlocked in three phases:

Unlocking arrangement	Time of unlocking	Proportion of unlocking shares
First unlocking period	From the first trading day after 24 months from the Grant Date to the last trading day within 36 months from the Grant Date	33%
Second unlocking period	From the first trading day after 36 months from the Grant Date to the last trading day within 48 months from the Grant Date	33%
Third unlocking period	From the first trading day after 48 months from the Grant Date to the last trading day within 60 months from the Grant Date	34%

Corporate Governance (Corporate Governance Report)

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, the Corporate Governance Code and relevant regulatory requirements, the Company has built a “four-in-one” risk control pattern of law, compliance, internal control and risk management. During the Reporting Period, the Company continued to optimize corporate governance, improved the list of proceedings of each decision-making bodies, established a sound mechanism for reporting on matters authorized by the Board and the operation of the special committee, and realized the establishment of the Board of Directors of its subsidiaries as far as possible and the majority of external Directors, improved the overall effectiveness of corporate governance. The Company has established a system of rules and regulations based on functional modules and centered on management matters. The Company carried out the special action of “System Construction Year”, with focus on the objectives of “simplicity, efficiency, usefulness, flow and tabulation”, systematically carried out system and process optimization and reengineering, further improved the internal control system of the Company, and effectively promoted scientific, standardized and efficient management.

The Board of Directors is responsible for the internal control and risk management system and the review on its effectiveness. The Audit Committee is established under the Board of Directors to direct the construction of the Company’s internal control system and internal supervision system and to evaluate the effectiveness of internal controls. 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. The Company carried out annual identification and analysis of major risks, to evaluate major risks in respect of occurrence probability and impact, and to formulate and implement response measures to strictly prevent the occurrence of major risk events. The Company carries out self-evaluation and supervisory evaluation of internal control, with focus on key control steps and core business processes that affect the high-quality development of the enterprise, and evaluates the efficiency and effectiveness of internal control with risk orientation and compliance as the benchmark.

The Board of Directors has assessed the internal control and risk management system in 2022, reviewed the Company’s financial reporting system, the internal control and risk management system and the adequacy and effectiveness of related procedures, including the Company’s financial and accounting policies and practices, risk management and internal control system, and the establishment and implementation of the internal audit system. 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 that effective internal controls have been maintained in all material respects in accordance with the requirements of the Code of Corporate Internal Control System and relevant regulations, and that the objectives of the Company’s internal controls have been met and that there are no material weaknesses.

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.

Corporate Governance (Corporate Governance Report)

Please refer to the Self-assessment Report on Internal Control of China Energy Engineering Corporation Limited in 2022 published by the Company at the website of the Shanghai Stock Exchange (www.sse.com.cn) on 30 March 2023 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, Pan-China Certified Public Accountants LLP was appointed by the Company to audit the effectiveness of internal control of the Company relevant to financial report for the year 2022, 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 2022 published by the Company at the website of the Shanghai Stock Exchange on 30 March 2023 for details.

Audit Report on Internal Control disclosed: Yes

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

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 Shui Bing from TMF Hong Kong Limited was appointed as the joint company secretary. 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 Hong Kong Listing Rules, and received not less than 15 hours of continuous professional training during the Reporting Period.

Corporate Governance (Corporate Governance Report)

(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.

(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, 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). During the Reporting Period, the Company actively implemented the above relevant measures, and therefore has effectively implemented the investor relations related policies of the Company.

Corporate Governance (Corporate Governance Report)

(V) Anti-Corruption Policy

The Company strictly complies with the Criminal Law of the People's Republic of China, the Law of the People's Republic of China Against Improper Competition, Certain Regulations on the Integrity of Leading Personnel of State-owned Enterprises, and the Temporary Regulations on the Prohibition of Commercial Bribery, and firmly opposes improper business practices such as commercial bribery, extortion, fraud and money laundering. The Company continues to strengthen the construction of the integrity system and carry out anti-corruption work in accordance with the "Regulations on the Management of Grand Supervision", "Regulations on the Implementation of Three Talks to Leaders", "Regulations on the Implementation of the Handling of Prosecution and Complaint" and "Regulations on the Implementation of Supervision and Discipline" of the Company, so to promote the anti-corruption work of not dare to do, cannot to do, and not want to do, and to strictly prevent commercial bribery and commercial corruption.

(VI) Articles of Association and Its Amendments

During the Reporting Period, in accordance with the Guidelines for the Articles of Association of Listed Companies, the SSE Listing Rules, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations and other relevant provisions, and based on the actual situation of the Company, the Company amended the Articles of Association at the 2021 Annual General Meeting held on 28 June 2022. 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 Announcement on Amendments to the Articles of Association of China Energy Engineering Corporation Limited (Lin 2022-021) dated 30 April 2022 and the Materials of 2021 Annual General Meeting dated 18 June 2022 disclosed by the Company on the website of the Shanghai Stock Exchange, as well as the announcements on the revision to the Articles of Association dated 29 April 2022 and 28 June 2022 and the circular dated 26 May 2022 disclosed by the Company on the website of the Hong Kong Stock Exchange.

(VII) 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.

(VIII) Others

The Company attaches great importance to the construction of the Board of Directors and has established policies to ensure that independent views and opinions are available to the Board, including but not limited to:

1. Majority of non-executive directors. Among the nine members of the Board, six are non-executive directors, which is conducive to the Board's wide acceptance of multi-channel information.
2. Diversity in the composition of Directors. The Directors come from different organizations and industries, have different professions, and have rich management experience and professional knowledge, which can provide professional insights and unique perspectives to the Board's decisions.

Corporate Governance (Corporate Governance Report)

3. Providing professional training. We actively organize all Directors to participate in various types of training organized by domestic and overseas securities regulators to support Directors to improve their professional skills.
4. Arranging business visits for directors. We organize non-executive Directors to conduct more than two on-site visits to the relevant business of the Company each year to support comprehensive understanding of the Company's business by the Directors.

The Company has effectively implemented the above policies during the Reporting Period to ensure that the Board could obtain independent views and opinions.

Environmental and Social Responsibilities

I. ENVIRONMENTAL INFORMATION

Whether to establish mechanisms related to environmental protection	Yes
Funds invested in environmental protection during the Reporting Period (unit: RMB'0,000)	71,239.8154

(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

By strengthening environmental protection “three simultaneous (design, construction, put into production and utilization simultaneously of environmental facilities and the main body projects)” management, the Company strictly implemented the permission system for pollution discharge, enhanced ecological environment monitoring, strengthened the implementation of pollution control measures, and increased the supervision of key pollution discharge units. Nine kiln-line cement plants of the Company’s cement subsidiary and the 60 wastewater treatment plants of Ecology and Environmental Protection Company were listed in the list of key emission units for exhaust and water environment by the provincial or municipal ecology and environmental protection departments of their respective regions. Each emission unit strengthened the management of environmental protection and energy conservation and emission reduction, and practically fulfilled the main responsibility for the ecological environment of the enterprise, no environment-related incidents occurred in 2022, the operation rate of pollution treatment facilities was 100%, and major pollutants were discharged in accordance with the standards.

1. Information on emission of pollutants

Applicable Not applicable

The Company’s relevant subsidiaries disclose pollution information in strict accordance with the requirements of local governments at all levels, among which, 60 key polluting units of our key polluting subsidiary, Ecology and Environmental Protection Company, are included as important monitoring emission points, and their main pollutants emitted are COD, ammonia nitrogen, total phosphorus and total nitrogen, etc. Automatic COD analyzers, automatic total nitrogen analyzers, automatic ammonia nitrogen analyzers and automatic total phosphorus analyzers are installed at the outfalls. All analyzers are connected to the ecological and environmental authorities to realize real-time uploading of monitoring data, and the pollutant emissions are in compliance with the concentration limits and total quantity requirements stipulated in the emission permits. The kiln tail and kiln head stacks of the nine kiln units of our Cement Company are included in the important monitoring emission points, the flue gas online monitoring system has been installed as required, and the emission concentrations of major pollutants such as sulfur dioxide, nitrogen oxides and particulate matter are in compliance with the limits stipulated in the “Emission Standards for Air Pollutants in Cement Industry”. No excessive pollutant discharge incident occurred in 2022.

Environmental and Social Responsibilities

2. Construction and operation of pollution prevention and control facilities

Applicable Not Applicable

The Company's relevant subsidiaries strengthened the management of environmental protection equipment and facilities in strict accordance with the "three simultaneous" requirements, and gained a comprehensive understanding of the construction and operation of environmental protection equipment and facilities through project inspections. All the plants of the Cement Company under the Company have installed pollution prevention and control facilities such as low-NOx graded combustion + SNCR flue gas denitrification system, combined desulfurization, bag-type dust collector or electric dust collector, etc., and applied HSNCr denitrification treatment technology on a pilot basis, with 100% operation rate of environmental protection facilities. All the wastewater treatment plants of Ecological Environmental Protection Company have installed odor collection and transportation and deodorization equipment, activated sludge method + deep treatment + disinfection wastewater treatment system, sludge thickening tank + belt dewatering machine and other environmental protection equipment and facilities, and piloted the MBBR membrane bioreactor wastewater treatment technology, with normal operation of pollutant treatment equipment and facilities and 100% operation rate, and various pollutants meet the emission standards.

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

Applicable Not Applicable

The Company's relevant subsidiaries strengthened environmental protection compliance management for construction projects, focusing on the supervision of the preparation, application, approval, filing of environmental assessment documents and the implementation of other environmental protection administrative licensing procedures. Issues including "construction before approval" and "construction beyond reporting scope" are put to an end, 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 relevant subsidiaries have formulated the Contingency Plan for Environmental Emergencies, carried out emergency drills, summarized and evaluated the pertinence and operability of the contingency plan after the drills, formulated, and formed a fully functional, coordinated, orderly and efficient contingency management mechanism. The Contingency Plan for Environmental Emergencies was amended in accordance with the adjustment of functions and changes in responsibilities of various departments.

Environmental and Social Responsibilities

5. *Environmental self-monitoring plan*

Applicable Not Applicable

The Company's relevant subsidiaries strictly implemented the requirements of laws and regulations including the Environmental Protection Law, monitored various pollutants in accordance with the environmental monitoring plan, and each key emission unit of the Cement Company formulated its own environmental monitoring program, and installed online monitoring facilities for pollutants at the kiln tail and kiln head stacks of the kiln line to conduct real-time monitoring of pollutants such as particulate matter, sulfur dioxide and nitrogen oxides. Meanwhile, in accordance with the requirements of environmental protection laws and regulations, the Company disclosed environmental monitoring information on the Company's official website. Each key pollutant discharge unit of Ecological Environmental Protection Company has formulated its own environmental monitoring program in accordance with the Regulations on Self-Monitoring and Information Disclosure for National Key Monitoring Enterprises (Trial) and the Self-Monitoring Technical Guide for Pollution Discharge Units. The Company also commissioned professional monitoring organizations to regularly monitor water samples, environmental noise, and issue environmental monitoring reports to the relevant local government departments for the record.

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

Applicable Not applicable

The pollutant discharge and treatment by Cement Company and Ecological Environmental Protection Company were in compliance with the national and local environmental protection requirements. During the Reporting Period, no administrative punishment was imposed due to environmental issues.

7. *Other disclosable environmental information*

Applicable Not applicable

The Company's relevant subsidiaries made public environmental information in strict accordance with legal regulations and local government requirements at all levels. The online monitoring data of each key emission unit was disclosed to the public through the enterprise pollution source monitoring information disclosure platform, electronic screens at plants (stations) and other channels to publicize the equivalent amount of pollutant emissions. The key polluting units of Cement Company and Ecological Environmental Protection Company completed the disclosure of annual reports of corporate environmental information in accordance with the requirements of the Regulations on the Management of Legal Disclosure of Corporate Environmental Information (Order No. 24 of the Ministry of Ecology and Environment).

Environmental and Social Responsibilities

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

Applicable Not Applicable

1. *Administrative penalties for environmental issues*

During the Reporting Period, three subsidiaries indirectly controlled by the Company were imposed administrative punishment due to environmental issues with total amount of RMB176,000. The Company will enhance the supervision on the environmental work of subsidiaries, to make sure the environmental related production and operation behaviors are legal and compliant.

2. *Disclosure of other environmental information with reference to key emission units*

Applicable Not Applicable

3. *Reasons for not disclosing other environmental information*

Applicable Not Applicable

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

Applicable Not Applicable

The Company vigorously promotes the concept of green and low-carbon development, always integrates the requirements of strategic orientation and objectives of energy conservation, eco-environment protection, carbon peaking and carbon neutralization into the Company's development strategies and plans. The Company taken active actions, continuously innovated and put into practice, and accelerated the formation of green production and operation methods. As a national team and a leader in the field of energy and power engineering, a leader and an important participant in actively implementing the strategic goal of "30•60" providing integrated solutions, the Company has been proactively promoting the green and low-carbon transformation of energy and power industry in the fields of think tank consultation, science and technology innovation, engineering service, investment and development. As a construction enterprise, the Company vigorously promoted the appraisal of green construction and engineering for engineering projects, effectively improved the level of energy-saving and environmental protection management of construction and engineering enterprises, promoted cost reduction and efficiency increase, and protected the environment.

Environmental and Social Responsibilities

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

Applicable Not Applicable

Whether to take carbon reduction measures	Yes
Reduction of carbon dioxide equivalent emissions (unit: tons)	1,033,905

Specific description

Applicable Not Applicable

The Company integrated the enterprise carbon peak action into the industry, regional and national carbon peak process, did a good job of all-round support and service, put the carbon peak target through the whole process of enterprise high-quality development, strengthened planning to lead green and low-carbon development, promoted green and low-carbon transformation of energy and power, green and low-carbon development of non-electricity infrastructure (construction, transportation, etc.), and energy saving and emission reduction and efficiency increase in industrial fields (civil explosion, cement, etc.). The Company also consolidated and enhanced carbon pool capacity, constructed green and environmental projects, strengthened green and low-carbon technology innovation, enhanced digitalization and wisdom, cooperated with domestic and foreign low-carbon projects, and practiced green and low-carbon working life.

The Company aims to build an energy engineering platform of “three new”, taking “energy+”, “digital+” and “green low-carbon+” as the entry point, and vigorously advocates the concept of green and low-carbon development. The newly signed contract amount of new energy for the year increased by 82.2% year-on-year, and the development indicators for wind and photovoltaic new energy obtained exceeded the total of the previous five years. The Company adhered to the dual mode of development and construction, and independent development, a number of strategic, demonstration and leading projects including Guangxi Chongzuo Integrated Energy Base, Hubei Yingcheng Compressed Air Energy Storage Project, Gansu Lanzhou Hydrogen Energy Industrial Park and Shandong Zaohe Transportation and Energy Integration have been implemented in an orderly manner. By the end of 2022, the Company’s installed proportion of renewable energy has reached 85%, effectively promoting the transformation to green and low-carbon production and operation mode.

The Company guided its subsidiaries to carry out energy-saving technology transformation, continued to improve the focus and effectiveness of energy conservation supervision. Taking into account the actual situation of the cement business segment, which has a high proportion of total energy consumption and a large impact, the Company urged the segment to vigorously carry out energy-saving technology transformation and management improvement. The comprehensive energy consumption per ton of cement clinker recorded 105.85 kg of standard coal, which was close to the advanced international energy consumption level of <100 kg of standard coal per ton in the cement industry. The Company has been practicing green and low carbon in its construction projects. The cumulative power generation capacity of the Jinsha River Wudongde Hydropower Station built by the Company exceeds 89 billion kilowatt hours, which is equivalent to saving 26.8335 million tons of standard coal and reducing 73.692 million tons of carbon dioxide emissions.

Environmental and Social Responsibilities

II. SOCIAL RESPONSIBILITY WORK

(I) Whether to disclose a separate social responsibility report, sustainability report or ESG report

Applicable Not Applicable

For details, please refer to the Company's 2022 annual social responsibility (ESG) report disclosed on the website of the Shanghai Stock Exchange (www.sse.com.cn) or the Company's 2022 annual environmental, social and governance report disclosed on the website of HKExnews (www.hkexnews.hk) on 30 March 2023.

(II) Specifics of social responsibility work

Applicable Not Applicable

External donations, public welfare projects	Quantity/Content	Description
Total investment (RMB'0,000)	2,994.43	
Of which: funds (RMB'0,000)	2,954.66	The Company directly made public welfare donations, targeted poverty alleviation area donations, relief donations, and epidemic relief donations in the form of funds, totaling RMB29,546,600.
Materials (RMB'0,000)	39.77	The company donated food and oil, pandemic prevention materials, cultural and educational supplies, etc. to local governments and schools in poverty-stricken areas, which amounted to RMB397.7 thousand.

Description

Applicable Not Applicable

The Company always insists on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era, takes "empowering beautiful China and building a better world" as the starting and ending point, follows the social responsibility concept of "independent innovation, contributing to society, scientific development and building harmony society", and upholds the organizational mission of "Bringing the Energy to the World" and the strategic vision of "industry-leading and world-class". The Company continued to improve its corporate social responsibility management systems, scientific understanding of the relationship between environmental, social and governance (ESG) related factors and the sustainable development of the Company, effectively managed the impact of the Company on society and the environment, promoted a virtuous circle of corporate development and fulfillment of responsibilities, and strived to become an example of fulfilling social responsibility.

Environmental and Social Responsibilities

In 2022, the Company thoroughly implemented the series of important views on corporate social responsibility by President Xi Jinping; implemented the decisions and deployments of the Party Central Committee and the State Council, and in accordance with the work requirements of the SASAC, the Company made every effort to maintain stable economic operation; seriously implemented the strategy of serving national energy security, the strategy of “double carbon”, the strategy of key region and the strategy of coordinated regional development; systematically built the “three new” platform of Energy China of new energy, new infrastructure and new industries; accelerated green development and innovation-driven development; continued to deepen the “Three-Year Reform Action”; accelerated the “three major changes” in power, quality and efficiency; and insisted on operating honestly and legally. The Company effectively protected the rights and interests of shareholders, creditors, employees, suppliers, customers and other stakeholders. The Company carried out a wide range of social responsibility work such as contributing to rural revitalization and community care at home and abroad, and the specific initiatives and results were disclosed in detail in the Company’s 2022 annual social responsibility (ESG) report.

III. DETAILS OF THE CONSOLIDATION AND EXPANSION OF THE ACHIEVEMENTS IN POVERTY ALLEVIATION AND THE REVITALIZATION OF VILLAGES

Applicable Not Applicable

Poverty alleviation and rural revitalization project	Amount/Content	Description
Total investment (RMB'0,000)	1,501.18	
Of which: funds (RMB'0,000)	1,460.00	
Materials (RMB'0,000)	41.18	
Number of beneficiaries (people)	448,000	Zhenba County, Shaanxi, Xilin County, Guangxi
Form of assistance (e.g. industrial poverty alleviation, employment poverty alleviation, education poverty alleviation, etc.)	Focusing on consolidating and expanding the achievements of poverty eradication, comprehensively promoting the five major revitalizations of rural industry, talents, culture, ecology and organization, we have helped to build a model town for rural revitalization and other targeted assistance.	

Environmental and Social Responsibilities

Description

Applicable Not Applicable

In 2022, the Company resolutely carried out the decisions and plans of the Party Central Committee and the State Council. Under the leadership of the National Bureau of Rural Revitalization and the State Council's State-owned Assets Supervision and Administration Commission, the Company focused on "guarding the bottom line, grasping development, and promoting revitalization", insisted on the "four non-removal" requirements, focused on consolidating the results of poverty eradication, promoted the "five major revitalizations", helped the construction of model villages and towns, and continuously strengthened consumer assistance. Besides, the Company gave full play to its industrial advantages and strengthened its investment and assistance in major industries such as energy and electricity, infrastructure and others. In the great task of consolidating and expanding the achievements of poverty eradication and promoting the revitalization of villages, the Company demonstrated its role as a central enterprise and contributed to the efforts of Energy China, which has been widely praised by the governments and the public of the assisted areas.

In 2022, the Company increased the introduction of various types of capital investment, invested a total of RMB15.0118 million in free donated funds (including supplies). The Company invested and constructed the Tianlin to Xilin Expressway project, which completed an investment of RMB8.927 billion and brought in RMB14.504 million in support funds during the year. **In terms of industry revitalization**, the Company helped the assisted counties to cultivate and strengthen special industries according to local conditions, organized and implemented nine industrial help projects, supported the modernization of production technology and equipment, promoted the development of the whole industrial chain of special industries, strengthened investment, accelerated the gathering of resources, and continued to help people in difficulty to find employment and increase income. **In terms of talent revitalization**, the Company dug deep into internal and external resources, constantly broadened the training area, increased training efforts, organized training for a total of 2,461 people/times, and opened nearly 200 free learning accounts for helping counties. **In terms of cultural revitalization**, the Company built cultural bases with Zhenba County, strengthened the construction of cultural infrastructure, promoted the digitization of public cultural services, cultivated a team of public cultural talents, and promoted the protection of non-heritage culture to "cast the soul" for revitalization. **In terms of ecological revitalization**, the Company invested RMB5 million to open the Xinglong Town Habitat Improvement System Project, helped the transformation and upgrading of infrastructure facilities and the comprehensive improvement of the environment, created a model village and promoted the construction of beautiful villages. **In terms of organizational revitalization**, the Company transformed the Party's political and organizational advantages into development advantages that promote the revitalization of villages by pairing up with grassroots party organizations in assisted counties, implementing the governance responsibilities of the first secretary stationed in villages, and supporting the collective economy of villages.

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	Type of undertaking	Undertaking party	Details of undertaking	Date and period of undertaking	Is there any period of implementation	Whether it is timely and strictly implemented	If not performed timely, specify the reasons in details	If not performed timely, specify further plans	
Undertakings related to material asset reorganization (Note 13)	Restricted shares	Energy China Group, EPPE Company	Note 1	Undertaking date: 27 October 2020 Undertaking period: 28 September 2021 to 27 September 2024	Yes	Yes			
	Restricted shares	China Reform Holdings, Chengtong Financial Control	Note 2	Undertaking date: 23 and 22 October 2020 Undertaking period: 28 September 2021 to 27 September 2022	Yes	Yes			
	Non-competition undertakings	Energy China Group	Note 3	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Non-competition undertakings	Energy China Group	Note 4	Undertaking date: 23 July 2021 Undertaking period: 23 July 2021 to 31 December 2023	Yes	Yes			
	Others	Energy China Group, China Reform Holdings	Note 5	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Others	Energy China Group, all Directors, Supervisors, and senior management of the Company	Note 6	Undertaking date: 19 March 2021 Undertaking period: 28 September 2021 to 27 September 2024	Yes	Yes			
	Others	All Directors and senior management of the Company	Note 7	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Others	Energy China Group	Note 8	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Resolving related party transactions	Energy China Group	Note 9	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Others	Energy China Group	Note 10	Undertaking date: 19 March 2021 Undertaking period: long term	No	Yes			
	Others	Energy China Group	Note 11	Undertaking date: 2 July and 26 July 2021 Undertaking period: long term	No	Yes			
	Resolving defects in property rights such as land	Energy China Group	Note 12	Undertaking date: 2 July 2021 Undertaking period: long term	No	Yes			
	Other commitments	Others	The Company, Energy China Group	Note 14	Commitment date: 29 July 2022 Commitment period: long term	No	Yes		
	Resolving inter-competition	Others	The Company, Energy China Group	Note 15	Commitment date: 29 July 2022 Commitment period: 5 January 2023 – long term	No	Yes		
	Resolving connected transactions	Others	The Company, Energy China Group	Note 16	Commitment date: 29 July 2022 Commitment period: long term	No	Yes		

Significant Events

- Note 1: Within 36 months from the date of listing and trading of the Company's A shares, the undertaking party will not transfer or entrust others to manage the issued shares (excluding H shares as to Energy China Group) directly or indirectly held by the Company before the merger, and such shares will not be repurchased by the Company. Within six months after the listing of the Company's A shares, if the closing price of the A shares for 20 consecutive trading days is lower than the issue price, or the closing price at the end of the six-month period after listing is lower than the issue price, the lock-up period will be automatically extended by six months. One year after the listing of the Company's A shares, if one of the following circumstances occurs, upon the application by the Company and the approval by the Shanghai Stock Exchange, the above undertakings may be waived: (1) there is an actual control relationship between both parties of the transfer, or both are controlled by the same controller; (2) other circumstances as determined by the Exchange.
- Note 2: Within 12 months from the date of listing and trading of the Company's A shares, the undertaking party will not transfer or entrust others to manage the issued shares (excluding H shares as to China Reform Holdings) of the Company directly or indirectly held by it before the merger, and such shares will not be repurchased by the Company.
- Note 3: As of the date of this letter of undertaking, there is no substantial horizontal competition between Beijing Power Construction, Shanxi Power Construction No. 2, and EPPE Company, the holding subsidiaries of the undertaking party, and the Company. Also, the undertaking party and its holding subsidiaries (except the Company and its subsidiaries, hereinafter the same) will not engage in any form of business or activity that constitutes or may constitute competition with the main business of the Company and its subsidiaries. The undertaking party and its holding subsidiaries will not, separately or jointly with others, engage in any form of business or activity that constitutes or may constitute competition with the main business of the Company and its subsidiaries (including but not limited to investment, mergers and acquisitions, associates, joint ventures, cooperation, partnership, contracting or leasing operations, and purchasing shares of listed companies) within and outside China. If there is any new business opportunity that constitutes or may constitute a direct or indirect competitive relationship with the main business of the Company and its subsidiaries, the undertaking party shall immediately report it to the Company in writing within the scope of reasonable practicability, and procure to offer the business opportunity to the Company and its subsidiaries in priority on reasonable and fair terms and conditions.
- Note 4: The undertaking parties have entrusted Beijing Power Construction to China Gezhouba Group Company Limited (中國葛洲壩集團有限公司) for operation and management, and have undertaken that before 31 December 2023, they will, in accordance with the requirements of regulatory authorities, under the premise of complying with the applicable laws and regulations and relevant regulatory rules at that time, and in the principle of being conducive to the development of the Company and safeguarding the interests of shareholders, comprehensively use equity transfer, asset restructuring, business adjustment and other methods to steadily advance and solve the business overlap between Beijing Power Construction and Energy China.
- Note 5: After the expiry of the lock-up period of the shares held by the undertaking party, if the shares are reduced through centralized bidding transactions, the total number of shares reduced within any consecutive 90 days shall not exceed 1% of the total number of shares of the Company; if the shares are reduced through block transactions, the total number of shares reduced in any consecutive 90 days shall not exceed 2% of the total shares of Energy China. In case of reduction through centralized bidding transaction, the reduction plan shall be filed and announced to the stock exchange prior to the 15th trading days after the first trading of the shares, and the progress of reduction shall be disclosed in accordance with laws, regulations and the provisions of the stock exchange. If the shares are reduced through transfer by agreement and the reduction results in the Company being no longer the controlling shareholder or not holding more than 5% shares, the undertaking party shall continue to abide by the provisions of the undertakings within 6 months after the reduction. If the undertaking party reduces the shares through the transfer by agreement and causes the undertaking party being no longer the controlling shareholder or not holding more than 5% shares of CEEC, the undertaking party shall continue to abide by the provisions of articles (1) and (2) of the undertakings within 6 months after the reduction.
- Note 6: Within three years from the date of A share listing of the Company, if the closing prices of the A shares of the Company for 20 consecutive trading days (excluding any trading day(s) on which trading in the A shares has been suspended for the whole day, the same hereinafter) are lower than the latest audited net assets per share of the Company (if there occurs any activities resulting in the change in the Company's net assets or total number of shares, such as profit distribution, conversion of capital reserve into share capital, issuance of new shares or rights issue, etc., the value of net assets per share shall be adjusted accordingly), the simultaneous satisfaction of the requirements of the CSRC other regulatory authorities regarding actions of share repurchase, increase in shareholding and other share changes, the undertaking parties will initiate share price stabilization measures.

Significant Events

- Note 7: The undertaking parties undertake to perform their duties faithfully and diligently, to safeguard the legitimate rights and interests of the Company and all the shareholders. The undertaking parties undertake that they will not harm the Company's interests by tunnelling to other units or individuals free of charge or unfairly; they will restrict the position related consumption; they will not use the Company's assets for investment or consumption that are unrelated with the performance of their duties; the remuneration policies formulated by the Board or the Remuneration Committee will be linked with the implementation of the Company's replenishment measures; the conditions for exercising the share incentives will be linked with the implementation of the Company's replenishment measures in the event of implementation of share incentives; if the CSRC promulgates new regulations on replenishment measures and their commitments, the undertaking parties will issue supplementary commitments.
- Note 8: The undertaking party undertakes not to interfere with the operation and management activities of the Company, nor encroach on the interests of the Company, and to effectively implement the relevant replenishment measures formulated by the Company and the relevant commitments.
- Note 9: The undertaking party tries to avoid and reduce related party transactions with the Company. For related party transactions that are unavoidable or occur for reasonable reasons, the undertaking party will enter into the standardized related party transaction agreement according to the laws, conduct transactions at fair and reasonable market prices, and perform decision-making procedures and information disclosure obligations of related party transaction. The undertaking party undertakes not to harm the legitimate rights and interests of the Company and other non-related shareholders of the Company through related party transactions. The undertaking party will urge the enterprises controlled by it, other than the Company, to comply with the above undertakings.
- Note 10: The undertaking party undertakes to maintain the independence of the Company, and ensure the independence of the personnel, assets, businesses, finance and organization of the Company. The undertaking party undertakes to ensure that the appointment of the senior management of the Company follows legal procedures; the labor, personnel, social security system and wage management, etc. of the Company are completely independent of the undertaking party and other enterprises controlled by it; all assets of the Company are under the control of the Company and are independently owned and operated by the Company; it will not interfere with the asset management of the Company or occupy the Company's funds and assets; the Company has independent business, conducts business activities independently, signs external contracts and conducts business independently, implements independent accounting for operation and management, independently assumes responsibilities and risks, and has the ability to operate independently and continuously in the market; the Company independently makes financial decisions, and independently makes tax declarations and fulfills tax obligations in accordance with the laws; the Company independently establishes corporate governance structure and internal management organization, and independently exercises its respective functions and powers; there is no confusion between the operation and management organization of the Company and the undertaking party and other enterprise operation organizations under its control.
- Note 11: The undertaking party guarantees that the Company and its subsidiaries have the business system related to operation and relevant independent and complete assets, and guarantees not to illegally occupy the Company's funds and assets in any way, nor use the company's assets as the guarantee for debt violations of the undertaking party and other enterprises controlled by it.
- Note 12: If there are actual losses due to the ownership of the land use rights and real estate assets held before the absorption and merger, or the Company and its subsidiaries have incurred expenses, loss of assets or compensation due to the operation of defective land use rights and real estate after the completion of the absorption and merger, the undertaking party will bear the relevant costs, financial compensation or indemnity.
- Note 13: The full text of the above undertakings is available in the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by China Energy Engineering Corporation Limited and Related Transactions published on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>).
- Note 14: The Company undertakes to safeguard the independence of Nanling Industry Explosive, and maintain asset independence, personnel independence, financial independence, institutional independence and business independence with Nanling Industry Explosive; the Company strictly complies with the regulations of the CSRC on the independence of listed companies and does not use its controlling position to violate the standard operating procedures of Nanling Industry Explosive, does not interfere with the operating decisions of Nanling Industry Explosive, nor harm the legitimate interests of Nanling Industry Explosive and other shareholders.

Significant Events

Note 15: There is certain overlap between the mine construction general contracting business or blasting operation related business currently undertaken by the subsidiaries of the undertaking party and Nanling Industry Explosive's main business, and the undertaking party undertakes to use Nanling Industry Explosive as its sole platform for implementing mine construction general contracting and blasting operation related business in the future. As for Ningxia Tianchangmin Explosive Equipment Franchise Co., Ltd. (寧夏天長民爆器材專營有限責任公司) and Liaoyuan Zhuoli Petrochemical Co., Ltd. (遼源卓力化工有限公司), in which the Company's subsidiaries hold equity interests, the Company will coordinate with those subsidiaries to appoint Nanling Industry Explosive and/or its subsidiaries under effective control to take over the shares of these companies on their behalf; and the Company shall, within five years from the date of issuance and listing of the shares of Nanling Industry Explosive acquired by Gezhouba through the Transaction, eliminate competition by cancelling and shutting down of Ningxia Tianchangmin Explosive Equipment Franchise Co., Ltd. (寧夏天長民爆器材專營有限責任公司) and Liaoyuan Zhuoli Petrochemical Co., Ltd. (遼源卓力化工有限公司) or transferring their shares to Nanling Industry Explosive and/or its subsidiaries under effective control, or to third parties not related to the undertaking party. If, as a result of the further expansion of the business scope of the Company or the enterprises controlled by the Company, or the further expansion of the business scope of Nanling Industry Explosive, the enterprises controlled by the undertaking party compete with the main business of Nanling Industry Explosive, the undertaking party will actively negotiate with Nanling Industry Explosive to adopt measures including, but not limited to, stopping other enterprises controlled by the undertaking party from producing or operating the competing business, or to incorporate competing businesses into Nanling Industry Explosive, or to transfer competing businesses to unaffiliated third parties, or to adopt other solutions, to avoid competing with Nanling Industry Explosive. And if the undertaking party or any enterprise under its control becomes aware of any new business opportunity that constitutes or may constitute direct or indirect competition with the principal business of Nanling Industry Explosive and any enterprise under its control, it shall notify Nanling Industry Explosive in writing as far as reasonably practicable and cause such business opportunity to be offered to Nanling Industry Explosive and any enterprise under its control on reasonable and fair terms and conditions.

Note 16: The undertaking party undertakes that itself and enterprises under its control will minimize the occurrence of connected transactions with Nanling Industry Explosive and the enterprises under its control. In the event of unavoidable or reasonably justifiable connected transactions, the undertaking party and enterprise under its control will enter into agreements with Nanling Industry Explosive and enterprise under its control in accordance with the principles of fairness, equity and equitability. The transaction price will be determined at a reasonable price recognized by the market, and the transaction approval procedures and information disclosure obligations will be fulfilled in accordance with the relevant laws, regulations and regulatory documents. The undertaking party will perform the decision-making procedures of the connected transactions in accordance with the relevant laws, regulations and other regulatory documents and the provisions of the Articles of Association of Nanling Industry Explosive and the decision-making system of the connected transactions, make timely information disclosure, and not to damage the legitimate rights and interests of Nanling Industry Explosive and other shareholders of Nanling Industry Explosive through the connected transactions; The Company will exercise corresponding rights and undertake corresponding obligations in accordance with Nanling Industry Explosive's Articles of Association and will not use its status as a connected party to obtain improper benefits. The undertaking party will not use the connected transactions to illegally transfer the funds and profits of Nanling Industry Explosive, nor will the undertaking party illegally occupy the funds of Nanling Industry Explosive by borrowing, repaying debts, advancing money on behalf of the undertaking party or in any other way, nor will the undertaking party require Nanling Industry Explosive and the enterprises under its control to provide guarantees in violation of the law for the undertaking party and enterprises under its control. The Company will not harm the legitimate rights and interests of Nanling Industry Explosive and other shareholders of Nanling Industry Explosive.

(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

Significant Events

(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. 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

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

- From 1 January 2022, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 15 promulgated by the Ministry of Finance regarding “accounting treatment of external sales of products or by-products produced by enterprises before the fixed assets are ready for intended use or during the process of research and development”, and made retrospective adjustment on the trial sales that occurred during the period from the beginning of the earliest presented in the financial statements for which this regulation was first implemented to 1 January 2022, and the change in accounting policy has no impact on the financial statements of the Company as at 1 January 2022.
- From 1 January 2022, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 15 promulgated by the Ministry of Finance regarding “Judgment on onerous contracts”, and has implemented this regulation for contracts that have not yet fulfilled all obligations as at

Significant Events

- 1 January 2022, and the accumulated impact has adjusted the retained earnings at the beginning of 2022 and other related financial statement items, and has not adjusted the information for comparable periods. The implementation of the change in this accounting policy has no impact on the financial statements of the Company as at 1 January 2022.
3. From 30 November 2022, the Company has implemented the provisions of the Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding “accounting treatment of the income tax impact of dividends related to financial instruments classified as equity instruments by issuers”, and has adjusted the recognition of dividends payable occurred between 1 January 2022 and 30 November 2022 for financial instruments classified as equity instruments that meet the provisions. If the recognition of dividends payable on financial instruments classified as equity instruments in accordance with the provisions occurred before 1 January 2022, and the related financial instruments has not been derecognized on 1 January 2022, the change in accounting policy has no impact on the financial statements of the Company.
4. From 30 November 2022, the Company has implemented the provisions of the Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding “accounting treatment of entities’ modification of cash-settled share-based payments to equity-settled share-based payments” and has adjusted new transactions between 1 January 2022 and 30 November 2022 in accordance with the provisions. For transactions occurring before 1 January 2022, adjustments are made in accordance with the provisions, with the cumulative impact adjusted to retained earnings and other related financial statement items as of 1 January 2022, and no adjustments are made to information of the comparable period. The change in accounting policy has no impact on the financial statements of the Company.

(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

The Company has communicated in advance with KPMG Huazhen LLP and ShineWing Certified Public Accountants (Special General Partnership) for the change in accounting firms, and they has no objection thereon. The former and subsequent accounting firms will do the relevant communication and coordination work in accordance with PRC Auditing Standard for Certified Public Accountants No. 1153 – Communication between Former Certified Public Accountants and Subsequent Certified Public Accountants and other relevant requirements.

Significant Events

(IV) Other Explanation

Applicable Not Applicable

VI. APPOINTMENT AND REMOVAL OF AUDITORS

Unit: Yuan Currency: RMB

	Original Auditor	Existing Auditor
Name of domestic auditor	KPMG Huazhen LLP	Pan-China Certified Public Accountants LLP
Remuneration of domestic auditor	8,800,000	11,608,236.00
Term of audit services of domestic auditor	1 year	1 year
Name of certified public accountant of the domestic accounting firm	/	Jin Jingyu, Wang Wenfeng
The number of consecutive years of audit services of certified public accountants of domestic accounting firm	/	1 year

	Name	Remuneration
Auditor for internal control	Pan-China Certified Public Accountants LLP	1,060,000.00

Explanation on appointment and removal of auditors

Applicable Not Applicable

- On 8 June 2021, as approved at the Company's 2020 annual general meeting, the Company appointed KPMG and Da Hua Certified Public Accountants as the Company's auditors for the year 2021 under International Financial Reporting Standards and China Accounting Standards for Business Enterprise, respectively; among which, Da Hua Certified Public Accountants provided audit services for the Company's financial reporting to the SASAC of the State Council in accordance with the relevant regulations of the SASAC of the State Council.
- Pursuant to relevant requirements of the Ministry of Finance of the PRC, the CSRC and the Hong Kong Listing Rules, 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 approved by the Fourth Extraordinary General Meeting of 2021 of the Company, the Company appointed KPMG Huazhen LLP as the auditor of its A-share financial report for 2021 and appointed ShineWing Certified Public Accountants LLP as the auditor of internal control for 2021. KPMG resigned as the international auditor of the Company with effect from 17 January 2022 due to the unified adoption of China Accounting Standards for Business Enterprise in the preparation of financial accounting reports of the Company. 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 there are no disagreements or unresolved issues between the Company and KPMG and is not aware of any circumstances relating to the resignation of the international auditor that need to be brought to the attention of the shareholders of the Company.
4. On 29 April 2022, the Resolution on Engagement of the Auditor for the year 2022 has been considered and approved at the 14th meeting of the third session of the Board, the Company has engaged Pan-China Certified Public Accountants LLP as the auditor of A-share and H-share financial report of 2022, to provide audit service for 2022 annual financial report and internal control and review service for other regular reports in accordance with relevant requirements of the CSRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange, the audit fee for 2022 did not exceed RMB12.67 million.
5. KPMG Huazhen LLP, the former auditor of the Company, has provided audit service for annual report for consecutively five years, and ShineWing Certified Public Accountants LLP has provided audit services for internal control for the Company since 2021. Each of KPMG Huazhen LLP and ShineWing Certified Public Accountants LLP issued the auditor's report with standard unqualified opinions in 2021. There does not exist any circumstances where the Company terminated the services of the former accounting firm after having engaged it to carry out part of the audit. Since the term of office of the former auditors expired, the Company proposed to engage Pan-China to serve as the auditor for financial report of 2022 and internal control of the Company. In accordance with Section 20ZT of the Hong Kong Financial Reporting Council Ordinance (Cap. 588), Pan-China Certified Public Accountants LLP is an eligible external auditor.

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 VII. 34 and XIV. 2 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 (connected person(s)) 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 China Group, both of which are only connected persons under Chapter 14A of the Hong Kong Listing Rules.

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.

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 connected transactions conducted by the Company under the Hong Kong Listing Rules and the SSE Listing Rules complies with the relevant disclosure requirements.

Significant Events

During the Reporting Period, the continuing connected transactions of the Company included the Daily Production And Operation Services Framework Agreement with Energy China Group, the Property Lease Framework Agreement with Energy China Group, the Daily Production And Operation Services Framework Agreement with Hubei Provincial Communications Investment Group, the Financial Services Framework Agreement with Energy China Group, the Financial Leasing Service Framework Agreement with Financial Leasing Company and the connected transactions under the Private Fund Service Continuing Connected Transactions Framework Agreement with Fund Company; and the capital increase in Finance Company constituted the one-off connected transactions of common investment among the Company and related parties.

(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

- 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 Company 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 Company 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 Company by Energy China Group and its subsidiaries is RMB0.9 billion; the annual cap of fee for services provided to Energy China Group and its subsidiaries by the Company is RMB0.9 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 2022, the total fee for services provided to the Company by Energy China Group and its subsidiaries was RMB0.138 billion; the total fee for services provided to Energy China Group and its subsidiaries by the Company was RMB0.177 billion.

- 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 Company 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.

Significant Events

In 2022, the actual rents of the Company's leased properties from Energy China Group and its subsidiaries amounted to RMB0.171 billion.

- 3) 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 2022, the total fee for render of services to the Hubei Provincial Communications Investment Group and its subsidiaries by the Group was RMB54 million, the total amount of goods sold was RMB247 million..

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

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

Significant Events

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

Applicable Not Applicable

In order to promote the further development of operation business of Finance Company, a subsidiary, support the Company in improving capital utilization efficiency and saving financial costs, as considered and approved at the seventeenth meeting of the third session of the Board of Directors of the Company on 29 to 30 August 2022, all shareholders of Finance Company, as the capital contributor, entered into the Capital Increase Agreement of China Energy Engineering Group Finance Co., Ltd. As the shareholders includes Energy China Group and EPPE Company, both connected persons, the connected transaction has been announced on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, of which the Company and its subsidiaries contributed a total of RMB1.406 billion.

During the Reporting Period, Finance Company has completed the capital increase according to the agreement.

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

(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

In order to further improve the profitability of the Company as a whole, and provide the Company 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

Significant Events

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 Company under the same conditions.

In 2022, the maximum daily credit balance provided by Finance Company to Energy China Group and its subsidiaries was RMB3.957 billion; Finance Company charged RMB32,500 for other financial services provided to Energy China Group and its subsidiaries.

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%	2,357,680	40,856,975	40,553,446	2,661,209
Total	/	/	/	2,357,680	40,856,975	40,553,446	2,661,209

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 amount granted in the current period	Total amount recovered in the current period	
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	3,719,000	2.5%-4.28%	2,853,900	8,121,588	7,256,488	3,719,000
Total	/	/	/	2,853,900	8,121,588	7,256,488	3,719,000

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	Controlling shareholder and fellow subsidiary	Other credit business	238,423	168,076

Significant Events

4. Other explanation

✓ Applicable Not Applicable

- 1) **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 annual cap for 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.

In 2022, the additional direct lease services of the Company amounted to RMB0.338 billion, and the balance of annual balance of sale and leaseback services was RMB0.298 billion.

- 2) **Continuing connected transactions of accepting private fund subscription services.** In order to optimize 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 Zhongnengjian Fund Management Co., Ltd. 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司) on 17 October 2021, and made an announcement simultaneously on the Hong Kong Stock Exchange and the Shanghai Stock Exchange 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 Company 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.

In 2022, the fund units subscribed by the Company amounted to RMB0.263 billion.

Significant Events

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;
- (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 the auditor

Pursuant to Rule 14A.56 of the Hong Kong 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.

Significant Events

(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 amount or not	Counter guaranteed or not	Guarantee by related party	Related relationship
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	27,000,000.00	2018-06-27	2018-06-27	2028-06-26	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	320,000,000.00	2013-06-07	2013-06-07	2043-06-07	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	19,600,000.00	2019-03-21	2019-03-21	2024-03-20	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	30,644,000.00	2020-03-10	2020-03-10	2023-02-28	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	56,400,000.00	2021-01-08	2021-01-08	2024-04-03	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中国葛洲坝集团路桥工程股份有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重庆江桥高速公路有限公司)	80,000,000.00	2022-03-11	2022-03-11	2024-04-03	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司)	Wholly-owned subsidiary	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黄石武阳高速公路发展有限公司)	2,788,100,000.00	2021-3-31	2021-3-31	2055-3-30	Joint liability guarantee	Nil	No	No	Nil	Yes	Associate
China Gezhouba Group Stock Company Limited (中国葛洲坝集团股份有限公司)	Wholly-owned subsidiary	Ministry of Finance of Argentina	1,478,960,653.20	2015-01-28	2015-01-28	2030-01-28	Joint liability guarantee	Nil	No	No	Nil	No	Nil

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 completed or not	Overdue or not	Overdue amount	Counter guaranteed or not	Guarantee by related party	Related relationship
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)	Wholly-owned subsidiary	Jiangsu Yantu Yintiao New Energy Co., Ltd. (江蘇揚州雙源新能源有限公司)	94,000,000.00	2018-7-26	2018-7-26	2022-3-21	Joint liability guarantee	Nil	No	No	0	Nil	Yes	Associate
China Electric Power Engineering Consulting Group Zhongnan Electric Power Design Institute Co., Ltd. (中國電力工程諮詢集團中南電力設計院有限公司)	Wholly-owned subsidiary	Vietnam Zhengsheng Wind Power Co., Ltd. (越南正勝風電有限公司)	17,267,104.00	2022-3-31	2022-3-31	2037-3-31	Joint liability guarantee	Nil	No	No	0	Nil	Yes	Associate
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)	Wholly-owned subsidiary	Longhua Jintian Solar Power Generation Co., Ltd. (隆化勝金灘太陽能發電有限公司)	88,765,058.33	2019-3-6	2019-3-6	2026-3-6	Joint liability guarantee	Nil	No	No	0	Nil	No	Nil
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)	Wholly-owned subsidiary	China Electric Equipment Group State Photovoltaic Power Co., Ltd. (中國電氣集團沙河光伏發電有限公司)	77,800,000.00	2019-1-28	2019-1-28	2026-11-28	Joint liability guarantee	Nil	No	No	0	Nil	No	Nil
Northwest Power Construction No. 3 Engineering Corporation (西北電力建設第三工程有限公司)	Wholly-owned subsidiary	Ningxia Hainilai Photovoltaic Agricultural Development Co., Ltd. (寧夏海萊光伏農業發展有限公司)	17,300,000.00	2019-12-18	2019-12-18	2026-12-18	Joint liability guarantee	Nil	No	No	0	Nil	No	Nil
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	Wholly-owned subsidiary	China Coal Fangchenggang Power Co. Ltd. (中煤防城港電力有限公司) (previously known as CIP Guangyi Fangchenggang Power Co. Ltd. (中電廣益防城港電力有限公司))	12,600,000.00	2019-07-18	2019-07-18	2027-07-18	Joint liability guarantee	Nil	No	No	0	Nil	Yes	Joint venture
Total			5,088,468,15.53											

Significant Events

Total amount of guarantees for the Reporting Period (exclusive of the guarantees for subsidiaries)	571,669,507.66
Closing balance of guarantees for the Reporting Period (A) (exclusive of the guarantees for subsidiaries)	5,088,436,815.53
Guarantees for subsidiaries by the Company and its subsidiaries	
Total amount of guarantees for subsidiaries for the Reporting Period	-2,837,636,645.67
The balance of guarantees for subsidiaries as at the end of the Reporting Period (B)	31,321,275,661.59
Total guarantees by the Company (inclusive of such guarantees for its subsidiaries)	
Total guarantees (A+B)	36,409,712,477.12
Proportion of total guarantees in net assets of the Company (%)	35.73
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)	29,279,602,147.41
Of total guarantees, the portion in excess of 50% net assets (E)	-
Total of the above three categories of guarantees (C+D+E)	29,279,602,147.41
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 guarantee of the Company was RMB5.088 billion, excluding the mortgage guarantee provided by the Company for home buyers due to real estate business. The balance of guarantee provided by the Company for the mortgage of homeowners was RMB4.574 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

Others

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

Significant Events

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

Applicable Not Applicable

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 VII. 17 and Note VII.18 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 2022 are set out in the Consolidated Balance Sheet of the annual report.

4. Donations

The Company made external donations totaling RMB29,944,000 in 2022, mainly to targeted alleviation districts, educational service, medical and healthcare service, public relief and public welfare services through the 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 are 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 China 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

Significant Events

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 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.

According to the Arrangement between the Mainland 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 with respect to income tax, the Chinese government may impose tax on dividends payable by the Chinese companies to Hong Kong residents, but the tax shall 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 or 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 the Hong Kong 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 the Hong Kong 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 the Hong Kong 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.

Significant Events

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 or be entitled to tax reduction and exemption pursuant to the above provisions.

6. *Property, Plant and Equipment*

Details of the changes to in property, plant and equipment of the Company are set out in Note VII.17 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 2022 are set out in Note II to the Financial Statements 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 2022 are set out in Note IX to the Consolidated Financial Statements of this annual report, respectively.

10. *Independence Confirmation of Independent Non-executive Director*

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

11. *Service Contracts with Directors and Supervisors*

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. *Rights of Directors and Supervisors 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 as the Company was a party to any arrangement to entitle the Directors, supervisors of the Company 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.

Significant Events

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.

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 the 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 the controlling shareholder or any of its subsidiaries.

15. *Permitted Indemnity Provision*

The Company has purchased effective insurances for Directors, supervisors and senior management for an insurance period from 23 November 2021 to 22 November 2022 in an amount of US\$40 million in accordance with code provision A.1.8 of the Corporate Governance Code. Besides, the Company has no valid permitted indemnity provisions (as defined in the Companies (Directors' Report) Regulation of Chapter 622D of the Laws of Hong Kong) during the Reporting Period and at the time of approval of this report.

16. *Management Contracts*

During the Reporting Period, there were no management and/or administrative contracts (other than employment contracts) entered into or existing in connection with all or any significant part of the Company's businesses.

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 businesses of the Company.

Name of Director	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 Bonds in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities as of the end of 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.

Significant Events

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.

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 264,000 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 2022, 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 pre-emptive right. During the Reporting Period, the Company has no pre-emptive right.

23. Compliance with Corporate Governance Code

Save as disclosed 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 section headed "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

During the Reporting Period, there was no change in the total number of Shares and the shareholding structure of the Company.

2. Particulars of changes in shares

Applicable Not Applicable

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

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

Applicable Not Applicable

(II) Changes in Shares subject to Trading Moratorium

Applicable Not Applicable

Unit: shares

Name of shareholder	Number of shares subject to trading moratorium at the beginning of the year	Number of shares released from trading moratorium for the year	Number of new shares subject to trading moratorium for the year	Number of shares subject to trading moratorium at the end of the year	Reason for the trading moratorium	Date of release from trading moratorium
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	2,029,378,794	2,029,378,794	/	0	Shareholders' undertaking for the Company's absorption and merger by share swap	28 September 2022
Beijing Chengtong Financial Control Investment Co., Ltd. (北京誠通金控投資有限公司)	522,354,897	522,354,897	/	0	Shareholders' undertaking for the Company's absorption and merger by share swap	28 September 2022
Total	2,551,733,691	2,551,733,691	/	0	/	/

Changes in Shares and Particulars of Shareholders

II. ISSUE AND LISTING OF SECURITIES

(I) 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						
Convertible corporate bonds, detachable convertible bonds						
Bonds (including enterprise bonds, corporate bonds and debt financing instruments of non-financial institutions)						
22 CEEC MTN001	2022/12/05	3.85	3,000,000,000.00	2022/12/08	3,000,000,000.00	
GZ YK03	2022/11/24	3.18	3,000,000,000.00	2022/12/06	3,000,000,000.00	
22 GZ Y5	2022/10/19	3.18	2,000,000,000.00	2022/11/01	2,000,000,000.00	2027/10/21
22 CEEC SCP002	2022/10/09	1.50	1,000,000,000.00	2022/10/11	1,000,000,000.00	2022/12/29
GZ YK01	2022/09/19	2.70	1,800,000,000.00	2022/09/26	1,800,000,000.00	
GZ YK02	2022/09/19	3.21	1,200,000,000.00	2022/09/26	1,200,000,000.00	
22 GZ Y3	2022/08/31	2.76	1,500,000,000.00	2022/09/09	1,500,000,000.00	
22 GZ Y4	2022/08/31	3.21	1,500,000,000.00	2022/09/09	1,500,000,000.00	
22 CEEC 01	2022/07/20	2.70	1,500,000,000.00	2022/07/29	1,500,000,000.00	2025/07/22
22 CEEC SCP001	2022/07/11	1.70	1,000,000,000.00	2022/07/13	1,000,000,000.00	2022/10/14
22 GZ Y2	2022/06/20	3.13	2,000,000,000.00	2022/06/27	2,000,000,000.00	
22 GZ Y1	2022/05/31	3.04	2,000,000,000.00	2022/06/10	2,000,000,000.00	
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

(III) Description of 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 (account)	463,285
Total number of ordinary Shareholders at the end of the previous month before the disclosure date of the annual report (account)	463,182
Total number of Shareholders of preferred shares whose voting rights have been restored as at the end of the Reporting Period (account)	0
Total number of shareholders of preferred shares whose voting rights have been restored at the end of the previous month before the disclosure date of the annual report (account)	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)	Shareholding of the top 10 Shareholders						
	Change during the Reporting Period	Number of Shares held at the end of the period	Percentage (%)	Number of Shares subject to selling restrictions	Pledged, marked or frozen		Nature of Shareholder
					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	14,000	7,804,335,651	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	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	0	613,374,538	1.47	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	329,454,472	483,415,894	1.16	0	Nil	0	Other
Beijing Chengtong Financial Control Investment Co., Ltd.	-55,844,639	466,510,258	1.12	0	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)	0	306,593,601	0.74	0	Nil	0	State-owned legal person
Yan Xiaohu (閻小虎)	80,714,694	275,714,694	0.66	0	Nil	0	Domestic natural person
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	0	243,722,000	0.58	0	Unknown		Overseas legal person
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)	36,098,600	162,479,441	0.39	0	Nil	0	Other

Changes in Shares and Particulars of Shareholders

Shareholdings of the top ten shareholders not subject to selling restrictions			
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	7,804,335,651	Overseas-listed foreign shares	7,804,335,651
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	2,663,082,794	RMB-denominated ordinary shares	2,029,378,794
		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
Hong Kong Securities Clearing Company Limited	483,415,894	RMB-denominated ordinary shares	483,415,894
Beijing Chengtong Financial Control Investment Co., Ltd.	466,510,258	RMB-denominated ordinary shares	466,510,258
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
Yan Xiaohu (閻小虎)	275,714,694	RMB-denominated ordinary shares	275,714,694
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	243,722,000	Overseas-listed foreign shares	243,722,000
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)	162,479,441	RMB-denominated ordinary shares	162,479,441
Explanation on the securities account designated for share repurchase of the top ten shareholders	Not Applicable		
Explanation on entrusting, being entrusted voting rights or waiving voting rights of the aforesaid shareholders	Not Applicable		
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 among the above other shareholders. The Company is not aware of any related relationships or concerted action relationships among the above other shareholders.		
Explanation on shareholders of preference shares with restoration of voting rights and their shareholding	Not Applicable		

Changes in Shares and Particulars of Shareholders

Notes:

1. China Energy Engineering Group Co., Ltd. holds a total of 18,686,568,022 shares of the Company, including 18,107,684,022 A shares and 578,884,000 H shares.
2. H shares held by HKSCC Nominees Limited are held on behalf of its various clients, and the number of H shares held by China Energy Engineering Group Co., Ltd. has already been deducted.
3. A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of multiple clients.
4. Yan Xiaohu (閻小虎), a shareholder of the Company, holds 275,714,694 shares through margin financing and securities lending and refinancing business.

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
2	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
Explanations on the relationship or acting in concert among the aforesaid shareholders			EPPE is a wholly-owned subsidiary of Energy China Group.		

Note: 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 (i.e., 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.

(III) Strategic Investors or General Legal Persons Became One of the Top 10 Shareholders As a Result of Placing 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 2022, 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 disclosed 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 9,262,436,000 issued H shares of the Company, 32,428,727,636 issued A shares of the Company and 41,691,163,636 shares of the total issued share capital of the Company as at 31 December 2022.
- (2) EPPE Company is a wholly-owned subsidiary of Energy China Group and is interested in the 98,542,651 A shares of the Company, 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 a wholly-owned subsidiary of 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 a wholly-owned subsidiary of 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 subsidiary of State Grid International Development Co., Ltd.; while the latter is wholly-owned subsidiary of 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. 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, project 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 invested 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*

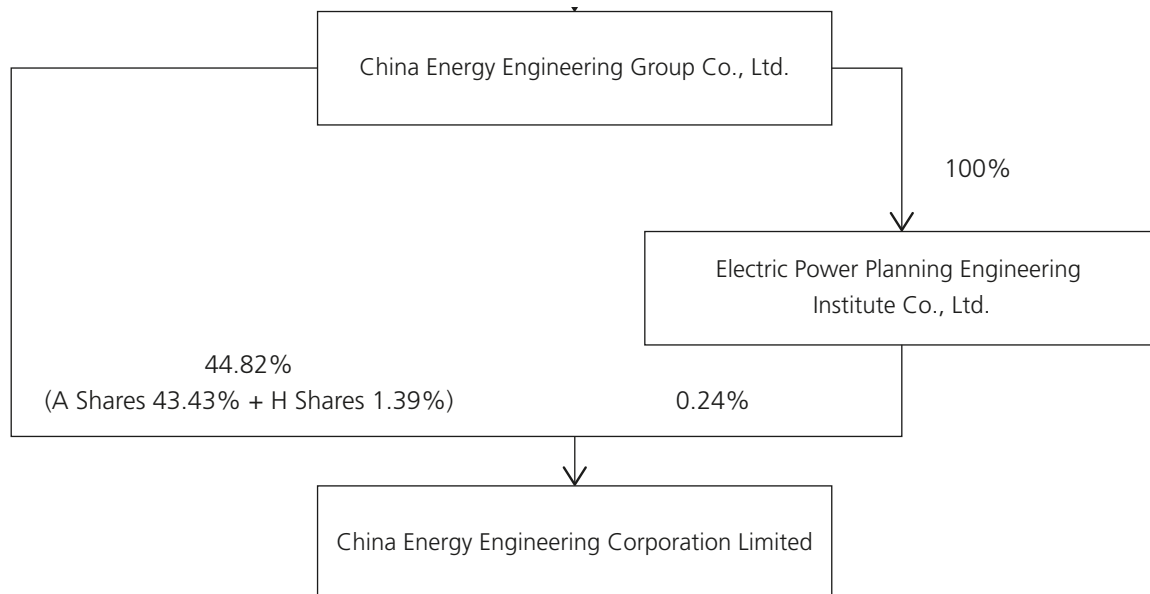
Applicable Not Applicable

4. *Explanations on 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

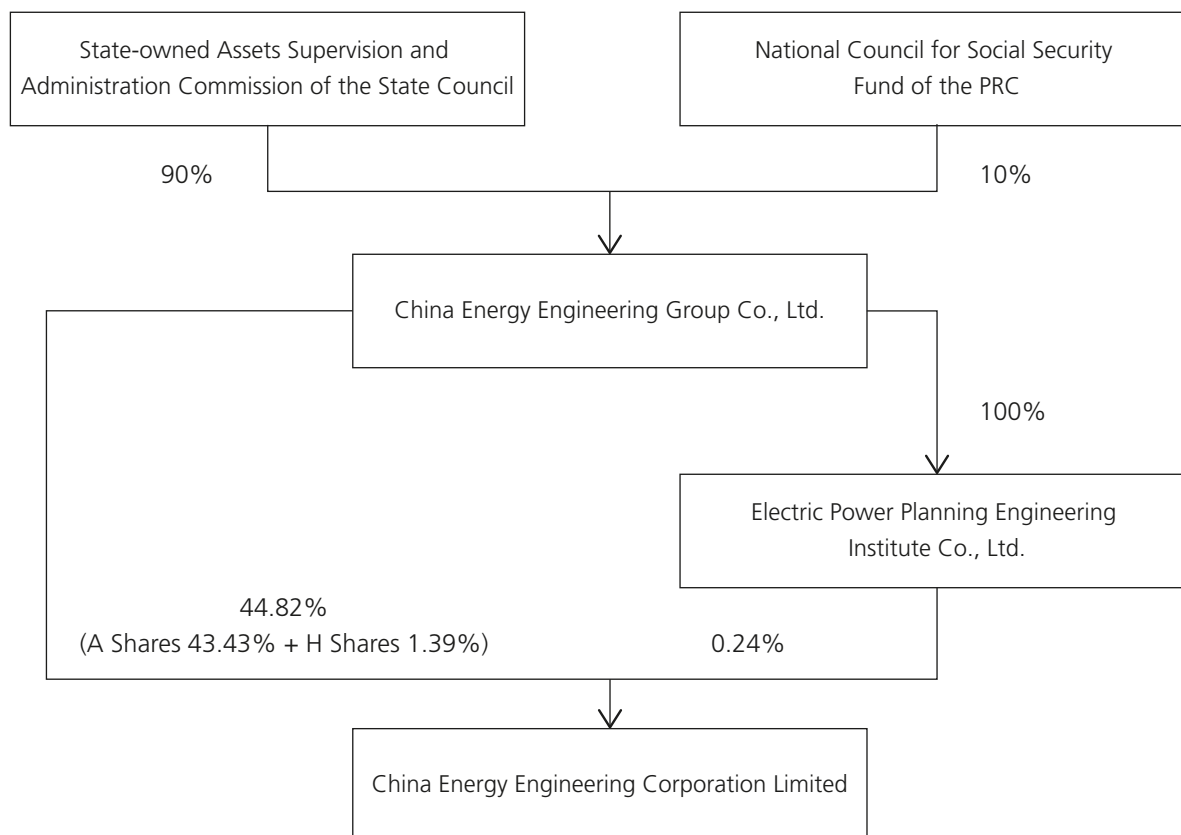
Applicable Not Applicable

4. Explanations on change in control of the Company 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 on 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 SHAREHOLDING

Applicable Not Applicable

VIII. 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

(I) Corporate Debts

Applicable Not Applicable

(II) Corporate Bonds

Applicable Not Applicable

1. Basic information of corporate bonds

Unit: '00 million Currency: RMB

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2020 Renewable Corporate Bonds (first Tranche) publicly issued by China Energy Engineering Corporation Limited (中国能源建设股份有限公司2020年公开发行可转换公司债券第一期)	20 CEEC Y1	163650	2020-6-18	2020-6-19	—	10	3.50	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.	Shanghai Stock Exchange	Qualified investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (first Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中国能源建设股份有限公司2022年公开发行公司债券(低碳转型挂钩债券)第一期) (品种一)	22 CEEC 01	137535	2022-7-21	2022-7-22	2023-7-22	15	2.70	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2019 Housing Leasing Special Corporate Bonds (First Tranche) publicly issued by China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司開發行2019年住房租賃專項公司債券(第一期))	19 GZ 01	155129	2019-1-9	2019-1-9	2024-1-9	10	3.85	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2019 Corporate Bonds (First Tranche) publicly issued by China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司開發行2019年公司債券(第一期))	19 GZ 02	155223	2019-3-12	2019-3-13	2024-3-13	15	4.10	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2020 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司開發行2020年可轉讓公司債券(面向專業投資者(第一期)))	20 GZ Y1	175067	2020-8-27	2020-8-28	—	10	3.99	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2020 Renewable Corporate Bonds for Professional Investors (Third Tranche) (Type II) publicly issued by China Gezhoubu Group Stock Company Limited (中國葛洲壩集團股份有限公司開發行2020年可轉讓公司債券(面向專業投資者(第三期))(品種二))	20 GZ Y5	175335	2020-10-27	2020-10-28	—	10	4.25	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2021 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年可續期公司債券(面向專業投資者)(第一期))	21 GZ Y1	175964	2021-4-7	2021-4-8	—	30	3.80	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2021 Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第一期))	21 GZ 01	188082	2021-4-28	2021-4-29	2026-4-29	30	3.53	The interests of the corporate bonds are paid in installments 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	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2021 Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第二期))	21 GZ 02	188109	2021-5-17	2021-5-18	2026-5-18	30	3.40	The interests of the corporate bonds are paid in installments 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	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第一期))	22 GZ Y1	185830	2022-6-1	2022-6-2	—	20	3.04	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛州壩集團股份有限公司2022年面向專業投資者公開發行可轉讓公司債券(第二期))	22.GZ.Y2	185931	2022-6-21	2022-6-22	—	20	3.13	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行可轉讓公司債券(第一期)(低碳轉型掛鈎)(品種一))	22.GZ.Y3	137782	2022-9-1	2022-9-2	—	15	2.76	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行可轉讓公司債券(第一期)(低碳轉型掛鈎)(品種二))	22.GZ.Y4	137783	2022-9-1	2022-9-2	—	15	3.21	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中国葛洲坝集团有限公司2022年面向专业投资者公开发行科技创新可转换公司债券第二期低碳转型型附息(品种一))	葛YK01	137857	2022-9-20	2022-9-21	—	18	2.70	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中国葛洲坝集团有限公司2022年面向专业投资者公开发行科技创新可转换公司债券第二期低碳转型型附息(品种二))	葛YK02	137858	2022-9-20	2022-9-21	—	12	3.21	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Balance of the 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
2022 "The Belt and Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhoubao Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行“一帶一路”可續期公司債券(第三期))	22.GZ.V5	137971	2022-10-20	2022-10-21	—	20	3.18	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhoubao Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第四期)(品種一))	葛YK03	138614	2022-11-25	2022-11-28	—	30	3.18	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.	Shanghai Stock Exchange	Professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	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
2019 Renewable Corporate Bonds (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2019年公開發行可續期公司債券(第一期)(品種一))	On 13 December 2022, the Company paid in full of the interest and the principal of the bond of 19 CEEC Y1 for the period from 13 December 2021 to 12 December 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 CEEC Y1.
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年公開發行可續期公司債券(第一期))	On 20 June 2022 (19 June 2022 was a rest day, so postponed to the first trading day thereafter), the Company paid in full of the interest of 20 CEEC Y1 for the period from 19 June 2021 to 18 June 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 CEEC Y1.
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))	On 10 January 2022 (9 January 2022 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ 01 for the period from 9 January 2021 to 8 January 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 01.
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公開發行2019年公司債券(第一期))	On 14 March 2022 (13 March 2022 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ 02 for the period from 13 March 2021 to 12 March 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 02.
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公開發行2019年公司債券(第二期))	On 25 April 2022 (24 April 2022 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ 03 for the period from 24 April 2021 to 23 April 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 03.
2019 Renewable Corporate Bonds (First Tranche) (Type I) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2019年可續期公司債券(第一期)(品種一))	On 20 May 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ Y1 for the period from 20 May 2021 to 19 May 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ Y1.

Bonds

Name of bonds	Interest payment
2020 Renewable Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券 (面向專業投資者) (第一期))	On 29 August 2022 (28 August 2022 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 20 GZ Y1 for the period from 28 August 2021 to 27 August 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y1.
2020 Renewable Corporate Bonds (for Professional Investors) (Second Tranche) (Type I) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券 (面向專業投資者) (第二期) (品種一))	On 17 October 2022 (15 October 2022 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest and the principal of the bond of 20 GZ Y2 for the period from 15 October 2021 to 14 October 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y2.
2020 Renewable Corporate Bonds (for Professional Investors) (Third Tranche) (Type I) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券 (面向專業投資者) (第三期) (品種一))	On 28 October 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest and the principal of the bond of 20 GZ Y4 for the period from 28 October 2021 to 27 October 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y4.
2020 Renewable Corporate Bonds (for Professional Investors) (Third Tranche) (Type II) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券 (面向專業投資者) (第三期) (品種二))	On 28 October 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 20 GZ Y5 for the period from 28 October 2021 to 27 October 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y5.
2021 Renewable Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年可續期公司債券 (面向專業投資者) (第一期))	On 8 April 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ Y1 for the period from 8 April 2021 to 7 April 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ Y1.
2021 Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券 (面向專業投資者) (第一期))	On 29 April 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ 01 for the period from 29 April 2021 to 28 April 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ 01.
2021 Corporate Bonds (for Professional Investors) (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券 (面向專業投資者) (第二期))	On 18 May 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ 02 for the period from 18 May 2021 to 17 May 2022. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ 02.

Bonds

Name of bonds	Interest payment
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鈎債券)(第一期)(品種一))	During the Reporting Period, 22 CEEC 01 did not involve payment of interest due or payment of principal.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第一期))	During the Reporting Period, 22 GZ Y1 did not involve payment of interest due or payment of principal.
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第二期))	During the Reporting Period, 22 GZ Y2 did not involve payment of interest due or payment of principal.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鈎)(品種一))	During the Reporting Period, 22 GZ Y3 did not involve payment of interest due or payment of principal.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鈎)(品種二))	During the Reporting Period, 22 GZ Y4 did not involve payment of interest due or payment of principal.
2022 "The Belt and Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行"一帶一路"可續期公司債券(第三期))	During the Reporting Period, 22 GZ Y5 did not involve payment of interest due or payment of principal.
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鈎)(品種一))	During the Reporting Period, GZ YK01 did not involve payment of interest due or payment of principal.

Bonds

Name of bonds	Interest payment
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期) (低碳轉型掛鉤) (品種二))	During the Reporting Period, GZ YK02 did not involve payment of interest due or payment of principal.
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第四期) (品種一))	During the Reporting Period, GZ YK03 did not involve payment of interest due or payment of principal.

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

Applicable Not Applicable

On 13 December 2022, the Company chose to waive the issuer renewal option of "19 CEEC Y1", and redeemed all the "19 CEEC Y1" with payment of principal totaled RMB3 billion.

On 25 April 2022, the bondholders of "19 GZ 03" registered to sell back all the bonds held by them. China Gezhouba Group Stock Company Limited, a subsidiary of the Company, decided did not to resell the put-back bonds. The bonds were cancelled in full and were delisted in advance on the Shanghai Stock Exchange with cancellation of principal totaled RMB1.5 billion.

On 20 May 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, chose to waive the issuer renewal option of "19 GZ Y1", and redeemed all the "19 GZ Y1" with payment of principal totaled RMB5 billion.

On 17 October 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, chose to waive the issuer renewal option of "20 GZ Y2", and redeemed all the "20 GZ Y2" with payment of principal totaled RMB3 billion.

On 28 October 2022, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, chose to waive the issuer renewal option of "20 GZ Y4", and redeemed all the "20 GZ Y4" with payment of principal totaled RMB2 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
Pan-China Certified Public Accountants LLP	6th Floor, No. 128, Xixi Road, Xihu District, Hangzhou City, Zhejiang Province	Jin Jingyu, Wang Wenfeng	Wang Wenfeng	010-62167760
KPMG Huazhen LLP	8th Floor, E2 Tower, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing	Wu Xuchu, Guo Chengzhuan	Li Xin	010-85085000
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 Wang Li, Jiang Zhongni	021-63501349 13918597887 021-63501349
China Lianhe Credit Rating Co., Ltd	17th Floor, PICC Building, No. 2 Jianwai Street, Chaoyang District, Beijing	/	Luo Yi	010-85679696
China Lianhe Equator Environmental Impact Assessment Co., Ltd.	7/F, United Credit Building, No. 80 Qufu Road, Heping District, Tianjin	/	Chen Jinlong	13299986532
China Securities Co., Ltd. (中信建投证券股份有限公司)	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 Li Xuejun, Ying Jianxiong, Qiu Yi	010-88027168 010-57061507
Citic Securities Co., Ltd.	22/F, CITIC Securities Building, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	/	Du Han	010-60834900
China International Capital Corporation Limited	33/F, Tower 2, China World Trade Center, Jianguomenwai Avenue, Chaoyang District, Beijing	/	Song Muyang, Wang Kaizheng	010-65051166

Bonds

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
GF Securities Company Limited	GF Securities Building, No. 26 Machang Road, Tianhe District, Guangzhou City, Guangdong Province	/	Yang Dongchen, Cai Zhuojiong	020-66338888
Ping An Securities Company Limited	22-25/F, Tower B, Ping An Financial Centre, No. 5023 Yitian Road, Futian Street, Futian District, Shenzhen	/	Hu Zhengjin, Wang Fangping	0755-22627723
Shenwan Hongyuan Securities Co., Ltd.	6/F, Block C, Heng'ao Centre, No. 26 Jinshifang Street, Xicheng District, Beijing	/	Qiu Yuan, Yang Lindai	010-88013859
Changjiang Securities Company Limited	No. 88 Huaihai Road, Jiangnan District, Wuhan City, Hubei Province	/	Song Zhiwen, Fu Piaoran	027-65799705
Everbright Securities Company Limited	15/F, Everbright Building, No.6 Fuxingmenwai Street, Xicheng District, Beijing	/	Zhang Zhan	010-58377874
Huatai United Securities Co., Ltd.	6/F, Block B, Fengming International Building, No. 22 Fengsheng Hutong, Xicheng District, Beijing	/	Li minxuan, Ding Wenya	18510958344
Geosen Securities Co., Ltd.	29/F, Guoxin Financial Building, No. 125 Fuhua 1st Road, Futian District, Shenzhen	/	Ke Fangyu, Zhao Yu	0755-81983098
Guotai Junan Securities Co. Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	/	Xiang Junfu, Dai Tangyu	021-38677889
Beijing Jia Yuan Law Offices	F408, 4th Floor, Ocean Plaza, No. 158 Fu Xing Men Nei Avenue, Beijing	/	Qi Man	010-66413377
Hubei Shouyi Law Firm (湖北首義律師事務所)	12th Floor, Building 1, Shuian International, Sanjiao Road, Heping Avenue, Wuchang District, Wuhan City	/	Wang Zhongbin	13871116260

Bonds

Changes in the above-mentioned intermediary agencies

Applicable Not Applicable

Name of intermediary agency	Reason for change	Implementation procedure	Impact on the rights and interests of bond investors
Pan-China Certified Public Accountants LLP	Expiry of the term of office of the former auditor	Consideration and approval at the 2021 annual general meeting	Nil

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

Applicable Not Applicable

Unit: RMB'00 million 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
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年公開發行可續期公司債券(第一期))	10	10	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
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鉤債券)(第一期)(品種一))	15	15	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
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公開發行2019年住房租賃專項公司債券(第一期))	10	10	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
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公開發行2019年公司債券(第一期))	15	15	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
2020 Renewable Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券(面向專業投資者)(第一期))	10	10	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
2020 Renewable Corporate Bonds (for Professional Investors) (Third Tranche) (Type II) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券(面向專業投資者)(第三期)(品種二))	10	10	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
2021 Renewable Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年可續期公司債券(面向專業投資者)(第一期))	30	30	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
2021 Corporate Bonds (for Professional Investors) (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第一期))	30	30	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
2021 Corporate Bonds (for Professional Investors) (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第二期))	30	30	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
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第一期))	20	20	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
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第二期))	20	20	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
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種一))	15	15	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
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種二))	15	15	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
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種一))	18	18	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
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種二))	12	12	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
2022 "The Belt and Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行「一帶一路」可續期公司債券(第三期))	20	20	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
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛州壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第四期)(品種一))	30	30	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.

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

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

Bonds

Current status	Implementation	Any Change	After the change	Reason for the change	Whether the change has been approved by the competent authority	Impact of the change on the rights and interests of bond investors
No guarantee was arranged for the outstanding bonds of the Company and its subsidiaries	Not involved	No	Not involved	Not involved	Not involved	Not involved
During the Reporting Period, the debt repayment plans, other debt repayment guarantee measures and investors' protection mechanism for the outstanding bonds of the Company and its subsidiaries were implemented as specified in the prospectus, and no significant changes occurred	Normal	No	Not involved	Not involved	Not involved	Not involved

7. Explanations of other situations of corporate bonds

Applicable Not Applicable

On 22 July 2022, the Company successfully issued the 2022 Corporate Bonds (Low-Carbon Transformation-linked Bonds) (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鈎債券)(第一期)(品種一)) (abbreviation: "22 CEEC 01"). The low-carbon transformation performance target is that "the newly installed capacity of clean energy power generation of China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司), a subsidiary of the Company, shall be not lower than 1.5 million kilowatts (target value) in aggregate from January 2022 to December 2023". After the appraisal by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd., an independent third-party institution engaged by the Company, for the period from 1 January 2022 to 31 December 2022, the newly installed capacity of clean energy power generation of China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司) was 522,700 kilowatts, and the Company will then continue to adopt effective measures to ensure the achievement of the low-carbon transformation performance target.

China Gezhouba Group Co., Ltd., a subsidiary of the Company, successfully issued the low-carbon transformation-linked bonds during the year (abbreviation: "22 GZ Y3, 22 GZ Y4, GZ YK01 and GZ YK02"). The low-carbon transformation performance target is that "the comprehensive energy consumption per unit of cement clinker of Cement Company, a holding subsidiary of Gezhouba Group, in 2024 will reduce to 104.00kgce/t". After the appraisal by Lianhe Equator Environmental Impact Assessment Co., Ltd., an independent third-party institution engaged by the Company, the comprehensive energy consumption per unit of cement clinker of Cement Company, a holding subsidiary of Gezhouba Group, reduced to 105.82kgce/t as at 31 December 2022, and China Gezhouba Group Co., Ltd., a subsidiary of the Company, will then continue to adopt effective measures to ensure the achievement of the low carbon transformation performance target.

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: RMB'00 million Currency: RMB

Name of bonds	Abbreviation	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 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)	13 CEEC MTN1	1382025	2013-1-17	2013-1-18	2023-1-18	30	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 installment of interest is paid with the principal.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No
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)	21 CEEC MTN001	102102154	2021-10-25	2021-10-27	-	20	3.67	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No

Bonds

Name of bonds	Abbreviation	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 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))	Z1 CEEC GN001 (Carbon Neutral Bonds)	132100150	2021-11-16	2021-11-18	-	15	3.33	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No
First tranche of medium-term notes in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第一期中期票據)	Z2 CEEC MTN001	102282647	2022-12-5	2022-12-7	-	30	3.85	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	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 2022, the Company paid in full of the interest of 13 CEEC MTN1 for the period from 18 January 2021 to 17 January 2022. During the Reporting Period, 13 CEEC MTN1 did not involve payment of interest due or payment of principal.
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)	On 27 October 2022, the Company paid in full of the interest of 21 CEEC MTN001 for the period from 27 October 2021 to 26 October 2022. During the Reporting Period, 21 CEEC MTN001 did not involve 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))	On 18 November 2022, the Company paid in full of the interest of 21 CEEC GN001 (Carbon Neutral Bonds) for the period from 18 November 2021 to 17 November 2022. During the Reporting Period, 21 CEEC GN001 (Carbon Neutral Bonds) did not involve payment of interest due or payment of principal.
First tranche of ultra-short-term financing bonds in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第一期超短期融資券)	On 14 October 2022, the Company paid in full of the interest and the principal of the bond of 22 CEEC SCP001 for the period from 12 July 2022 to 13 October 2022. During the Reporting Period, 22 CEEC SCP001 did not involve payment of interest due or payment of principal.
Second tranche of ultra-short-term financing bonds in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第二期超短期融資券)	On 29 December 2022, the Company paid in full of the interest and the principal of the bond of 22 CEEC SCP002 for the period from 10 October 2022 to 28 December 2022. During the Reporting Period, 22 CEEC SCP002 did not involve payment of interest due or payment of principal.
First tranche of medium-term notes in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第一期中期票據)	During the Reporting Period, 22 CEEC MTN001 did not involve payment of interest due or payment of principal.
First tranche of medium-term notes in 2019 of China Gezhoubu 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 19 December 2022 (18 December 2022 was a rest day, so postponed to the next trading day), China Gezhoubu Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest and the principal of the bond of 19 Gezhoubu MTN001 for the period from 18 December 2021 to 17 December 2022. During the Reporting Period, 19 Gezhoubu MTN001 did not involve 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 19 December 2022, 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 “19 Gezhouba MTN001” to redeem all the “19 Gezhouba MTN001” registered on the registration date in the National Association of Financial Market Institutional Investors, with a total redemption amount of RMB5 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	/	Wang Bingshan	010-85106292
China Merchants Bank Co., Ltd.	No. 2016, Shennan Avenue, Futian District, Shenzhen, Guangdong Province	/	Zhang Lianming	0755-89278573
China Everbright Bank Company Limited	Everbright Center, No. 25 Taipingqiao Street, Xicheng District, Beijing	/	You Zhiyi	010-66566088
China Construction Bank Corporation	No.25 Financial Street, Xicheng District, Beijing	/	Li Teng	010-61170916
China CITIC Bank Corporation Limited	Building 1, Yard No.10 Guanghua Road, Chaoyang District, Beijing	/	Yuan Shanchao	010-66635929
Beijing Jia Yuan Law Offices	F408, 4/F Ocean Plaza, No. 158 Fuxingmennei Avenue, Beijing	/	Qi Man	010-66413377
Pan-China Certified Public Accountants LLP	6th Floor, No. 128 Xixi Road, Xihu District, Hangzhou City, Zhejiang Province	Jin Jingyu, Wang Wenfeng	Wang Wenfeng	010-62167760
KPMG Huazhen LLP	8th Floor, E2 Tower, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing	Wu Xuchu, Guo Chengzhan	Li Xin	010-85085000
Da Hua Certified Public Accountants (Special General Partnership)	Room 1101, Building 7, Yard No. 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
Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	Room 1304 No.398 Hankou Road, Huangpu District, Shanghai	/	Zhang Yongjie	18600048666

Bonds

Changes in the above-mentioned intermediary agencies

✓ Applicable Not Applicable

Name of agency	Reason for change	Procedures	Impact on bond investors' interests
Pan-China Certified Public Accountants LLP	Expiration of term of office of the former accounting firm	Considered and approved at the 2021 annual general meeting	Nil

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

✓ Applicable Not Applicable

Unit: RMB'00 million 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
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)	30	30	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
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)	20	20	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
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))	15	15	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
First tranche of medium-term notes in 2022 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)	30	30	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 expectation.

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. *Adjustment of credit rating results*

Applicable Not Applicable

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

Current status	Implementation	Any change	After the change	Reason for the change	Whether the change has been approved by the competent authority	Impact of the change on the rights and interests of bond investors
No guarantee was arranged for the outstanding bonds of the Company	Not involved	No	Not involved	Not involved	Not involved	Not involved
During the Reporting Period, the debt repayment plans and other debt repayment guarantee measures for the outstanding bonds of the Company and its subsidiaries were implemented as specified in the prospectus, and no significant changes occurred	Normal	No	Not involved	Not involved	Not involved	Not involved

Bonds

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

Applicable Not Applicable

(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

(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	2022	2021	Increase or decrease in the current period as compared with the corresponding period of last year (%)
Net profit after deducting non-recurring gains and losses	5,706,785	5,071,829	12.52
Current ratio	1.11	1.15	-3.48
Quick ratio	0.93	0.93	0.00
Gearing ratio (%)	74.79	71.69	4.32
EBITDA to total debts ratio	0.05	0.06	-16.67
Interest coverage ratio	3.43	4.88	-29.64
Cash interest coverage ratio	1.41	2.69	-46.30
EBITDA interest coverage ratio	4.61	6.33	-27.11
Loan repayment rate (%)	100.00	100.00	0.00
Interest repayment ratio (%)	100.00	100.00	0.00

II. CONVERTIBLE CORPORATE BONDS

Applicable Not Applicable

Financial Report

I. AUDITORS' REPORT

Applicable Not Applicable

Financial Report

Tianjian Shen [2023] No. 1-53

The Shareholders of China Energy Engineering Corporation Limited:

I. AUDIT OPINION

We have audited the financial statements of China Energy Engineering Corporation Limited (“CEEC”), which comprise the consolidated and company balance sheets as at 31 December 2022, 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 2022, 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 2022, and the consolidated and company financial performance and cash flows of CEEC for the year 2022 in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants. 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.

(I) Revenue recognition for construction contracts

1. Descriptions

The related disclosures are described in Notes V. 38 and VII. 50 to the financial statements.

CEEC’s operating revenues are mainly derived from contracts with customers for the provision of construction services. For the year 2022, CEEC’s operating revenue amounted to RMB366.393 billion, of which, operating revenue from engineering construction amounted to RMB286.146 billion, accounting for 78.10% of operating revenue.

As operating revenue is one of the key performance indicators of CEEC, there may be an inherent risk that CEEC’s management (hereinafter referred to as the management) may recognize revenue through inappropriate recognition to meet specific targets or expectations, and the recognition of revenue from engineering construction contracts involves significant management judgment, therefore, we identified revenue from engineering construction contracts as a critical audit matter.

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)

(I) Revenue recognition for construction contracts (continued)

2. Audit response

Our audit procedures for revenue recognition for engineering construction contracts included the following:

- (1) to understand the key internal controls related to revenue recognition for engineering construction contracts, including internal controls over the preparation and change of contract estimate revenue and contract estimate cost and the calculation of revenue based on the progress of performance, and to evaluate the design of these controls, to determine whether they are implemented, and to test the operating effectiveness of the related internal controls;
- (2) to obtain and review the list of engineering construction contracts and check the completeness of the list of contracts;
- (3) to obtain and examine major engineering construction contracts, understand the key terms of the major contracts, evaluate the management's identification of individual performance obligations and the reasonableness of the apportionment of value and the estimation of estimated total revenue, and evaluate the appropriateness of the revenue recognition method;
- (4) to review the basis for preparing cost estimates for projects, obtain and examine cost estimates for major projects, assess whether management's judgments and estimates of estimated total costs are reasonable, and ensure that they are prepared in accordance with actual project quantities and unit prices;
- (5) to review the reasons for changes in the estimated total revenue or estimated total cost of major construction projects, and analyze whether the basis for the changes is adequate and reasonable, and whether the changes have been properly approved and confirmed;
- (6) to recalculate the percentage of project completion based on actual costs incurred and estimated total costs, and verify the accuracy of revenue calculations for construction contracts based on the percentage of completion;
- (7) to implement analytical procedures for gross margins of significant engineering construction contracts, check whether there are significant differences between the progress of completion and actual owner-inspected pricing, identify whether there are significant or abnormal fluctuations, and identify the causes of fluctuations;
- (8) to select some of the engineering construction projects, conduct on-site inspections of the project images, question the engineering management departments, and check with the book records to evaluate the reasonableness of the progress of contract performance;
- (9) to check the supporting documents related to the revenue recognition of engineering construction projects, including engineering construction contracts, project statements, supervision reports, invoices, etc.;

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)**(I) Revenue recognition for construction contracts (continued)****2. Audit response (continued)**

- (10) combined with the correspondence of accounts receivable, to verify the amount of construction settlement for the current period by correspondence to major customers on a sample basis;
- (11) to implement cut-off tests for costs recognized before and after the balance sheet date to check whether the relevant contract costs are recorded in the proper accounting period;
- (12) to check if information related to revenue were appropriately presented in financial statements.

(II) Provision for impairment of trade receivables and contract assets**1. Descriptions**

The related disclosures are described in Notes III(X), III(XXVII), V(I)4 and V(I)7 to the financial statements.

As of 31 December 2022, the book balance of trade receivables of CEEC was RMB77.489 billion and the provision for bad debts was RMB4.478 billion, with a carrying value of RMB73.010 million, accounting for 11.00% of the total assets at the end of 2022; the book balance of contract assets was RMB91.976 billion and the provision for impairment was RMB2.573 billion, with a carrying value of RMB89.403 billion, accounting for 13.46% of the total assets at the end of 2022.

We identified impairment of receivables and contract assets as a critical audit matter because the amounts of receivables and contract assets are significant and the impairment testing of receivables and contract assets involves significant management judgment.

2. Audit response

Our audit procedures for impairment of accounts receivable and contract assets consisted primarily of:

- (1) to understand the key internal controls related to the impairment of accounts receivable and contract assets, evaluate the design of those controls, determine whether they are implemented, and test the operating effectiveness of the related internal controls;
- (2) to review the actual subsequent write-off of accounts receivable for which bad debt provision had been made in prior years and evaluate the accuracy of management's past forecasts;
- (3) to evaluate the basis and considerations for the formulation of the accounting policy for the accrual of expected credit losses on accounts receivable and contract assets by CEEC, to examine the analysis and evaluation process of management's historical migration of accounts receivable and contract assets, and to review the reasonableness of the expected credit loss rates estimated by management for different portfolios;

Financial Report

III. KEY AUDIT MATTERS (CONTINUED)

(II) Provision for impairment of trade receivables and contract assets (continued)

2. Audit response (continued)

- (4) for receivables for which expected credit losses are measured on a portfolio basis, to evaluate the reasonableness of management's classification of the portfolio according to credit risk characteristics; to evaluate the reasonableness of the ageing of receivables against the expected credit loss rate determined by management based on historical credit loss experience and forward-looking estimates; and to test the accuracy and completeness of the information used by management (including the ageing of receivables, historical loss rate, migration rate, etc.) and the accuracy of the calculation of the allowance for bad debts;
- (5) to obtain sales return records after the balance sheet date and inspect whether there exist cases that the revenue recognition conditions were not satisfied on the balance sheet date;
- (6) to review the sales contracts of significant customers and implement independent correspondence procedures on their receivables to assess the accuracy of the receivable balances and the risk of bad debts;
- (7) to check if information related to the impairment of accounts receivable were appropriately presented in financial statements.

IV. OTHER INFORMATION

The management of CEEC (the management) is responsible for the other information. The other information comprises the information in the A-share annual report and the H-share annual report, other than the financial statements and our auditor's report thereon. We have obtained the A-share annual report before the audit report date, and the H-share annual report is expected to be provided to us after the audit report date.

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 on other information obtained prior to the date of the audit report, 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.

Financial Report

V. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS (CONTINUED)

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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of CEEC (the governance) are responsible for overseeing CEEC'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.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- (I) 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.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (IV) 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.
- (V) Evaluate the overall presentation, structure and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (VI) 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.

Pan-China Certified Public Accountants LLP

Hangzhou, the PRC

Chinese Certified Public Accountant:

Jin Jingyu (Engagement Partner)

Wang Wenfeng

30 August 2023

Financial Report

II. FINANCIAL STATEMENTS

Consolidated Balance Sheet

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	Unit: '000	Currency: RMB
		As at 31 December 2022	As at 31 December 2021
Current assets:			
Cash at bank and on hand	VII.1	73,103,842	58,299,098
Settlement reserves fund			
Placements with banks and other financial institutions			
Financial assets held for trading	VII.2	3,080,541	3,020,714
Derivative financial assets			574
Bills receivables	VII.3	7,175,219	8,582,571
Trade receivables	VII.4	73,010,470	56,955,906
Receivables financing	VII.5	849,501	2,315,441
Prepayments	VII.6	30,343,128	28,462,031
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserve receivable			
Other receivables	VII.7	24,964,115	18,359,105
Financial asset purchased under resold agreement		2,196,000	
Inventories	VII.8	61,381,160	58,609,378
Contract assets	VII.9	89,402,926	64,953,377
Assets classified as held for sale			164,255
Non-current assets due within one year	VII.10	2,254,962	971,540
Other current assets	VII.11	10,990,943	9,241,827
Total current assets		378,752,807	309,935,817

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Non-current assets:			
Loans and advances to customers		3,635,752	2,792,532
Debt investments			
Other debt investments			
Long-term receivables	VII.12	34,998,414	18,939,087
Long-term equity investments	VII.13	40,697,175	38,302,746
Other investment in equity instruments	VII.14	2,185,285	2,389,523
Other non-current financial assets	VII.15	8,699,355	7,647,103
Investment properties	VII.16	670,091	637,191
Fixed assets	VII.17	42,934,534	39,586,551
Construction in progress	VII.18	16,337,524	7,802,025
Bearer biological assets			
Oil and gas assets			
Right-of-use assets	VII.19	2,746,190	1,587,653
Intangible assets	VII.20	67,804,984	68,110,054
Development expenditure		63,740	32,539
Goodwill	VII.21	2,198,256	2,161,575
Long-term prepaid expenses	VII.22	1,021,735	608,249
Deferred income tax assets	VII.23	2,549,900	2,397,842
Other non-current assets	VII.24	59,055,383	25,932,101
Total non-current assets		285,598,318	218,926,771
Total assets		664,351,125	528,862,588

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Current liabilities:			
Short-term borrowings	VII.25	25,549,582	15,772,251
Borrowings from central bank			
Placements from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payables	VII.26	14,947,381	12,422,080
Trade payables	VII.27	166,095,040	124,576,834
Receipts in advance	VII.28	29,813	
Contract liabilities	VII.29	60,441,844	61,251,492
Financial asset sold under repurchase agreement			
Receipts of deposits and deposits from other banks		3,191,860	2,921,494
Brokerage for trading securities			
Brokerage for consigning securities			
Employee benefits payable	VII.30	3,256,431	2,123,066
Taxes payable	VII.31	7,037,498	7,465,938
Other payables	VII.32	36,814,935	30,565,521
Fee and commission payable			
Reinsurance accounts payables			
Liabilities held for sale			
Non-current liabilities due within one year	VII.33	17,407,623	6,856,228
Other current liabilities	VII.34	6,786,014	6,567,005
Total current liabilities		341,558,021	270,521,909

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	VII.35	132,123,527	84,618,293
Bonds payable	VII.36	9,800,000	11,292,484
Lease liabilities	VII.37	1,963,619	1,121,822
Long-term payables	VII.38	1,363,010	818,350
Long-term employee benefits payable	VII.39	7,588,908	8,322,823
Accrued liabilities	VII.40	73,874	68,403
Deferred revenue	VII.41	518,507	661,164
Deferred income tax liabilities		1,595,761	1,518,085
Other non-current liabilities	VII.42	279,683	185,255
Total non-current liabilities		155,306,889	108,606,679
Total liabilities		496,864,910	379,128,588

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)	VII.43	41,691,164	41,691,164
Other equity instruments	VII.44	9,500,000	9,500,000
Including: Preference shares			
Perpetual bonds		9,500,000	9,500,000
Capital reserves	VII.45	16,839,027	16,731,128
Less: Treasury shares			
Other comprehensive income	VII.46	760,043	-77,521
Special reserve	VII.47	904,579	648,786
Welfare reserve	VII.48	7,544,573	5,563,652
General risk reserve			
Undistributed profits	VII.49	24,654,275	20,141,471
Total equity attributable to owners of the parent company (or Shareholders' equity)		101,893,661	94,198,680
Minority interests		65,592,554	55,535,320
Total owners' equity (or Shareholders' equity)		167,486,215	149,734,000
Total liabilities and owners' equity (or Shareholders' equity)		664,351,125	528,862,588

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 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	Unit: '000 Currency: RMB	
		As at 31 December 2022	As at 31 December 2021
Current assets:			
Cash at bank and on hand		975,225	2,065,299
Financial assets held for trading			
Derivative financial assets			
Bills receivables			
Trade receivables			
Receivables financing			
Prepayments		957	
Other receivables	XVII.1	4,069,202	3,742,159
Inventory			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		3,586,000	300,000
Total current assets		8,631,384	6,107,458

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XVII.2	91,062,042	86,461,917
Other investment in equity instruments		13,000	13,000
Other non-current financial assets		169,313	169,313
Investment properties			
Fixed assets		32,015	17,550
Construction in progress		3,254	
Bearer biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		23,608	20,649
Development expenditure		34,519	2,391
Goodwill			
Long-term prepaid expenses		670	815
Deferred income tax assets			
Other non-current assets		50,638	47,717
Total non-current assets		91,389,059	86,733,352
Total assets		100,020,443	92,840,810

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payables		28,626	
Trade payables		4,449	
Receipts in advance			
Contract liabilities			
Employee benefits payable		38,881	24,241
Taxes payable		2,258	2,040
Other payables		5,782,248	3,444,835
Liabilities held for sale			
Non-current liabilities due within one year		3,183,801	167,890
Other current liabilities			
Total current liabilities		9,040,263	3,639,006
Non-current liabilities:			
Long-term borrowings		3,000,000	1,000,000
Bonds payable		1,500,000	2,997,261
Lease liabilities			
Long-term payables		105,001	31,141
Long-term employee benefits payable			
Accrued liabilities			
Deferred income		601	601
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		4,605,602	4,029,003
Total liabilities		13,645,865	7,668,009

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (continued)

As at 31 December 2022

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2022	As at 31 December 2021
Owners' equity (or Shareholders' equity):			
Paid-in capital (or Share capital)		41,691,164	41,691,164
Other equity instruments		9,500,000	9,500,000
Including: Preference shares			
Perpetual bonds		9,500,000	9,500,000
Capital reserves		32,087,877	31,884,102
Less: Treasury shares			
Other comprehensive income			
Special reserve			
Surplus reserve		1,190,312	964,914
Undistributed profits		1,905,225	1,132,621
Total owners' equity (or Shareholders' equity)		86,374,578	85,172,801
Total liabilities and owners' equity (or Shareholders' equity)		100,020,443	92,840,810

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 2022

Item	Note	Unit: '000 Currency: RMB	
		2022	2021
I. Total operating revenue		366,393,301	322,318,565
Including: Operating revenue	VII.50	366,393,301	322,318,565
Interest income			
Premiums earned			
Fee and commission income			
II. Total operating cost		353,060,810	308,222,995
Including: Operating cost	VII.50	320,891,131	279,909,972
Interest expenses			
Fee and commission expenses			
Surrender payment			
Net expenditure for compensation			
Net provision for insurance contracts			
Expenditures for policy dividend			
Reinsurance expenditures			
Tax and surcharges	VII.51	1,703,078	1,436,858
Selling and distribution expenses	VII.52	1,687,317	1,667,424
Administrative expenses	VII.53	13,721,805	12,746,643
Research and development expenses	VII.54	10,441,637	8,789,472
Finance costs	VII.55	4,615,842	3,672,626
Including: Interest expenses		5,618,003	3,362,582
Interest income		612,092	336,451

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (continued)

January to December 2022

Item	Note	2022	2021
Add: Other gains	VII.56	1,154,114	1,043,858
Investment income (loss represented by "-")	VII.57	997,075	471,875
Including: Gains from investment in associates and joint ventures		-542,101	101,040
Gains on derecognition of financial assets at amortized cost		-166,658	-150,782
Gains from exchange (loss is represented by "-")			-1,483
Net exposure hedging income (loss is represented by "-")			
Gains on changes in fair value (loss is represented by "-")	VII.58	71,387	8,139
Credit impairment losses (loss is represented by "-")	VII.59	-1,039,361	-993,373
Assets impairment losses (loss is represented by "-")	VII.60	-1,483,090	-858,814
Gains on disposals of assets (loss is represented by "-")	VII.61	716,681	809,897
III. Operating profit (loss is represented by "-")		13,749,297	14,575,669
Add: Non-operating income	VII.62	323,815	331,850
Less: Non-operating expense	VII.63	398,101	1,857,136
IV. Total profit (total loss is represented by "-")		13,675,011	13,050,383
Less: Income tax expense	VII.64	3,268,455	3,452,839
V. Net profit (net loss is represented by "-")		10,406,556	9,597,544
(I) Classified by continuity of operations			
1. Net profit from continuing operations (net loss is represented by "-")		10,406,556	9,597,544
2. Net profit from discontinued operations (net loss is represented by "-")			
(II) Classified by ownership of equity			
1. Net profit attributable to shareholders of the parent (net loss is represented by "-")		7,809,343	6,504,102
2. Minority interests (net loss is represented by "-")		2,597,213	3,093,442

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (continued)

January to December 2022

Item	Note	2022	2021
VI. Other comprehensive income, net of tax		933,879	-130,720
(I) Other comprehensive income attributable to the owners of the parent, net of tax		777,927	-68,230
1. Other comprehensive income that cannot be reclassified to profit or loss		18,637	-23,895
(1) Changes arising from the re-measurement of defined benefit plan		182,816	-45,670
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method			
(3) Change in fair value of other investment in equity instrument		-164,179	21,775
(4) Change in fair value of credit risk of corporate			
2. Other comprehensive income that will be reclassified to profit or loss		759,290	-44,335
(1) Other comprehensive income that will be reclassified into profit or loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) Financial assets reclassified into other comprehensive income			
(4) Credit impairment provision for other debt investments			
(5) Hedging reserves from cash flows			
(6) Translation differences on translation of foreign currency financial statements		759,290	-44,335
(7) Others			
(II) Other comprehensive income attributable to minority interests, net of tax		155,952	-62,490
VII. Total comprehensive income		11,340,435	9,466,824
(I) Total comprehensive income attributable to the owners of the parent		8,587,270	6,435,872
(II) Total comprehensive income attributable to minority interests		2,753,165	3,030,952
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	XVIII.2	0.18	0.19
(II) Diluted earnings per share (RMB/share)	XVIII.2	0.18	0.19

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 2022

Item	Note	Unit: '000 Currency: RMB	
		2022	2021
I. Operating revenue	XVII.3	118,861	132,310
Less: Operating cost	XVII.3	7,189	
Tax and surcharges		8,580	
Selling and distribution expenses			
Administrative expenses		441,258	407,050
Research and development expenses		330	9,375
Finance costs		200,516	229,477
Including: Interest expenses		233,441	271,818
Interest income		41,586	43,361
Add: Other gains			
Investment income (loss represented by "-")	XVII.4	2,782,365	2,033,573
Including: Gains from investment in associates and joint ventures		60	101
Gains on derecognition of financial assets at amortized cost			
Net exposure hedging income (loss is represented by "-")			
Gains on changes in fair value (loss is represented by "-")			
Credit impairment losses (loss is represented by "-")			
Assets impairment losses (loss is represented by "-")			
Gains on disposals of assets (loss is represented by "-")			
II. Operating profit (loss is represented by "-")		2,243,353	1,519,981
Add: Non-operating income		10,638	3,705
Less: Non-operating expense			5,300
III. Total profit (total loss is represented by "-")		2,253,991	1,518,386
Less: Income tax expense		8	
IV. Net profit (net loss is represented by "-")		2,253,983	1,518,386
(I) Net profit from continuing operations (net loss is represented by "-")		2,253,983	1,518,386
(II) Net profit from discontinued operations (net loss is represented by "-")			

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Income Statement of the Parent (continued)

January to December 2022

Item	Note	2022	2021
V. Other comprehensive income, net of tax			
(I) Other comprehensive income not reclassified to profit or loss			
1. Changes arising from the re-measurement of defined benefit plan			
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method			
3. Change in fair value of other investment in equity instrument			
4. Change in fair value of credit risk of corporate			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that will be reclassified into profit or loss under the equity method			
2. Changes in fair value of other debt investments			
3. Financial assets reclassified into other comprehensive income			
4. Credit impairment provision for other debt investments			
5. Hedging reserves from cash flows			
6. Translation differences on translation of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		2,253,983	1,518,386
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

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 2022

Item	Note	Unit: '000 Currency: RMB	
		2022	2021
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		336,501,723	313,302,294
Net increase in deposits from customer and interbank			
Net increase in borrowings from central bank			
Net increase in placements from other financial institutions			
Cash received from premiums under original insurance contracts			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interest, fee and commission			
Net increase in placements			
Net increase in capital from repurchase business			
Net cash from brokerage for trading securities			
Refund of taxes and surcharges		2,378,583	636,730
Cash from other operation related activities	VII.66	1,115,781	891,460
Sub-total of cash inflows from operating activities		339,996,087	314,830,484
Cash paid for goods and services		285,826,809	259,555,145
Net increase in loans and advances to customers			
Net increase in deposits with central bank and other banks			
Cash paid for compensation payments under original insurance contracts			
Net increase in placements with banks and other financial institutions			
Cash paid for interest, fee and commission			
Cash paid for policyholder dividends			
Cash paid to and on behalf of employees		28,206,437	27,544,660
Tax and charges paid		10,855,930	10,729,245
Cash paid for other operation related activities	VII.66	7,172,612	8,157,256
Sub-total of cash outflows from operating activities		332,061,788	305,986,306
Net cash flows from operating activities		7,934,299	8,844,178

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement (continued)

January to December 2022

Item	Note	2022	2021
II. Cash flows from investing activities:			
Cash received from disposal of investments		2,556,035	10,447,132
Cash received from returns on investments		271,559	1,186,367
Net cash received from disposal of fixed assets, intangible assets and other longterm assets		803,180	950,970
Net cash received from disposal of subsidiaries and other business units		2,060,726	878,604
Cash received from other investment-related activities	VII.66	3,363,927	5,091,136
Sub-total of cash inflows from investing activities		9,055,427	18,554,209
Cash paid for purchasing and constructing fixed asset, intangible assets and other long-term asset		19,982,714	14,042,982
Cash paid for investment		33,827,261	19,188,395
Net increase in pledged loans			
Net cash paid to acquire subsidiaries and other business units		98,959	522,891
Cash paid relating to other investing activities	VII.66	4,172,265	3,453,048
Sub-total of cash outflows from investing activities		58,081,199	37,207,316
Net cash flows from investing activities		-49,025,772	-18,653,107

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement (continued)

January to December 2022

Item	Note	2022	2021
III. Cash flow from financing activities:			
Cash received from capital contribution		28,164,482	22,658,379
Including: Cash received from capital contributions by minority shareholders of subsidiaries		21,164,482	19,158,379
Cash received from borrowings		110,992,956	62,323,727
Cash received relating to other financing activities	VII.66	1,853,239	3,266,298
Sub-total of cash inflows from financing activities		141,010,677	88,248,404
Cash repayments of borrowings		57,279,007	44,852,355
Cash payments for distribution of dividends, profits or interest expenses		10,478,823	9,152,228
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries		2,439,960	1,857,142
Cash paid relating to other financing activities	VII.66	20,928,616	21,919,981
Sub-total of cash outflows from financing activities		88,686,446	75,924,564
Net cash flows from financing activities		52,324,231	12,323,840
IV. Effect of foreign exchange rate changes on cash and cash equivalents			
		564,400	-172,373
V. Net increase in cash and cash equivalents			
Add: Balance of cash and cash equivalent at the beginning of the period		52,203,782	49,861,244
VI. Balance of cash and cash equivalents at the end of the period			
		64,000,940	52,203,782

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 2022

Item	Note	Unit: '000 Currency: RMB	
		2022	2021
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		7,221	
Refund of taxes and surcharges		10,186	
Cash from other operation related activities		308,928	2,606,168
Sub-total of cash inflows from operating activities		326,335	2,606,168
Cash paid for goods and services		918	
Cash paid to and on behalf of employees		179,707	182,569
Tax and charges paid		25,398	11,201
Cash paid for other operation related activities		554,012	2,894,665
Sub-total of cash outflows from operating activities		760,035	3,088,435
Net cash flows from operating activities		-433,700	-482,267
II. Cash flows from investing activities:			
Cash received from disposal of investments		289,651	3,078,696
Cash received from returns on investments		1,796,428	1,127,794
Net cash received from disposal of fixed assets, intangible assets and other longterm assets			
Net cash received from disposal of subsidiaries and other business units			891,426
Cash received from other investment-related activities		2,220,000	
Sub-total of cash inflows from investing activities		4,306,079	5,097,916
Cash paid for purchasing and constructing fixed asset, intangible assets and other long-term asset		20,250	5,806
Cash paid for investment		2,139,408	743,717
Net cash paid to acquire subsidiaries and other business units			
Cash paid relating to other investing activities		4,996,000	
Sub-total of cash outflows from investing activities		7,155,658	749,523
Net cash flows from investing activities		-2,849,579	4,348,393

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Cash Flows Statement of the Parent (continued)

January to December 2022

Item	Note	2022	2021
III. Cash flow from financing activities:			
Cash received from capital contribution		3,000,000	3,500,000
Cash received from borrowings		7,053,848	4,300,000
Cash received relating to other financing activities			
Sub-total of cash inflows from financing activities		10,053,848	7,800,000
Cash repayments of borrowings		6,558,226	11,000,000
Cash payments for distribution of dividends, profits or interest expenses		1,305,119	1,332,211
Cash paid relating to other financing activities		10	
Sub-total of cash outflows from financing activities		7,863,355	12,332,211
Net cash flows from financing activities		2,190,493	-4,532,211
IV. Effect of foreign exchange rate changes on cash and cash equivalents		2,712	
V. Net increase in cash and cash equivalents		-1,090,074	-666,085
Add: Balance of cash and cash equivalent at the beginning of the period		2,065,299	2,731,384
VI. Balance of cash and cash equivalents at the end of the period		975,225	2,065,299

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 2022

Unit: '000 Currency: RMB

Item	2022														Total owners' equity
	Other equity instruments				Equity attributable to owners of the parent								Minority interests		
	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others		Sub-total	
I. Balance at the end of previous year	41,691,164		9,500,000		16,731,128		-77,521	648,786	5,563,652		20,141,471		94,198,680	55,535,320	149,734,000
Add: Change in accounting policies															
Correction of previous accounting errors															
Business combinations under common control															
Others															
II. Opening balance for the year	41,691,164		9,500,000		16,731,128		-77,521	648,786	5,563,652		20,141,471		94,198,680	55,535,320	149,734,000
III. Changes for the period (decrease represented by "-")					107,899		837,564	255,793	1,980,921		4,512,804		7,694,981	10,057,234	17,752,215
(I) Total comprehensive income							777,927				7,809,343		8,587,270	2,753,164	11,340,434
(II) Contribution from owners and reduction of capital					107,899								107,899		
1. Injection of ordinary shares from owners														9,692,698	9,800,597
2. Capital contribution by other equity instrument holders															
3. Amount of share-based payments included in owner's equity															
4. Others					107,899								107,899	9,692,698	9,800,597
(III) Profit distribution									1,980,921		-3,236,902		-1,255,981	-2,449,819	-3,705,800
1. Withdrawn from surplus reserve									1,980,921		-1,980,921				
2. Withdrawn from general risk reserve															
3. Distribution to owners (or shareholders)											-938,051		-938,051	-1,312,072	-2,250,123
4. Others											-317,930		-317,930	-1,137,747	-1,455,677

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (continued)

January to December 2022

Unit: '000 Currency: RMB

Item	2022													Minority interests	Total owners' equity		
	Other equity instruments				Equity attributable to owners of the parent												
	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Sub-total				
(IV) Internal carry-forward of owners' equity						59,637					-59,637						
1. Capital reserve converting to capital (or share capital)																	
2. Surplus reserve converting to capital (or share capital)																	
3. Surplus reserve used to compensate deficit																	
4. Changes in defined benefit scheme carried forward to retained earnings																	
5. Other comprehensive income carried forward to retained earnings						59,637					-59,637						
6. Others																	
(V) Special reserve								255,793					255,793	61,191			316,984
1. Withdrawn during the period								3,064,145					3,064,145	1,065,909			4,130,054
2. Utilized during the period								-2,808,352					-2,808,352	-1,004,718			-3,813,070
(VI) Others																	
IV. Balance at the end of the period	41,691,164		9,500,000		16,839,027	760,043	904,579	7,544,573			24,654,275		101,893,661	65,592,554			167,486,215

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (continued)

January to December 2022

Unit: '000 Currency: RMB

Item	2021													Total owners' equity	
	Other equity instruments				Equity attributable to owners of the parent					Minority interests					
	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others	Sub-total	Minority interests	
I. Balance at the end of previous year	30,020,396		9,500,000		8,106,266		123,789	557,757	4,461,490		15,647,219		68,416,917	69,511,939	137,928,856
Add: Change in accounting policies															
Correction of previous accounting errors															
Business combinations under common control															
Others															
II. Opening balance for the year	30,020,396		9,500,000		8,106,266		123,789	557,757	4,461,490		15,647,219		68,416,917	69,511,939	137,928,856
III. Changes for the period (decrease represented by "-")	11,670,768				8,624,862		-201,310	91,029	1,102,162		4,494,252		25,781,763	-13,976,619	11,805,144
(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	11,670,768				8,624,862								20,295,630	-13,917,453	6,378,177
1. Injection of ordinary shares from owners														6,693,033	6,693,033
2. Capital contribution by other equity instrument holders														12,386,071	12,386,071
3. Amount of share-based payments included in owner's equity															
4. Others	11,670,768				8,624,862								20,295,630	-32,996,557	-12,700,927
(III) Profit distribution									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. Withdrawn from general risk reserve															
3. Distribution to owners (or shareholders)											-675,459		-675,459	-1,790,422	-2,465,881
4. Others											-365,309		-365,309	-1,366,961	-1,732,270

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (continued)

January to December 2022

Unit: '000 Currency: RMB

Item	2021													Sub-total	Minority interests	Total owners' equity
	Other equity instruments			Equity attributable to owners of the parent												
	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others				
(IV) Internal carry-forward of owners' equity							-133,080				133,080					
1. Capital reserve converting to capital (or share capital)																
2. Surplus reserve converting to capital (or share capital)																
3. Surplus reserve used to compensate deficit																
4. Changes in defined benefit scheme carried forward to retained earnings																
5. Other comprehensive income carried forward to retained earnings							-133,080				133,080					
6. Others																
(V) Special reserve								91,029					91,029	67,265	158,294	
1. Withdrawn during the period								2,836,150					2,836,150	1,120,319	3,956,469	
2. Utilized during the period								-2,745,121					-2,745,121	-1,053,054	-3,798,175	
(VI) Others																
IV. Balance at the end of the period	41,691,164		9,500,000		16,731,128		-77,521	648,786	5,563,652		20,141,471		94,198,680	55,535,320	149,734,000	

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 Owners' Equity of the Parent

January to December 2022

Unit: '000 Currency: RMB

Item	2022										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
I. Balance at the end of previous year	41,691,164		9,500,000		31,884,102				964,914	1,132,621	85,172,801
Add: Change in accounting policies											
Correction of previous accounting errors											
Others											
II. Opening balance for the year	41,691,164		9,500,000		31,884,102				964,914	1,132,621	85,172,801
III. Changes for the period (decrease represented by "-")					203,775				225,398	772,604	1,201,777
(I) Total comprehensive income										2,253,983	2,253,983
(II) Contribution from owners and reduction of capital					203,775						203,775
1. Injection of ordinary shares from owners											
2. Capital contribution by other equity instrument holders											
3. Amount of share-based payments included in owner's equity											
4. Others					203,775						203,775
(III) Profit distribution									225,398	-1,481,379	-1,255,981
1. Withdrawn from surplus reserve									225,398	-225,398	
2. Distribution to owners (or shareholders)										-938,051	-938,051
3. Others										-317,930	-317,930

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (continued)

January to December 2022

Unit: '000 Currency: RMB

Item	2022											
	Paid-in capital (or share capital)	Other equity instruments				Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
(V) Internal carry-forward of owners' equity												
1. Capital reserve converting to capital (or share capital)												
2. Surplus reserve converting to capital (or share capital)												
3. Surplus reserve used to compensate deficit												
4. Changes in defined benefit scheme carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Withdrawn during the period												
2. Utilized during the period												
(VI) Others												
IV. Balance at the end of the period	41,691,164		9,500,000			32,087,877				1,190,312	1,905,225	86,374,578

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (continued)

January to December 2022

Unit: '000 Currency: RMB

Item	2021										
	Paid-in capital (or share capital)	Preferred shares	Other equity instruments		Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
(V) Special reserve											
1. Withdrawn during the period											
2. Utilized during the period											
(VI) Others											
IV. Balance at the end of the period	41,691,164		9,500,000		31,884,102				964,914	1,132,621	85,172,801

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Zhang Yaxian

Financial Report

III. GENERAL 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 promoters, and as approved by the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC"), and registered with the Beijing Municipal Administration for Market Regulation on 19 December 2014, with its headquarter in Beijing. The Company holds the business license with unified social credit code of 911100007178398156, with registered capital of RMB30,020,396,364, a total of 41,691,163,636 shares with a par value of RMB1. Of which, the number of restricted tradable shares comprises of 14,222,500,963 A shares and 9,262,436,000 H shares; the number of unrestricted tradable shares comprises of 18,206,226,673 A shares. The shares of the Company have been listed and traded on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange on 29 December 2015 and 21 September 2021, respectively.

The Company is engaged in the civil engineering and construction industry. The main business activities are construction and contracting, Survey, design and consulting, industrial manufacturing, investment and operation business, and other businesses.

These financial statements were approved for publication at the 23th meeting of the third session of the Board of the Company on 30 March 2023.

During the Reporting Period, the increase and decrease of subsidiaries of the Company are detailed in Note VIII to the financial statements.

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. Evaluation on Going Concern Ability

Applicable Not Applicable

There were no events or circumstances that resulted in material doubts about the Group's ability of operation as a going concern within 12 months since the end of the Reporting Period.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates indication: The Company has formulated specific accounting policies and accounting estimates for transactions or events such as impairment of financial instruments, depreciation of fixed assets, amortization of intangible assets, and revenue recognition based on actual production and operation characteristics.

Applicable Not Applicable

1. Statement on Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company are in compliance with the requirements of the Accounting Standards for Business Enterprises, reflecting the Company's financial position, operating results, and cash flows on a true and complete basis.

2. Accounting Period

The fiscal year of the Company is from 1 January to 31 December.

3. Operating Cycle

Applicable Not Applicable

Except for the construction and contracting business and real estate business, the Company's businesses have a relatively short operating cycle, and take 12 months as the classification standards for liquidity of assets and liabilities. The operating cycle of the construction and contracting business and real estate business is from the construction period, development period until the realisation, being 12 months or more in general, and the specific cycle will be determined based on the project under development and their operating cycle is used as the classification standards for liquidity of assets and liabilities.

4. Reporting Currency

The Group and domestic subsidiaries adopt Renminbi as the reporting currency, and Zijing International Energy (HK) Company Limited (紫荊國際能源(香港)有限公司), the offshore subsidiary, operates aboard, and chooses the currency of the main economic environment in which it operates as the reporting currency.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Accounting Treatments for Business Combinations under Common Control and Not under Common Control

Applicable Not Applicable

(1). *Accounting treatments for business combinations under common control*

The assets acquired and liabilities assumed by the Company through business combination shall be measured at the carrying value of the acquiree in the consolidated financial statements of the ultimate controlling party at the combination date. The capital reserve shall be adjusted by the Company based on the difference between the carrying value of share of the acquiree's owners' equity in the consolidated financial statements of the ultimate controller and the book value of the combined consideration or the total value of the issued shares, if it is not enough, retained earnings shall be adjusted.

(2). *Accounting treatments for business combinations not under common control*

The excess of the consideration paid for business combination over the share of the attributable net identifiable assets of the acquiree, measured at fair value at the combination date, was recognised as goodwill. In case the fair value of the consideration paid is less than the fair value of the share of the attributable net identifiable assets of the acquiree, a review of the measurement of the fair values of the identifiable assets, liabilities and contingent liabilities of the acquiree and the consideration paid for the combination is conducted. If the review indicates that the fair value of the consideration paid is indeed less than the fair value of the share of the attributable net identifiable assets of the acquiree, the difference is recognised in current profit or loss.

6. Preparation Method of Consolidated Financial Statements

Applicable Not Applicable

The Company includes all subsidiaries under its control in the consolidation scope for consolidated financial statements, which are prepared by the Company pursuant to ASBE NO. 33 — Consolidated financial statements based on the financial statements of the Company and its subsidiaries and other relevant information.

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 Company has power, only substantive rights (held by the Company 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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**6. Preparation Method of Consolidated Financial Statements (continued)****1. General principles (continued)**

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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation Method of Consolidated Financial Statements (continued)

3. *Disposal of subsidiaries*

When the Company 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 remeasured 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.

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;
- arranges 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).

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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**6. Preparation Method of Consolidated Financial Statements (continued)****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 Company acts as the asset manager in structured entity, the Company needs to identify its own role as the agent or the trustee to make decisions for the structured entity. If the Company's role is just an agent, the Company's primary responsibility is to exercise decision-making authority for other parties (other investors of the structured entity), and therefore the Company does not control the structured entity. However, if the Company's primary responsibility is to exercise decision-making authority for itself, thus the Company controls the structured entity.

7. Classification of Joint Arrangements and Accounting Treatment of Joint Operations

Applicable Not Applicable

- (1) Joint arrangements are classified as either joint operations or joint ventures.
- (2) A joint operator shall recognize in relation to its interest in a joint operation:
 - 1) its assets, including its share of any assets held jointly;
 - 2) its liabilities, including its share of any liabilities incurred jointly;
 - 3) its revenue from the sale of its share of the output arising from the joint operation;
 - 4) its share of the revenue from the sale of the assets of the joint operation;
 - 5) its expenses, including its share of any expenses incurred jointly.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Standards for Determination of Cash and Cash Equivalents

Cashes presented in the cash flows statement represent cash on hand and deposits ready for payment from time to time. Cash equivalents represent the short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Foreign Currency Transactions and Translation of Foreign Currency Financial Statements

Applicable Not Applicable

(1). *Translation of foreign currency transactions*

Transactions denominated in foreign currency are translated into RMB at the spot exchange rate at the date of transaction upon initial recognition. At the balance sheet date, monetary items denominated in foreign currency are translated 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. Foreign currency non-monetary items measured at historical cost are translated at the spot exchange rate at the date of transaction, without changing its RMB amount; foreign currency non-monetary items measured at fair value are translated at the spot exchange rate at the date of determination of fair value, with the difference included in profit or loss for the current period or other comprehensive income.

(2). *Translation of foreign currency financial statements*

Asset and liability items in the balance sheet are translated to Renminbi at the spot exchange rate at the balance sheet date. Owners' equity items, excluding retained earnings, and other items are translated to Renminbi at the spot exchange rate on the transaction dates, and the income and expense items in the income statements are translated to Renminbi at the spot exchange rates at the transaction dates. The resulting translation differences are recognised in other comprehensive income.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments

Applicable Not Applicable

(1). Classification of financial assets and financial liabilities

Financial assets are classified into the following three categories at initial recognition: 1) financial assets measured at amortized cost; 2) financial assets measured at fair value through other comprehensive income; 3) financial assets measured at fair value through profit or loss for the current period.

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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.

Financial liabilities are classified into the following four categories at initial recognition: 1) financial liabilities measured at fair value through profit or loss for the current period; 2) financial liabilities arising from financial assets of which the transfer does not meet the conditions for derecognition or continue to be involved in transferred financial assets; 3) the financial guarantee contracts which do not fall into (1) or (2) above, and the commitments to grant loans which do not fall into (1) above and have an interest rate lower than the market rate; 4) financial liabilities measured at amortized cost.

(2). Recognition criteria, measurement method and derecognition conditions of financial assets and financial liabilities**1) Recognition criteria and initial measurement method of financial assets and financial liabilities**

When the Company becomes a party to a financial instrument contract, it is recognised as a financial asset or financial liability. The financial assets or financial liabilities initially recognized by the Company are measured at fair value; for the financial assets and liabilities at fair value through profit or loss for the current period, the transaction expenses thereof are directly included in profit or loss for the current period; for other categories of financial assets or financial liabilities, the transaction expenses thereof are included into the initially recognised amount. However, accounts receivable initially recognised by the Company which do not contain a significant financing component, or financing components in a contract valid for less than one year which are not considered by the Company, are initially measured at transaction price as defined in the Accounting Standard for Business Enterprises No.14 – Revenue.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(2). *Recognition criteria, measurement method and derecognition conditions of financial assets and financial liabilities (continued)*

2) *Subsequent measurement of financial assets*

- ① Financial assets measured at amortized cost
These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost and is not part of a hedging relationship shall be included in profit or loss when the financial asset is derecognized, reclassified, amortized using the effective interest method or recognized in respect of impairment.
- ② Debt instrument investments at fair value through other comprehensive income
These debt instrument investments are subsequently measured at fair value. Interest, impairment losses or gains or foreign exchange gains and losses calculated using the effective interest method are included in profit or loss in the current period. Other gains or losses are included in other comprehensive income. On derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to profit or loss for the current period.
- ③ Equity instrument investments at fair value through other comprehensive income
These debt instrument investments are subsequently measured at fair value. Dividends obtained (excluding those obtained as investment costs recovered) are included in profit or loss for the current period, while other gains or losses are included in other comprehensive income. On derecognition, cumulative gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.
- ④ Financial assets at fair value through profit or loss
These financial assets are subsequently measured at fair value, and any gain or loss therefrom (including interest and dividend income) is included in profit or loss for the current period, unless such financial assets are part of the hedging relationship.

3) *Subsequent measurement of financial liabilities*

- ① Financial liabilities at fair value through profit or loss
These financial liabilities include trading financial liabilities (including derivative instruments classified as financial liabilities) and financial liabilities designated as at fair value through profit or loss for the current period. These financial liabilities are subsequently measured at fair value. Changes in fair value of financial liabilities designated as at fair value through profit or loss for the current period as a result of changes in the Company's own credit risk are included in other comprehensive income, unless this approach creates or enlarges an accounting mismatch in the profit or loss. Other gains or losses on these financial liabilities (including interest expenses and changes in fair value other than as a result of changes in the Company's own credit risk) are included in profit or loss for the current period, unless these financial liabilities are part of the hedging relationship. On derecognition, cumulative gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(2). *Recognition criteria, measurement method and derecognition conditions of financial assets and financial liabilities (continued)*3) *Subsequent measurement of financial liabilities (continued)*

- ② Financial liabilities arising from financial assets of which the transfer does not meet the conditions for derecognition or continue to be involved in transferred financial assets

These financial liabilities are measured in accordance with the Accounting Standard for Business Enterprises No.23 – Transfer of Financial Assets.

- ③ Financial guarantee contracts which do not fall into 1) or 2) above, and the commitments to grant loans which do not fall into 1) above and have an interest rate lower than the market rate.

After initial recognition, these financial guarantee contracts and commitments to grant loans are subsequently measured at the higher of: i. provisions for losses determined according to requirements on the impairment of financial instruments; ii. balance from the initially recognised amount less accumulated amortisation determined according to the Accounting Standard for Business Enterprises No.14 – Revenue.

- ④ Financial liabilities measured at amortised cost

These financial liabilities are measured at amortised cost using the effective interest method. Any gains or losses on financial liabilities measured at amortised cost which are not part of the hedging relationship are included in profit or loss for the current period when derecognised or amortised using the effective interest method.

4) *Derecognition of financial assets and financial liabilities*

- ① Financial assets are derecognised when one of the following conditions is met: The contractual right to the cash flows from such financial assets has expired;

The financial assets transferred the right to receive cash flows, or assumed the obligation to promptly pay the received cash flows to third parties under a passing agreement, and (a) substantially transferred almost all risks and rewards related to the ownership of financial assets, or (b) abandoning control over a financial asset, although substantially neither transferring nor retaining the risks and rewards of ownership of the financial asset, such financial assets have been transferred, which meets the requirements of Accounting Standard for Business Enterprise No. 23 – Transfer of Financial Assets in relation to derecognition of financial assets.

- ② A financial liability (or part of it) is derecognized accordingly where its present obligation (or part of it) is discharged.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(3). *Recognition criteria and measurement method of transfer of financial assets*

A financial asset is derecognized when the Company has transferred substantially all the risks and rewards associated with the ownership of a financial asset, and the rights and obligations arising from or retained in such transfer shall be separately recognized as assets or liabilities. A transferred financial asset will remain recognized if the Company retains substantially all the risks and rewards associated with the ownership of such financial asset. Where the Company has neither transferred nor retained substantially all the risks and rewards associated with the ownership of the financial asset, it may either ① derecognize the financial asset if control of the financial asset has not been retained, and the rights and obligations arising from or retained in the transfer shall be separately recognized as assets or liabilities; ② recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognize associated liability accordingly if control has been retained.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between ① the book value of the financial asset transferred on the date of derecognition; ② the sum of the consideration received from the transferred financial asset and the amount (which involves investments in debt instruments at fair value through other comprehensive income being the transferred financial assets) for derecognition of the cumulative changes in fair value previously included in comprehensive income, is included in profit or loss for the current period. If a partial transfer of a financial asset as a whole qualifies for derecognition, the book value of the financial asset prior to such transfer is allocated between the part that subject to derecognition and the part subject to recognition, in proportion to the respective fair values of those parts on the date of transfer. The difference between ① the book value of the part derecognized; ② the sum of the consideration of the part derecognized and the amount (which involves investments in debt instruments at fair value through other comprehensive income being the transferred financial assets) for derecognition of the cumulative changes in fair value for the part derecognized which has been previously directly included in other comprehensive income, is included in profit or loss for the current period.

(4). *Determination of fair value of financial assets and financial liabilities*

The Company adopts valuation techniques that are appropriate under the circumstances and supported by sufficient data and other information available to determine the fair value of the relevant financial assets and financial liabilities. The Company classifies the inputs used by the valuation techniques into the following hierarchies, and applies in the following sequence:

- 1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the date of measurement;
- 2) Level 2 inputs are direct or indirect observable inputs for the relevant asset or liability other than Level 1 inputs, including: quoted price for similar assets or liabilities in an active market; quoted price for the same or similar assets or liabilities in an inactive market; other observable inputs excluding quoted price, such as interest rates and yield curves observable at commonly quoted intervals; inputs that are evidenced in market, etc.;
- 3) Level 3 inputs are unobservable inputs for the relevant asset or liability, including interest rates, stock volatility, future cash flows from the disposal obligations assumed in a business combination, financial forecast using internal data that are not directly observable or cannot be verified by observable market data.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(5). Impairment of financial instruments

1) Impairment measurement and accounting treatment of financial instruments

Based on the expected credit losses (ECLs), the Company impairs and recognizes the loss allowance with respect to financial assets amortized at costs, debt instrument investments at fair value through other comprehensive income, contract assets, 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.

The expected credit losses are the weighted average credit losses with probability of default as the weight. Credit loss refers to the difference between all contractual cash flows receivable according to the contract and discounted according to the original effective interest rate and all cash flows that the Company expects to receive, that is, the present value of all cash shortages.

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the Company 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 Company'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 Company 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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(5). Impairment of financial instruments (continued)

1) Impairment measurement and accounting treatment of financial instruments (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 Company 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 Company 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 Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(5). Impairment of financial instruments (continued)

1) Impairment measurement and accounting treatment of financial instruments (continued)

Credit-impaired financial assets

At each balance sheet date, the Company 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 Company 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;
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL reflects the changes in the financial instrument's credit risk since initial recognition. Expected credit losses are remeasured by the Company at each balance sheet date, and any increase or reversal of loss provision arising therefrom is included in profit or loss for the current period as impairment losses or gains. For a financial asset at amortised cost, the loss provision offsets against the book value of the financial asset as shown in the balance sheet. For debt investments at FVOCI, the Company recognises its loss provision in other comprehensive income and does not offset against the carrying amount of financial assets.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(5). Impairment of financial instruments (continued)

1) Impairment measurement and accounting treatment of financial instruments (continued)

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 Company 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 Company'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.

For lease receivables, receivables and contract assets arising from transactions regulated by the Accounting Standard for Business Enterprises No.14 – Revenue, the Company measures loss provision based on the amount of lifetime ECLs by using a simplified measurement method.

In addition to financial assets in respect of which the aforesaid measurement approaches are adopted, the Company assesses whether there has been a significant increase in its credit risk since initial recognition at each balance sheet date. If there has been a significant increase in the credit risk since initial recognition, the loss reserves are measured at the amount of lifetime ECLs; if there has not been a significant increase in the credit risk since initial recognition, the loss reserves are measured at the amount of 12-month expected credit loss.

To assess whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument on the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition through reasonable and supportable information, including forward-looking information.

The Company assumes that there has not been a significant increase in the credit risk, if a financial instrument is determined to have a low credit risk at the balance sheet date.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial Instruments (continued)

(5). *Impairment of financial instruments (continued)*1) *Impairment measurement and accounting treatment of financial instruments (continued)*

Write-off (continued)

The Company assesses expected credit risk and measures expected credit loss on either an individual basis or a collective basis of financial instruments. When the assessment is performed on a collective basis, the financial instruments are classified into various groups by the Company based on shared risk characteristics.

Expected credit losses are remeasured by the Company at each balance sheet date, and any increase or reversal of loss reserves arising therefrom is included in profit or loss for the current period as impairment losses or gains. For a financial asset at amortised cost, the loss reserve reduces the book value of the financial asset as shown in the balance sheet; for a debt instrument investment at fair value through other comprehensive income, the loss reverse is recognised in other comprehensive income without reducing the book value of the financial asset.

(6). *Offset of financial assets and financial liabilities*

Financial assets and financial liabilities are presented separately in the balance sheet, and are not offset. However, if the following conditions are met, the net amount offset by each other is presented in the balance sheet: (1) the Company has a statutory right to offset the recognised amount, and such legal right is currently enforceable; (2) the Company plans to settle in net amount or to realise the financial assets and liquidate the financial liabilities at the same time.

For transferred financial assets not qualify for derecognition, the Company will not offset the transferred financial assets against related liabilities.

11. Bills Receivables

Determination basis and accounting treatment of expected credit losses of bills receivables

Applicable Not Applicable

12. Trade Receivables

Determination basis and accounting treatment of expected credit losses of trade receivables

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Receivables Financing

Applicable Not Applicable

14. Other Receivables

Determination basis and accounting treatment of expected credit losses of other receivables

Applicable Not Applicable

15. Inventories

Applicable Not Applicable

(1). *Categories of inventories*

Inventories include finished goods or goods held for sale in the ordinary course of business, work in process in the process of production, and materials and supplies etc. to be consumed in the production process or in the rendering of services.

(2). *Accounting method for dispatching inventories*

Dispatched inventories are measured using the first-in-first-out method or the weighted average method or the individual valuation method.

(3). *Basis for determining net realisable value of inventories*

At the balance sheet date, inventories are measured at the lower of cost and net realisable value; and provision for impairment of inventories is made for the difference between the cost of individual inventory items and their net realizable value. For those inventories with large volume and lower unit price, provisions for inventory impairment are made by inventory type. The net realisable value of inventories directly held for sale is determined based on the amount of the estimated selling price less the estimated selling expenses and relevant taxes and surcharges in the ordinary course of business; the net realisable value of materials to be processed is determined based on the amount of the estimated selling price less the estimated costs of completion, selling expenses and relevant taxes and surcharges in the ordinary course of business; at the balance sheet date, when only part of the same item of inventories have agreed price, their net realisable value is determined separately and is compared with their costs to determine the provision for inventory write-down to be made or reversed.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (continued)

(4). *Inventory system*

Perpetual inventory method is adopted.

(5). *Amortisation method of low-value consumables and packages*1) *Low-value consumables*

Low-value consumables are amortised at number of use.

2) *Packages*

Packages are amortised at number of use.

16. Contract Assets

(1). *Recognition method and criteria of contract assets*

Applicable Not Applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The Company presents contract assets and contract liabilities under the same contract as net amount after they offset each other.

The Company presents the right of the Company to charge consideration from the customer unconditionally (i.e. only depends on the passage of time) as a receivable, while the consideration that the Company has the right (and this right depends on factors other than passage of time) to receive for goods transferred to customers is presented as a contract assets.

The Company presents the portion of the obligation to transfer goods to customers for consideration received or receivable from customers as a contract liability.

(2). *Determination basis and accounting treatment of expected credit losses of contract assets*

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Assets Held for Sale

Applicable Not Applicable

(1). *Classification of non-current assets or disposal groups held for sale*

Non-current assets or disposal groups that meet the following conditions are classified as held for sale: (1) based on the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under current conditions; (2) the sale is very likely to happen, that is, the Company has already made a resolution on a sales plan and obtained a certain purchase commitment, and it is expected that the sale will be completed within one year.

The non-current assets or disposal groups that the Company has acquired specially for resale are classified as held for sale on the acquisition date when they meet the condition that “it is expected that the sale will be completed within one year” on the acquisition date, and are likely to satisfy other conditions of being classified as held for sale in a short-term (usually being 3 months).

If the Company undertakes to sell the non-current assets or disposal groups even though the non-related party transaction fails to be completed within one year as a result of the following reasons beyond the control of the Company, such non-current assets or disposal groups will continue to be classified as held for sale: (1) the buyer or other party unexpectedly sets conditions leading to delay of the sale, and the Company has taken measures for such conditions in a timely manner and is expected to deal with such delay factors successfully within one year since such conditions leading to the delay of the sale are set; (2) the sale of non-current assets or disposal groups held for sale fail to complete within one year due to rare circumstances, and in the first year, the Company has taken necessary measures for these new situations and re-satisfies the conditions of being classified as held for sale.

(2). *Measurement of the non-current assets or disposal groups held for sale*

1) *Initial measurement and subsequent measurement*

For the initial measurement and remeasurement of the non-current assets or the disposal groups held for sale on the balance sheet date, if their book value is higher than the net amount after the fair value less the selling expenses, the book value shall be reduced to the net amount after their fair value less the selling expenses, and the reduced amount is recognized as the impairment loss of assets and recorded in the current profit or loss with provision made for impairment of assets held for sale.

For the non-current assets or disposal groups classified as held for sale at the acquisition date, they are measured at the lower of their initial measurement amount and the net amount after their fair value less the selling expenses based on the assumption that such non-current assets or disposal groups are not classified as held for sale at the time of initial measurement. Except for the non-current assets or disposal groups acquired in a business combination, the difference arising from considering the net amount of such non-current assets or disposal groups after their fair value less the selling expenses as the initial measurement amount is recorded in the current profit or loss.

For the impairment loss amount of assets recognized in the disposal groups held for sale, it shall first write down the book value of the goodwill in the disposal groups, then write down the book value in proportion of the book value of each non-current asset in the disposal groups.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Assets Held for Sale (continued)

(2). *Measurement of the non-current assets or disposal groups held for sale (continued)*1) *Initial measurement and subsequent measurement (continued)*

The non-current assets in the non-current assets or disposal groups held for sale is not depreciated or amortized, and the debt interests and other fees in the disposal groups held for sale continue to be recognized.

2) *Accounting treatment of the reversal of asset impairment loss*

In respect of the non-current assets held for sale, if the net amount after their fair value less the selling expenses increased as at the subsequent balance date, the reduced amount before will be recovered and reversed in the asset impairment loss amount recognized after being classified as held for sale, and the reversed amount will be recorded in the current profits or loss. The impairment loss on assets recognized before being classified as held for sale will not be reversed.

In respect of the disposal groups held for sale, if the net amount after their fair value less the selling expenses increased as at the subsequent balance date, the reduced amount before will be recovered and reversed in the asset impairment loss amount recognized in non-current assets after being classified as held for sale, and the reversed amount will be recorded in the current profits or loss. The reduced book value of the goodwill as well as the impairment loss on assets recognized before the non-current assets are classified as held for sale will not be reversed.

The subsequent reversed amount in respect of the impairment loss on assets recognized in the disposal groups held for sale will increase the book value in proportion of the book value of each non-current assets (other than goodwill) in the disposal groups.

3) *Accounting treatment of the non-current assets or disposal group that no longer being classified as held for sale and being derecognized*

If the non-current assets or disposal groups are no longer classified as held for sale since they no longer meet the condition of being classified as held for sale or the non-current assets are removed from the disposal groups held for sale, they will be measured at the lower of the following: ① the amount after their book value before they are classified as held for sale is adjusted based on the depreciation, amortization or impairment that should have been recognized given they are not classified as held for sale; ② the recoverable amount.

The unrecognized profit or loss will be recorded in the current profit or loss when derecognizing the non-current assets or disposal group held for sale.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Debt Investments

(1). *Determination basis and accounting treatment of expected credit losses of debt investments*

Applicable Not Applicable

19. Other Debt Investments

(1). *Determination basis and accounting treatment of expected credit losses of other debt investments*

Applicable Not Applicable

20. Long-term Receivables

(1). *Determination basis and accounting treatment of expected credit losses of long-term receivables*

Applicable Not Applicable

21. Long-term Equity Investments

Applicable Not Applicable

(1). *Judgement on joint control and significant effects*

Joint control is the agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities 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:

- (1) Whether no single participant party is in a position to control the investee's relevant activities unilaterally;
- (2) 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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Long-term Equity Investments (continued)

(2). *Determination of investment cost*

- 1) For business combination under common control, if the consideration of the combining party is that it makes payment in cash, transfers non-cash assets, assumes its liabilities or issues equity securities, on the date of combination, it regards the share of the book value of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party as the initial cost of the investment. The difference between the initial cost of the long-term equity investment and the book value of the combination consideration paid or the aggregate nominal amount of shares issued offsets capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When long-term equity investments are obtained through business combination under common control achieved in stages, the Company determines whether it is a "package deal". If it is a "package deal", transactions as a whole are treated as one transaction obtaining the right to control in accounting treatment. If it is not a "package deal", on the combination date, investment cost is initially recognised at the share of the book value of net assets of the combined party included in the consolidated financial statements of the ultimate controlling party after the combination. The difference between the acquisition date initial investment cost of long-term equity investments and the book value of the previously held long-term equity investments plus the book value of the consideration paid for the newly acquired equity is adjusted to capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

- 2) For business combination not under common control, investment cost is initially recognised at the acquisition-date fair value of combination considerations paid.

When long-term equity investments are obtained through business combination not under common control achieved in stages through various transactions, the Company determined whether they are separate financial statements or consolidated financial statements in accounting treatment:

- ① In separate financial statements, investment cost which is accounted for using the newly adopted cost method is initially recognised at the book value of the previously held long-term equity investments plus the newly increased initial investment cost.
- ② In consolidated financial statements, the Company determines whether it is a "package deal". If it is a "package deal", transactions as a whole are treated as one transaction obtaining the right to control in accounting treatment. If it is not a "package deal", the book value of the acquirer's previously held equity interest in the acquiree is remeasured at the acquisition-date fair value, and the difference between the fair value and the book value is recognised in investment income; when the acquirer's previously held equity interest in the acquiree involves other comprehensive income under equity method, the related other comprehensive income is reclassified as income for the acquisition period, excluding other comprehensive income arising from changes in net liabilities or net assets from pre-measurement of defined benefit plan of the acquiree.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Long-term Equity Investments (continued)

(2). *Determination of investment cost (continued)*

- 2) For business combination not under common control, investment cost is initially recognised at the acquisition-date fair value of combination considerations paid. (continued)
 - ③ Long-term equity investment obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to "Accounting Standards for Business Enterprises No. 12 – Debt Restructuring"; and that obtained through non-cash assets exchange is determined according to "Accounting Standards for Business Enterprises No. 7 – Non-cash Assets Exchange".

(3). *Subsequent measurement and recognition in profit or loss*

When the Company controls the investee, a long-term equity investment is accounted for using the cost method. The equity method is applied to long-term equity investment of associates and joint ventures.

(4). *Accounting treatment of disposal of investment in a subsidiary to loss of control in stages through various transactions*

1) *Separate financial statements*

For equity interests disposed of, the difference between the book value and the actual consideration obtained is recognised as current profit or loss. For the remaining equity interests, those which are still entitled to a significant influence on the investee or perform joint control with other parties are accounted for using equity method, while those which do not control, jointly control or have a significant influence on the investee are accounted for pursuant to the relevant regulations of Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments.

2) *Consolidated financial statements*

- ① For the disposal of investment in a subsidiary to loss of control in stages through various transactions that are not categorized as "package deal", prior to the loss of control, the capital reserve (capital premium) is adjusted with the difference between the consideration of the disposal and the entitled share of the net assets of the subsidiary that would have been entitled to by the disposed long-term equity investment and continuously accounted for from the acquisition date or combination date. If the balance of the capital premium is insufficient for the set-off, then the retained earnings will be set off accordingly.

When the control over the former subsidiary is lost, the remaining equities are pre-measured at fair value at the date when the control is lost. The sum of the consideration obtained from disposal and the fair value of the remaining equity interests less the share of the net assets of the subsidiary that would have been entitled to and continuously accounted for according to the original shareholding percentage from the acquisition date or combination date is recognised as investment income for the period covering the date of loss of control, offsetting the goodwill at the same time. Other comprehensive income related to the equity investment in the former subsidiary shall be transferred to the investment income for the period covering the date of loss of control.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**21. Long-term Equity Investments (continued)****(4). Accounting treatment of disposal of investment in a subsidiary to loss of control in stages through various transactions (continued)**

2) Consolidated financial statements (continued)

- ② For the disposal of investment in a subsidiary to loss of control in stages through various transactions that are categorized as “package deal”, the transactions as a whole are treated as one single transaction of disposal of a subsidiary and loss of control in accounting treatment. However, prior to the loss of control, the difference between each of the consideration of disposal and the share of net assets of that subsidiary that would have been entitled to by the disposed investment is recognised as other comprehensive income in the consolidated financial statements and transferred to profit or loss for the period when the control is lost.

22. Investment Properties**(1). If the cost measurement model is adopted:***Depreciation or amortization method*

- 1). Investment properties include the right to use the leased land, the land held for appreciation and transfer and the leased buildings.
- 2). Investment properties are measured at cost initially and under the cost model subsequently, and are depreciated or amortised, using a method similar to that for fixed assets and intangible assets.

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)

23. Fixed Assets

(1). Recognition criteria of fixed assets

Applicable Not Applicable

Fixed assets represent the tangible assets held for production or supply of goods or services, rental or for administrative purposes with useful lives over one accounting year, and are measured when the inflow of economic benefits is probable and the cost can be reliably measured.

(2). Depreciation method of fixed assets

Applicable Not Applicable

Class	Depreciation method	Useful life (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings and structures	Straight-line method	8-40	5	2.38-11.88
Machinery and equipment	Straight-line method	4-22	5	4.32-23.75
Transportation tools	Straight-line method	4-30	5	3.17-23.75
Electronic equipment	Straight-line method	3-10	5	9.50-31.67
Office equipment and others	Straight-line method	4-15	5	6.33-23.75

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

(3). Disposal of fixed assets

Applicable Not Applicable

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.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Construction in Progress

Applicable Not Applicable

- (1). Construction in progress is recognised when the inflow of economic benefits is probable and the cost can be reliably measured, and is measured at the actual cost incurred until it is ready for intended use.
- (2). Construction in progress is transferred to fixed assets when it is ready for its intended use based on the actual cost. For a completed project ready for intended use but with final account unsettled, the asset is transferred to fixed assets based on estimated value. After final account of the project has been settled, the Company shall make adjustment to the previous estimated value based on actual cost, but need not to adjust the depreciation retrospectively.

25. Borrowing Costs

Applicable Not Applicable

(1). Recognition principles on capitalisation of borrowing costs

The Company's borrowing costs that are directly attributable to the acquisition, construction or production of an asset eligible for capitalisation shall be capitalised in the cost of relevant assets. Other borrowing costs are recognised as expenses in current profit or loss when incurred.

(2). Capitalisation period of borrowing costs

- 1) Borrowing costs shall be capitalised when: ① capital expenditures have been incurred; ② borrowing costs have been incurred, and ③ activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced.
- 2) Capitalisation of borrowing costs should be suspended during a period in which abnormal interruption has lasted for more than three months during the process of acquisition, construction or production of assets eligible for capitalisation. The borrowing cost incurred during interruption is recognised as current expenses until the acquisition, construction or production activities resume.
- 3) The capitalisation of borrowing costs ceases when the assets acquired, constructed or produced and qualified for capitalisation are ready for their intended use or sale.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Borrowing Costs (continued)

(3). Capitalisation rate and amount of borrowing costs

For specific borrowings used to acquire, construct or produce assets eligible for capitalisation, the amount of interest costs (including amortisation of discount or premium determined using the effective interest method) actually incurred on such borrowings for the period shall be capitalised after deducting any interest earned from depositing the unused borrowings in bank or any investment income arising from the temporary investment of those borrowings during the capitalisation period. For general borrowings used to acquire, construct or produce assets eligible for capitalisation, the capitalised amount of interests on general borrowings shall be determined on the basis that the weighted average (of the excess of cumulative assets expenditures over the specific borrowings) times capitalisation rate (of used general borrowings).

26. Bearer Biological Assets

Applicable Not Applicable

27. Oil and Gas Assets

Applicable Not Applicable

28. Right-of-use Assets

Applicable Not Applicable

29. Intangible Assets

(1). Valuation methods, useful life and impairment test

Applicable Not Applicable

- 1). Intangible assets, including land use rights, patent rights and non-patented technologies, concession rights and mining rights, are initially measured at cost.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Intangible Assets (continued)

(1). Valuation methods, useful life and impairment test (continued)

- 2). Except the mining rights and concession rights related to highway toll rights, intangible assets with definite useful lives are reasonably and systematically amortised over their useful lives based on the pattern of the economic benefits relating to the intangible assets that are expected to be realised. Intangible assets whose economic benefits realisation pattern cannot be reliably anticipated are amortised on a straight-line basis over the following useful life:

Item	Amortisation period (years)
Land use rights	Land use certificate registration period
Patent, unpatented technology and software	2-10
Mining rights	Contracted years
Concession rights	The franchise period stipulated in the contract
Others	10-50

Others mainly include brand, customer relationship, copyright, etc.

The amortization of mining rights with definite useful life is provided for amortization based on the proved mine reserves using the workload method.

The franchise rights related to highway toll rights is amortized according to the traffic flow, and is provided over their expected useful lives or the remaining concession period, whichever is the shorter, commencing from the date of commencement of commercial operation of the toll roads, based on a units-of-usage basis, which is the ratio of actual traffic volume compared to the total expected traffic volume of the toll roads as estimated by the management or by reference to traffic projection reports prepared by independent traffic consultants.

(2). Accounting policy for internal research and development expenditures

Applicable Not Applicable

The expenses of internal research and development projects during the development stage are recognized in profit or loss as incurred. The expenses of internal research and development projects during the development stage are recognised as intangible assets when all of the following conditions are satisfied: 1) the completion of such intangible assets for use or sale is technically feasible; 2) the Company has the intention to use or sell the intangible assets upon completion; 3) the way in which the intangible assets bring economic benefits shows that there exists consumption market for the products with use of these intangible assets or the intangible assets themselves, or that they are useful in case of internal utilisation; 4) the Company has sufficient technological, financial and other resources to complete the development of the intangible assets and the ability to make them available for use or sale; 5) the expenses attributable to such intangible assets can be measured reliably at the development stage.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Long-term Asset Impairment

Applicable Not Applicable

For long-term assets such as long-term equity investment, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets and intangible assets with definite useful lives, when there is evidence at the balance sheet date showing that the assets are impaired, the recoverable amounts are estimated. For goodwill arising from business combination, whether there is an evidence of impairment or not, impairment test is conducted annually. Impairment test is performed on goodwill together with its relevant asset group or asset group portfolio.

If the recoverable amounts of the above-mentioned long-term assets are lower than their book values, the differences are recognised as provision for asset impairment and recorded in current profit or loss.

Once an impairment loss is recognised, it is not reversed in a subsequent period.

31. Long-term Deferred Expenses

Applicable Not Applicable

Long-term deferred expenses are expenses that have been recognised but with amortisation period over one year (excluding one year). Long-term deferred expenses are recognised as incurred, and evenly amortised within its beneficial period or stipulated period. If items of long-term deferred expenses fail to be beneficial to the subsequent accounting periods, the residual values of such items are included in current profit or loss.

32. Contract liabilities

(1). *Recognition method of contract liabilities*

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Employee Benefits

(1). Accounting treatment of short-term compensation

Applicable Not Applicable

- 1) Staff costs include short-term benefits, post-employment benefits, dismissal benefits and other long-term employee benefits.
- 2) Accounting treatment for short-term remuneration

During the accounting period when the staff is providing services for the Company, the actual short-term remuneration is recognized as liabilities and charged over profit or loss or relevant cost of asset for the current period.

(2). Accounting treatment of post-employment benefits

Applicable Not Applicable

The Company classifies post-employment benefit plans as either defined contribution plan or defined benefit plan.

- 1) During the accounting period when the staff provides service, the Company will recognise the amount payable calculated under defined contribution plan as liabilities, and the liabilities would be included in current profit or loss or the relevant costs of assets.
- 2) Accounting treatment of defined benefit plan normally comprises steps as follow:
 - ① According to the projected unit credit method, the Company adopted unbiased and mutually agreed actuarial assumptions to estimate the relevant demographic variables and financial variables, calculate the obligations arising from the defined benefit plan and determine the period of relevant obligations belonging to. Meanwhile, the obligation arising from the defined benefit plan is discounted to determine the present value of such obligation under the defined benefit plan and the service cost for the current period;
 - ② Where there are assets in the defined benefit plan, the deficit or surplus from the present value of the defined benefit plan less the fair value of the defined benefit plan are recognised as a net debt or asset of a defined benefit plan. Where there are surplus in the defined benefit plan, the lower of the surplus of the defined benefit plan and the upper limit of the assets will be used to calculate the net assets of the defined benefit plan;

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Employee Benefits (continued)

(2). *Accounting treatment of post-employment benefits (continued)*

2) Accounting treatment of defined benefit plan normally comprises steps as follow:
(continued)

- ③ At the end of the period, the cost of employee benefits from the defined benefit plan will be recognised as three parts, such as the service cost, the net interest on the net liabilities or net assets from the defined benefit plan and the changes arising from the remeasurement of the net liabilities or net assets from the defined benefit plan. Of these, the service cost and the net interest on the net liabilities or net assets from the defined benefit plan will be recognised in current profit or loss or relevant assets cost. The changes arising from the remeasurement of the net liabilities or net assets from the defined benefit plan will be recognised in other comprehensive income and shall not be reversed to profit or loss in subsequent accounting periods, but the amounts recognised in other comprehensive income can be transferred within the scope of interests.

(3). *Accounting treatment of termination benefits*

Applicable Not Applicable

When providing termination benefits to employees, the employee benefits liabilities arising from the recognition of termination will be recognised in current profit or loss at the earlier of: 1) when the Company cannot unilaterally withdraw the termination benefits for the release of the labour relationship plan or the termination proposal; 2) when the Company recognised relevant costs or expenses associated with the reorganisation of the payment of the termination benefits.

(4). *Accounting treatment of other long-term employee' benefits*

Applicable Not Applicable

Other long-term benefits provided by the Company to employees that satisfy the conditions of defined contribution plan will apply accounting treatment according to the relevant provisions of the defined contribution plans. Other long-term benefits other than this will conduct accounting treatment according to the defined benefit plan. In order to simplify the relevant accounting treatment, the generated staff remuneration is recognised as service cost and the total net amount of the components such as net interest amount of net liabilities or net assets in terms of other long-term employees' benefits and changes arising from re-measuring the net liabilities or net assets in terms of other long-term employees' benefits is recognised as current profit or loss or the relevant cost of asset.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**34. Lease Liabilities**

Applicable Not Applicable

35. Accrued Liabilities

Applicable Not Applicable

- (1). Provisions for liabilities are recognised when the Company has a present obligation as a result of contingencies such as provision of external guarantee, litigation, product quality warranty, and onerous contract, and it is very likely that an outflow of economic benefits will be resulted from settlement of such obligation, and a reliable estimate of the amount of the obligation can be made.
- (2). Provisions for liabilities are initially stated at the best estimate of the expenditure that is required for settling the present obligation. Book values of provisions for liabilities are reviewed at balance sheet date.

36. Share-based Payments

Applicable Not Applicable

37. Other Financial Instruments including Preference Shares, Perpetual Bonds

Applicable Not Applicable

According to standards relating to financial instruments and Provisions on Relevant Accounting Treatment of Perpetual Bonds (Cai Kuai [2019] No. 2), regarding the financial instruments including perpetual bonds (such as perpetual medium-term notes), the Company should, according to the contract terms of the financial instruments issued and the economic essence they reflect rather than based on legal form only, and with reference to the definitions of financial assets, financial liabilities and equity instruments, classify such financial instruments or their constituents as equity instruments at the time of initial recognition.

The Company classifies the financial instruments issued as equity instruments when all of the following conditions are satisfied:

The financial instruments have no contractual obligation to pay in cash or other financial assets to other parties nor to exchange financial assets or financial liabilities under potential adverse condition with other parties; A contractual obligation to satisfy a potentially adverse condition that would unconditionally avoid delivery of cash or a financial asset is recognized as equity only upon initial recognition.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Other Financial Instruments including Preference Shares, Perpetual Bonds (continued)

When the Company's own equity instrument is required to or available to be used for settlement of the financial instrument, it does not include the contractual obligations to settle the Company's own variable equity instruments if it is a non-derivative instrument;

If it is a derivative instrument, the Group can only settle the instrument by exchanging certain amount of its own equity instruments with fixed amount of cash or other financial assets.

On the balance sheet date, regarding financial instruments classified as equity instruments, their interest expense or dividend payout should be used for the Company's profit distribution and their repurchase and cancellation should be taken as equity change; regarding financial instruments classified as financial liabilities, their interest expense or dividend payout should be taken as borrowing cost and the gains or losses resulting from their repurchase or redemption should be stated as current gains/losses.

38. Revenue

(1). Accounting policies adopted for revenue recognition and measurement

Applicable Not Applicable

1) Principles of revenue recognition

At contract inception, the Company assesses the contract to identify each individual performance obligation thereunder and to determine whether the performance obligation is satisfied over time or at a point in time.

If one of the following criteria is met, the Company satisfies a performance obligation over time, otherwise the performance obligation is satisfied at a point in time: ① the customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs; ② the Company's performance creates goods that the customer controls as goods are created; ③ the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date during the term of the contract.

For a performance obligation satisfied over time, the Company shall recognise revenue over time by measuring the progress towards complete satisfaction of that performance obligation. If the Company is unable to reasonably measure its progress towards complete satisfaction of a performance obligation and expects to recover the costs incurred, the Company shall recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure progress towards complete satisfaction of the performance obligation. For a performance obligation satisfied at a point in time, the Company shall recognise revenue when customer obtains control of relevant goods or services. To determine whether a customer obtains control of goods, the Company shall consider the following indicators: ① the Company has a present right to receive the payment for the goods, i.e. a customer has a present obligation to pay for the goods; ② the Company has transferred the legal title of the goods to the customer, i.e. the customer has the legal title of the goods. ③ the Company has transferred physical possession of the goods to the customer, i.e. the customer has physical possession of the goods; ④ the Company has transferred significant risks and rewards of ownership of the goods to the customer, i.e. the customer has the significant risks and rewards of ownership of the goods; ⑤ the customer has accepted the goods; ⑥ other indications that the customer has obtained control of the goods.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

38. Revenue (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

2) Principles of revenue measurement

- ① The Company measures revenue through allocating the transaction price to each performance obligation. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to the customers.
- ② If the consideration promised in a contract includes a variable amount, the Company shall estimate the amount of consideration by using either of the expected value or the most likely amount. But the transaction price which includes the variable consideration does not exceed the amount that the accumulative recognised income is unlikely to undergo a major reversal when the relevant uncertainty is eliminated.
- ③ Where there is a significant financing component in the contract, the Company determines the transaction price based on the amount payable in cash when it is assumed that the customer has taken the control of goods or services. The difference between the transaction price and the contract consideration is amortised using the effective interest method during the contract period. 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.
- ④ Where the contract includes two or more performance obligations, the Company shall amortise the transaction price to each individual performance obligation at contract inception in line with the relative proportion of the individual selling prices of the goods.

3) Specific methods for revenue recognition

The Company has five business segments: (1) survey, design and consultation, (2) engineering construction, (3) industrial manufacturing (sales of goods), (4) build-operate-transfer contracts (the "BOT business") and (5) real estate sales. Based on the Company's own operation mode and settlement method, specific methods for sales revenue recognition of various businesses are disclosed as follows:

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

38. Revenue (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

3) Specific methods for revenue recognition (continued)

① Survey, design and consultation

The Company provides investigation design and consulting services as a performance obligation to be performed within a certain period of time. The progress of performance of the services provided is determined based on the proportion of the contract costs incurred for the accumulated actual costs to the estimated total contract costs, and revenue is recognized based on the progress of performance. When the outcome of that performance obligation cannot be measured reasonably, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

② Engineering construction

The Company's engineering and construction business is a performance obligation to be performed within a certain period of time. The progress of performance of services provided is determined based on the proportion of costs incurred to the estimated total costs, and revenue is recognized based on the progress of performance. When the outcome of that performance obligation cannot be measured reasonably, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

③ Industrial manufacturing (sales of goods)

Sales of construction equipment and ancillary parts, construction materials and cement are contractual obligations to be performed at a point in time, and revenue is recognized when the Company delivers the products to the contracted delivery location and the customer confirms acceptance, payment has been received or the right to receive payment has been obtained and it is probable that the related economic benefits will flow in.

④ Build-operate-transfer contracts (the "BOT business")

The public infrastructure construction business in which the Company participates in the form of franchise project (the "PPP project") cooperation shall be accounted for in accordance with the Interpretation No. 14 of the Accounting Standards for Business Enterprises when the following conditions are met at the same time: 1) the Company uses the PPP project assets to provide public products and services on behalf of the government during the operation period agreed in the contract; 2) the Company obtains compensation for the public products and services it provides during the period agreed in the contract; 3) the government controls or regulates the types, objects and prices of public goods and services that the Company must provide using the PPP project assets; and 4) when the PPP project contract is terminated, the government controls significant residual interest of the PPP project assets through ownership, beneficiary right or other forms.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

38. Revenue (continued)

(1). Accounting policies adopted for revenue recognition and measurement (continued)

3) Specific methods for revenue recognition (continued)

④ Build-operate-transfer contracts (the "BOT business") (continued)

According to the PPP project contract, if the Company 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 amortized the transaction price to each performance obligation based on relative proportion of stand-alone selling price of each performance obligation.

According to the PPP project contract, the Company 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 Company 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 Company recognizes the income related to the operation services according to the actual services provided.

⑤ Real estate sales

Revenue from the sale of commercial properties is recognized when the Company's contractual obligations are fulfilled at a certain point in time, when the delivery of the property to the buyer has been completed, the price has been received or the right to receive payment has been acquired, and it is probable that the related economic benefits will flow in. If the Company 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 Company will recognize the revenue after the expiration of the time limit specified in the notification.

⑥ Principal responsible person/agent

The Company determines whether the Company is the principal responsible person or an agent when engaging in a transaction based on whether the Company has control over the goods or services before transferring them to the customer. If the Company is able to control the goods or services before transferring them to the customer, the Company is the primarily responsible person and recognizes revenue based on the total amount of consideration received or receivable; otherwise, the Company is the agent and recognizes revenue based on the amount of the commission or fee it expects to be entitled to receive, which shall be the net amount of the total consideration received or receivable less the price payable to other related parties, or determined based on the established amount or percentage of commission, and others.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

38. Revenue (continued)

(2). *Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses*

Applicable Not Applicable

39. Contract Costs

Applicable Not Applicable

Assets related to contract costs include costs of obtaining a contract and costs to fulfil a contract.

Incremental costs incurred by the Company to obtain a contract which are expected to be recovered are treated as costs of obtaining a contract and recognised as assets. Costs of obtaining a contract which are amortised over a period of less than one year are directly recorded in the current profit or loss as incurred.

If the costs to fulfil a contract with a customer are not within the scope of inventories, fixed assets or other accounting standards, the Company recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- 1 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;
- 2 the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future;
- 3 the costs are expected to be recovered.

If the fair value of assets related to contract costs exceeds the remaining consideration expected to be obtained due to the transfer of goods or services related to the assets less estimated costs to be incurred, a provision for impairment is made for the excess, which is recognised as impairment losses on assets. If the remaining consideration expected to be obtained due to the transfer of goods or services related to the assets less estimated costs to be incurred exceeds the fair value of assets, due to subsequent changes in impairment conditions existing in prior periods, the provision previously made for impairment of the assets is reversed and recorded in the current profit or loss, provided that the carrying amount of the assets after the reversal is not more than the carrying amount of the assets which would have been recorded at the date of reversal if the provision for impairment had not been made.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

40. Government grants

Applicable Not Applicable

(1). *Government grants are recognised only when the attached conditions are met at the same time:*

1) The Company is able to comply with the conditions attached to the government grants; 2) the Company is able to receive the government grants. Government grants are measured at the amount received or receivable when in the form of a monetary asset, and at fair value when in the form of a non-monetary asset. Where the fair value is not reliably determinable, the government grants are measured at the nominal amount.

(2). *Judgment basis and accounting treatment on the government grants relating to assets*

Government grants which shall be used for constructing or otherwise forming long-term assets as specified in government documents are classified as government grants related to assets. In the absence of specific requirements in government documents, the determination is made according to basic conditions for obtaining the grants; if constructing or otherwise forming long-term assets is treated as a basic condition, the grants are classified as government grants related to assets. Government grants relating to assets are offset against the book value of such assets or recognized as deferred income. Government grants relating to assets recognised as deferred income are included in profit or loss on a reasonable and systematic basis over the useful lives of the relevant assets. Government grants measured at notional amount are directly recorded in profit or loss. For assets sold, transferred, disposed or damaged prior to the end of their useful lives, balance of unallocated deferred income is transferred to profit or loss for the period in which the disposal occurred.

(3). *Judgment basis and accounting treatment on the government grants relating to revenue*

Other than government grants pertinent to assets, other government grants are government grants pertinent to income. The Company classifies government grants that contain both assets-related and income-related portion or those that are difficult to distinguish as the ones related to income on an entire basis. Government grants relating to income and applied towards reimbursement of related costs or losses in subsequent periods are recognised as deferred income and taken to current profit or loss or offset the related costs for the period in which the related costs or losses are recognised. Government grants, applied towards reimbursement of related costs or losses already incurred, are directly recognised in current profit or loss or offset the related costs.

(4). Government grants related to the Company's daily operations are included in other income according to the economic nature of business. Government grants that are not related to the Company's daily operations are included in the non-operating income or expenses.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

41. Deferred tax asset/deferred tax liabilities

Applicable Not Applicable

- (1). According to the difference between the carrying amount of the assets and liabilities and their tax basis (if the tax basis for items not recognized as assets and liabilities can be determined according to tax law, the difference is that between the tax basis and their carrying amount), the deferred tax assets or deferred tax liabilities should be calculated and recognized as per the prevailing tax rate during the period when the assets are expected to be recovered or the liabilities are liquidated.
- (2). Deferred tax assets should be recognized when it is likely to obtain the taxable income used for deducting a deductible temporary difference. If, on the balance sheet date, there is concrete evidence showing that it is likely to obtain sufficient taxable income for deducting a deductible temporary difference in the future, the deferred tax assets unrecognized in the previous accounting periods should be recognized.
- (3). If, upon review of the book value of the deferred tax assets on the balance sheet date, it is unlikely to obtain sufficient taxable income for deducting the benefit of deferred tax assets in the future, the book value of the deferred tax assets should be written down. If sufficient taxable income is likely to be obtained, the amount written down will be restated.
- (4). The Company's current income tax and deferred income tax should be taken as income tax expense or gain and included in profit or loss, but income tax resulting from the following circumstances should be excluded: 1) M&A of enterprise; 2) transactions or matters directly recognized in the owner's equity.

42. Lease

Applicable Not Applicable

(1). *The Company as a lessee*

On the commencement date of the lease period, the Company recognizes leases with a lease term of no more than 12 months with no purchase option as short-term leases; leases with lower value when a single leased asset is a brand-new asset is recognized as a low-value asset lease. If the Company subleases or expects to sublease the leased assets, the original lease is not recognized as a low-value asset lease.

For all short-term leases and leases of low-value assets, the Company charges the lease payments to the cost of the relevant asset or current profit and loss on a straight-line basis over each period of the lease term.

Except for the above-mentioned short-term leases and low-value asset leases that adopt simplified treatment, on the commencement date of the lease period, the Company recognizes the right-of-use assets and lease liabilities for the leases.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

42. Lease (continued)

(1). *The Company as a lessee (continued)*1) *Right-of-use assets*

The right-of-use asset is initially measured at cost. This cost includes: 1) the initial amount of the lease liability, 2) any lease payments made at or before the commencement date (less any lease incentives received if there is a lease incentive), 3) any initial direct costs incurred by the lessee, and 4) 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 incurred by the lessee.

The Company depreciates right-of-use assets on a straight-line basis. If it can be reasonably determined that the ownership of the leased asset will be obtained at the expiration of the lease term, the Company shall accrue depreciation over the remaining useful life of the leased asset. Where it is not reasonably certain that ownership of a leased asset can be obtained at the end of the lease term, depreciation is charged over the shorter of the lease term and the remaining useful life of the leased asset.

2) *Lease liabilities*

On the lease commencement date, the Company recognizes the present value of the unpaid lease payments as lease liabilities. When calculating the present value of lease payments, the implied interest rate of lease is used as the discount rate. If the implied interest rate of lease cannot be determined, the incremental borrowing rate of the Company is used as the discount rate. The difference between the lease payments and its present value is regarded as the unrecognized financing expense. During each period of the lease term, its interest expense is measured at the discount rate for determining the present value of the lease payments, and is included in the current profit or loss. The variable lease payments not included in the measurement of lease liabilities are included in the current profit or loss when they actually occur.

After the commencement date of the lease term, when there is a change in the actual fixed payments, the estimated payable amount of the guarantee residual value, the index or ratio used to determine the lease payments, the evaluation result or the actual exercise situation of the purchase option, the renewal option or the termination option change, the Company re-measures the lease liabilities according to the present value of the changed lease payments and adjusts the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero but the lease liability still needs to be further reduced, the Company accounts for the remaining amount in the current profit or loss.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

42. Lease (continued)

(2). *The Company as a lessor*

On the lease commencement date, the Company classifies leases that substantially transfer almost all the risks and rewards related to the ownership of the leased assets as financial leases, and other leases are operating leases.

1) *Operating lease*

During each period of the lease term, the Company recognizes the lease receipts as rental income on a straight-line basis. The initial direct expenses incurred are capitalized and amortized on the same basis as the rental income recognition, and are included in the current profit and loss in installments. The variable lease payments obtained by the Company related to operating leases but not included in the lease receipts are included in the current profit and loss when actually incurred.

2) *Financial lease*

On the commencement date of the lease term, the Company recognizes the finance lease receivables and derecognizes the financial lease assets based on the net investment in the lease (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). During each period of the lease term, the Company calculates and recognizes interest income at a fixed periodic interest rate.

The variable lease payments received by the Company that are not included in the measurement of the net investment in the lease are recognised in profit or loss when incurred.

(3). *Leaseback*

1) *The Company as a lessee*

The Company evaluates and determines whether the asset transfer in the sale and leaseback transactions is a sale or not in accordance with Accounting Standard for Business Enterprises No.14 – Revenue.

If the asset transfer in the sale and leaseback transaction belongs to the sale, the Company measures the right-of-use assets formed by the sale and leaseback according to the book value of the original assets related to the right to use obtained by the leaseback, and recognize the relevant gains or losses only for the right transferred to the lessor.

If the transfer of assets in the sale and leaseback transaction does not belong to the sale, the Company continues to recognize the transferred assets, at the same time recognize a financial liability equal to the transfer income, and carry out accounting treatment for the financial liability in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

42. Lease (continued)

(3). *Leaseback (continued)*2) *The Company as a lessor*

The Company assesses whether the transfer of the asset in the sales and leaseback transaction constitutes a sale in accordance with the provisions of Accounting Standard for Business Enterprises 14 – Revenue.

If the transfer of assets in a sale-and-leaseback transaction constitutes a sale, the Company shall account for the purchase of assets in accordance with other applicable corporate accounting standards, and shall account for the lease of assets in accordance with Accounting Standards for Business Enterprises No. 21 – Leases.

Where the transfer of an asset in a sale and leaseback transaction is not a sale, the Company does not recognize the transferred asset, but recognises a financial asset equal to the proceeds of the transfer, and accounts for the financial asset in accordance with Accounting Standard for Business Enterprises 22 – Recognition and Measurement of Financial Instruments.

(4). *Accounting treatment of finance leases*

Applicable Not Applicable

(5). *Determination and accounting treatment of leases under the new lease standards*

Applicable Not Applicable

43. Other significant accounting policies and accounting estimates

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

44. Changes in Significant Accounting Policies and Accounting Estimates

(1). *Changes in significant accounting policies*

Applicable Not Applicable

Since 1 January 2022, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 15 promulgated by the Ministry of Finance regarding “accounting treatment of external sales of products or by-products produced by enterprises before the fixed assets are ready for intended use or during the process of research and development”, and made retrospective adjustment on the trial sales that occurred during the period from the beginning of the earliest presented in the financial statements for which this regulation was first implemented to 1 January 2022, and this change in accounting policy has no impact on the financial statements of the Company as at 1 January 2022.

Since 1 January 2022, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 15 promulgated by the Ministry of Finance regarding “Judgment on onerous contracts”, and has implemented this regulation for contracts that have not yet fulfilled all obligations as at 1 January 2022, and the accumulated impact has adjusted the retained earnings at the beginning of 2022 and other related financial statement items, and no adjustments were made to the information for comparable periods. This change in accounting policy has no impact on the financial statements of the Company as at 1 January 2022.

Since 30 November 2022, the Company has implemented the provisions of the Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding “accounting treatment of income tax impact of dividends related to financial instruments classified as equity instruments by issuers”. For financial instruments classified as equity instruments that meet the provisions, if the recognized dividends payable occurred between 1 January 2022 and 30 November 2022, adjustments will be made in accordance with the provisions. If the recognition of dividends payable on financial instruments classified as equity instruments in accordance with this provision occurred before 1 January 2022, and the related financial instruments have not been derecognised on 1 January 2022, the change in accounting policy has no impact on the financial statements of the Company.

Since 30 November 2022, the Company has implemented the provisions of the Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding “accounting treatment for enterprises to modify cash-settled share-based payments to equity-settled share-based payments”. For new transactions between 1 January 2022 and 30 November 2022, adjustments were made in accordance with this provision. For transactions occurring before 1 January 2022, adjustments were made in accordance with this provision to adjust the cumulative impact to retained earnings and other related financial statement items as of 1 January 2022, and no adjustments were made to the information for comparable periods.

(2). *Changes in significant accounting estimates*

Applicable Not Applicable

(3). *Implementation of new accounting standards or standard interpretations for the first time from 2022 involving adjustments to the financial statements at the beginning of the year*

Applicable Not Applicable

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

45. Others

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%, 6%, 9%, 13%
Land value added tax	Appreciation value resulting from paid transfer of use right of state-owned land, and property right of above-ground structures and other attachments	30%-60%
Property tax	If levied at value, 1.2% of the original value of the property less 30% of the remaining value at one time; if levied at rent, 12% of the rental income	1.2%, 12%
City maintenance and construction tax	Based on VAT effectively paid	1%-7%
Education surcharge	Actual amount of transfer tax paid	3%
Local education surcharge	Actual amount of transfer tax paid	2%
Corporate income tax	Based on taxable profits	25%, 20%, 15%, tax free

Disclosure of companies subject to different income tax rates

Applicable Not Applicable

The descriptions of corporate income tax rates for taxable entities with different tax rates are described in Note VI. 2 to these financial statements.

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VI. TAXATION (CONTINUED)

2. Tax Preference

Applicable Not Applicable

(1). Tax incentives for high-tech enterprises

According to the "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 Company's identification as a high-tech enterprise are as follows:

Name of tax entity	Certificate number	Effective tax rate
Anhui Huadian Engineering Consulting Design Co., Ltd. (安徽華電工程諮詢設計有限公司)	GR202234000024	15%
Anhui Jinli Energy Technology Development Co., Ltd. (安徽津利能源科技發展有限責任公司)	GR202234004429	15%
Beijing Electric Power Automatic Equipment Co., Ltd. (北京電力自動化設備有限公司)	GR202011003087	15%
Beijing Guodian De'an Electric Power Engineering Co., Ltd. (北京國電德安電力工程有限公司)	GR202211007021	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)	GR202211007509	15%
Chengdu Best Digital Technology Co., Ltd. (成都貝斯特數碼科技有限責任公司)	GR202051003619	15%
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	15%
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	15%
Tianjin Lanchao Special Hoisting Engineering Co., Ltd. (天津藍巢特種吊裝工程有限公司)	GR202012000998	15%
Gezhouba Energy and Engineering Co., Ltd. (葛洲壩能源重工有限公司)	GR202111007563	15%
Guangdong Kenuo Surveying Engineering Co., Ltd. (廣東科諾勘測工程有限公司)	GR202144010719	15%
Guangdong Tianan Project Management Co., Ltd. (廣東天安項目管理有限公司)	GR202244014777	15%
Guangdong Tianlian Power Design Co., Ltd. (廣東天聯電力設計有限公司)	GR201944008216	15%
Guangxi Guineng Software Co., Ltd. (廣西桂能軟件有限公司)	GR202045000787	15%
Guangxi T-energy Engineering Consulting Co., Ltd. (廣西泰能工程諮詢有限公司)	GR202145001144	15%

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1). Tax incentives for high-tech enterprises (continued)

The details of the Company's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Effective tax rate
Hangzhou Huadian Huayuan Environmental Engineering Co., Ltd. (杭州華電華源環境工程有限公司)	GR202033002839	15%
Hunan Chemical Engineering Design Institute Co., Ltd. (湖南化工設計院有限公司)	GR202143002835	15%
Hunan Kechuang Electric Power Engineering Technology Co., Ltd. (湖南科創電力工程技術有限公司)	GR202143001111	15%
Hunan Kexin Power Design Co., Ltd. (湖南科鑫電力設計有限公司)	GR202043001720	15%
Jiangsu Power Equipment Co., Ltd. (江蘇電力裝備有限公司)	GR202132001643	15%
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	15%
Nanning Xingdian Concrete Co., Ltd. (南寧興典混凝土有限責任公司)	GR202045000322	15%
Tianjin Chengshunda Building Material Testing Co., Ltd. (天津誠順達建築材料檢測有限公司)	GR202112000463	15%
Tianjin Chengxinda Metal Detection Technology Co., Ltd. (天津誠信達金屬檢測技術有限公司)	GR202012000784	15%
Tianjin Lanchao Electric Power Maintenance Co., Ltd. (天津藍巢電力檢修有限公司)	GR202012001015	15%
Yangzhou Power Equipment Repair Factory Co., Ltd. (揚州電力設備修造廠有限公司)	GR202132000015	15%
Zhenjiang East China Electric Power Equipment Company Ltd. (鎮江華東電力設備製造廠有限公司)	GR202032002539	15%
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)	GR202222000201	15%
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	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)	GR202251004504	15%
China Power Engineering Consulting Group New Energy Co, Ltd. (中國電力工程顧問集團新能源有限公司)	GR202111002246	15%

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1). Tax incentives for high-tech enterprises (continued)

The details of the Company's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Effective tax rate
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)	GR202142000713	15%
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	15%
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)	GR202221200557	15%
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)	GR202221002351	15%
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	15%
China Energy Engineering Group Guangxi Electric Power Design Institute Co., Ltd. (中國能源建設集團廣西電力設計研究院有限公司)	GR202145000670	15%
China Energy Engineering 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)	GR202245000250	15%
China Energy Engineering 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	15%
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	15%
China Energy Engineering 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	15%
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)	GR202132001353	15%
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)	GR202212001301	15%
China Energy Engineering Group Northwest Power Construction Co., Ltd. (中國能源建設集團西北電力建設工程有限公司)	GR202061001672	15%
China Energy Engineering 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)	GR202133007796	15%

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(1). Tax incentives for high-tech enterprises (continued)

The details of the Company's identification as a high-tech enterprise are as follows: (continued)

Name of tax entity	Certificate number	Effective tax rate
China Energy Construction Geothermal Co., Ltd. (中能建地熱有限公司)	GR202211005587	15%
China Energy Construction Group Co., Ltd. (中能建建築集團有限公司)	GR202134004373	15%
Zhongnengjian Road and Bridge Engineering Co., Ltd. (中能建路橋工程有限公司)	GR202112001082	15%
China Energy Engineering Group Northwest City Construction Co., Ltd. (中能建西北城市建設有限公司)	GR202061002079	15%
China Gezhouba Group International Engineering Co., Ltd. (中國葛洲壩集團國際工程有限公司)	GR202011004046	15%
China Gezhouba Group No.1 Engineering Co., Ltd. (中國葛洲壩集團第一工程有限公司)	GR202142000795	15%
China Gezhouba Group No.2 Engineering Co., Ltd. (中國葛洲壩集團第二工程有限公司)	GR202151003802	15%
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	GR202061001899	15%
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	GR202242005270	15%
China Gezhouba Group Construction Engineering Co., Ltd. (中國葛洲壩集團建設工程有限公司)	GR202253000082	15%
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)	GR202142000231	15%
China Gezhouba Group Municipal Engineering Co., Ltd. (中國葛洲壩集團市政工程有限公司)	GR202242001802	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	15%
China Gezhouba Group Electric Power Co., Ltd. (中國葛洲壩集團電力有限責任公司)	GR202142000756	15%
China Gezhouba Group Survey and Design Co., Ltd. (中國葛洲壩集團勘測設計有限公司)	GR202242008544	15%
China Gezhouba Group Explosive Stock Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	GR202251101741	15%

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(2). Tax incentives for the Western Development

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.

Main entities of the Company enjoying the tax incentives for the Western Development are as follows:

Name of entity	Effective tax rate
Gezhouba Chongqing Daxihe Hydropower Development Co., Ltd. (葛洲壩重慶大溪河水電開發有限公司)	15%
Gezhouba Explosive Xinjiang Explosive Engineering Co., Ltd. (葛洲壩易普力新疆爆破工程有限公司)	15%
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)	15%
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)	15%
Enshi Yuefeng Yunlong River Hydropower Development Co., Ltd. (恩施市越峰雲龍河水電開發有限公司)	15%
Ningxia Tianchangmin Explosive Equipment Franchise Co., Ltd. (寧夏天長民爆器材專營有限責任公司)	15%
China Gezhouba Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	15%
Gezhouba Yipuli Sichuan Blasting Engineering Co., Ltd. (葛洲壩易普力四川爆破工程有限公司)	15%
Gezhouba Xingye Baotou Renewable Resources Co., Ltd. (葛洲壩興業包頭再生資源有限公司)	15%
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)	15%
Sichuan Jiangdian Construction Supervision Co., Ltd. (四川省江電建設監理有限責任公司)	15%
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)	15%
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)	15%
Xinjiang Dingyao Engineering Consulting Co., Ltd. (新疆鼎耀工程諮詢有限公司)	15%

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(2). Tax incentives for the Western Development (continued)

Main entities of the Company enjoying the tax incentives for the Western Development are as follows: (continued)

Name of entity	Effective tax rate
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)	15%
Guangxi Anke Geotechnical Engineering Co., Ltd. (廣西安科岩土工程有限責任公司)	15%
Guangxi Guineng Engineering Consulting Group Co., Ltd. (廣西桂能工程諮詢集團有限公司)	15%
Guangxi Hydropower Research Institute Co., Ltd. (廣西水電科學研究院有限公司)	15%
Guangxi Zhongyu Engineering Consulting Co., Ltd. (廣西中宇工程諮詢有限公司)	15%
Lanzhou Kaiyuan Engineering Supervision Co., Ltd. (蘭州開元工程監理有限責任公司)	15%
Northwest Electric Power Construction Third Engineering Co., Ltd. (西北電力建設第三工程有限責任公司)	15%
Northwest Electric Power Construction Engineering Supervision Co., Ltd. (西北電力建設工程監理有限責任公司)	15%
Honghe County Tongcheng Hydropower Development Co., Ltd. (紅河縣同誠水電開發有限公司)	15%
Guangxi Longjiang Electric Power Development Co., Ltd. (廣西龍江電力開發有限責任公司)	15%
Honghe County Guanghong Hydropower Development Co., Ltd. (紅河縣廣鴻水電開發有限公司)	15%
Guangxi Liyuan Engineering Project Management Co., Ltd. (廣西力元工程項目管理有限責任公司)	15%
Xinjiang Electric Power Construction Co., Ltd. (新疆電力建設有限公司)	15%
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)	15%
Ansei Zhongneng Construction Investment New Energy Co., Ltd. (安塞中電工程新能源有限公司)	15%
Dali Zhongneng Construction Investment New Energy Co., Ltd. (大荔中能建投新能源有限公司)	15%
Gonghe Zhongneng Construction Investment Qingjiaokong New Energy Co., Ltd. (共和中能建投青交控新能源有限公司)	15%
Sichuan Nengjian Engineering Technical Service Co., Ltd. (四川能建工程技術服務有限公司)	15%
Yanchi Zhongneng Construction Investment New Energy Co., Ltd. (鹽池縣中能建投新能源有限公司)	15%

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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 Company’s main enterprises enjoying tax incentives for public infrastructure projects are as follows:

Name of entity	Tax incentive reasons	Started year
Ansai Zhongdian Engineering New Energy Co., Ltd. (安塞中電工程新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2022
Dali Zhongneng Construction Investment New Energy Co., Ltd. (大荔中能建投新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Datang Rucheng New Energy Co., Ltd. (大唐汝城新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2019
Gonghe Zhongneng Construction Investment Qingjiaokong New Energy Co., Ltd. (共和中能建投青交控新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2022
Heilongjiang Fengyun Wind Power Co., Ltd. (黑龍江省風雲風力發電有限責任公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2020
Hunan Lanshan Zhongdian 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
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
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	2020

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(3). Tax incentives for public infrastructure projects (continued)

The Company's main enterprises enjoying tax incentives for public infrastructure projects are as follows: (continued)

Name of entity	Tax incentive reasons	Started year
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
Nangong Zhongneng Green Power New Energy Co., Ltd. (南宮市中能綠電新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Shenyang Ruicheng New Energy Co., Ltd. (瀋陽瑞誠新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Shenyang Tongshun New Energy Co., Ltd. (瀋陽通順新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Shenyang Xiangfeng New Energy Co., Ltd. (瀋陽祥豐新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Shenyang Xinchuang New Energy Co., Ltd. (瀋陽鑫創新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Yanchi Zhongneng Construction Investment New Energy Co., Ltd. (鹽池縣中能建投新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2022
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
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	2017
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	2020
China Energy Construction (Kangping) New Energy Co., Ltd. (中能建(康平)新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction (Qingtian) New Energy Co., Ltd. (中能建(青田)新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction Ruyang New Energy Co., Ltd. (中能建汝陽新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021

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VI. TAXATION (CONTINUED)

2. Tax Preference (continued)

(3). Tax incentives for public infrastructure projects (continued)

The Company's main enterprises enjoying tax incentives for public infrastructure projects are as follows: (continued)

Name of entity	Tax incentive reasons	Started year
Zhongneng Construction Investment (Shenyang) New Energy Co., Ltd. (中能建投(瀋陽)新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction Investment Chizhou New Energy Co., Ltd. (中能建投池州新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2022
Fuyuan Branch of China Energy Construction Investment Heilongjiang New Energy Co., Ltd. (中能建投黑龍江新能源有限公司撫遠分公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Huachuan Branch of China Energy Construction Investment Heilongjiang New Energy Co., Ltd. (中能建投黑龍江新能源有限公司樺川分公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
Jixian Branch of China Energy Construction Investment Heilongjiang New Energy Co., Ltd. (中能建投黑龍江新能源有限公司集賢分公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction Investment Jinlongshan Wind Power (Nanxiong) Co., Ltd. (中能建投金龍山風電(南雄)有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction Investment Nanxiong New Energy Co., Ltd. (中能建投南雄新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2017
China Energy Construction Investment Songyuan New Energy Co., Ltd. (中能建投松原新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2022
China Energy Construction Investment Wuwei New Energy Co., Ltd. (中能建投無為新能源有限公司)	Income from investment and operation of public infrastructure projects supported by the PRC	2021
China Energy Construction Investment Xilin Gol League New Energy Co., Ltd. (中能建投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

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VI. TAXATION (CONTINUED)

3. Others

Applicable Not Applicable

- (1) According to the Notice of the Ministry of Finance and the State Administration of Taxation on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises (Cai Shui [2019] No. 13) (《財政部稅務總局關於實施小微企業普惠性稅收減免政策的通知》(財稅[2019]13號)), the annual taxable income of a small low-profit enterprise that is not more than RMB1 million shall be included in its taxable income at the reduced rate of 25%, with the applicable enterprise income tax rate of 20%; the portion of the annual taxable income over RMB1 million but not exceeding RMB3 million shall be calculated at a reduced rate of 50% as taxable income amount and be subject to EIT at 20% tax rate.
- (2) 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.
- (3) According to the regulations of the Notice of State Taxation Administration on Issues Concerning the Enterprise Income Tax Incentives on Enterprises that Recruit the Disabled (《國家稅務總局關於安置殘疾人員就業有關企業所得稅優惠政策問題的通知》) (Caishui [2009] No. 70), the enterprise could deduct all the salary payment for the disabled employees in light of true situation and again deduct additional 100% of the aforesaid salary payment.

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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
Opening balance	68,744	40,231
Bank deposit	64,859,676	52,806,059
Other currency funds	8,175,422	5,452,808
Total	73,103,842	58,299,098
Including: Total amount deposited abroad	4,033,768	5,676,038

Other explanations

- 1) Other currency funds of the Company 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. 68 Assets with Restricted Ownership or Right-of-use.
- 2) Some of the currency funds of the Company 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.

2. Financial Assets Held for Trading

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Investment in unlisted fund products	3,060,540	2,966,626
Investment in shares of listed companies	20,000	54,088
Total	3,080,540	3,020,714

Other explanations:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

3. Bills Receivables

(1). Presentation of bills receivables by classification

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	4,518,214	5,108,272
Commercial acceptance bills	2,660,792	3,480,435
Subtotal	7,179,006	8,588,707
Less: Bad debts provision	3,787	6,136
Total	7,175,219	8,582,571

(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	15,047
Total	15,047

(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 acceptance bills	2,292,114	3,754,259
Commercial acceptance bills		1,881,284
Total	2,292,114	5,635,543

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

3. 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

Unit: '000 Currency: RMB

Item	Amount transferred to accounts receivable at the end of the period
Commercial acceptance bills	3,924
Total	3,924

(5). *Provision for bad debt*

Applicable Not Applicable

Unit: '000 Currency: RMB

Category	31 December 2021	Changes for the period		31 December 2022
		Increase for the period	Decrease for the period	
Provision for bad debts by portfolio	6,136	2,687	5,036	3,787
Total	6,136	2,687	5,036	3,787

Among them, the bad debt provision of significant amount recovered or reversed in the period:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

3. Bills Receivables (continued)

(6). Trade receivables written off in the period

Applicable Not Applicable

- 1) The actual write-off of notes receivable for the period was RMB5,036,000.
- 2) Significant write-offs of notes receivable during the period

Name	Nature	Amount write-off	Reason for write-off	Write-off procedures performed	Whether the amount was generated from related transactions
Commercial acceptances					
Guizhou Anlong County Xinyu Resource Development Co., Ltd. (貴州省安龍縣新宇資源開發有限責任公司)	Engineering funds	968	Insolvency of the counterparty	Decided by the office of the chairman of the secondary company and reported to CEEC for the record	No
Xihe Electric Power Co., Ltd. (義和電力有限公司)	Sales	805	Insolvency of the counterparty	Decided by the office of the chairman of the secondary company and reported to CEEC for the record	No
Subtotal		1,773			

Other explanations

Applicable Not Applicable

4. Trade Receivables

(1). Disclosure by aging

Applicable Not Applicable

Aging	Unit: '000 Currency: RMB Closing book balance
Within 1 year (inclusive)	58,766,098
1 to 2 years (inclusive)	7,392,343
2 to 3 years (inclusive)	4,254,224
Over 3 years	7,075,885
Less: Bad debts provision	4,478,080
Total	73,010,470

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

4. Trade Receivables (continued)

(2). Disclosure by classification with the method of provision for bad debt

Applicable Not Applicable

Unit: '000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on an individual basis										
Provision for bad debts on group basis	77,488,550	100.00	4,478,080	5.78	73,010,470	60,942,105	100.00	3,986,199	6.54	56,955,906
Total	77,488,550	100.00	4,478,080	5.78	73,010,470	60,942,105	100.00	3,986,199	6.54	56,955,906

(3). Provision for bad debt

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening amount	Increase in the period			Decrease in the period			Closing amount
		Provision	Recovery	Others	Reversal	Write-off	Others	
Provision for bad debts on group basis	3,986,199	513,013				21,132		4,478,080
Total	3,986,199	513,013				21,132		4,478,080

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

4. Trade Receivables (continued)

(4). Trade receivables actually written off in the period

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Write-off amount
Trade receivables actually written off	21,132

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
Xiangyang Changfengyuan Import and Export Trading Co., Ltd. (襄陽市長豐源進出口貿易有限公司)	Receivables from product sales	4,924	Insolvency and no executable assets	Decided by the office of the chairman of the secondary company	No
Jiangsu Ruike Electric Power Equipment Manufacturing Co., Ltd. (江蘇銳科電力設備製造有限公司)	Receivables from product sales	4,159	The other party has no property to enforce.	Decided by the office of the chairman of the secondary company	No
Xiangyang Xingyuan Hongda Concrete Co., Ltd. (襄陽興遠宏達混凝土有限公司)	Receivables from product sales	1,695	Insolvency and no executable assets	Decided by the office of the chairman of the secondary company	No
Total	/	10,778	/	/	/

Write-off of accounts receivable:

Applicable Not Applicable

(5). Status of top five trade receivables according to the closing balance collected by the debtor

Applicable Not Applicable

The total amount of top five trade receivables in closing balance was RMB4,249,968,000, accounting for 5.48% of the total amount of accounts receivable in the closing balance, and the corresponding provision for bad debts totaled RMB74,454,000 (the percentage of provision was 1.75%).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

4. Trade Receivables (continued)

(6). Trade receivables derecognized due to the transfer of financial assets

Applicable Not Applicable

On 31 December 2022, the Company's trade receivables derecognized due to the transfer of financial assets totaled RMB9,040,348,000.

5. Receivables Financing

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Bank acceptance bills	849,501	2,315,441
Total	849,501	2,315,441

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

6. Prepayments

(1). By aging

Applicable Not Applicable

Aging	Closing balance		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	24,020,390	79.16	20,119,948	70.69
1 to 2 years	4,741,528	15.63	6,854,681	24.08
2 to 3 years	676,694	2.23	586,761	2.06
Over 3 years	904,516	2.98	900,641	3.16
Total	30,343,128	100.00	28,462,031	100.00

Unit: '000 Currency: RMB

Explanation of the reasons for not timely settlement of significant prepayments with an age of over one year:

Name of entity	31 December 2022	Reason for unsettled payments
Dongfang Electric Co., Ltd. (東方電氣股份有限公司)	686,868	The prepaid construction fees and prepaid construction raw materials will be settled with the progress of the construction
Chongqing Shengtian Yuda New Energy Co., Ltd. (重慶勝天渝達新能源有限公司)	398,285	
Herbin Electric Company Limited (哈爾濱電氣股份有限公司)	216,281	
Subtotal	1,301,434	

Unit: '000 Currency: RMB

(2). Top five prepayments at the end of the period by the balance collected regarding receivers of advances

Applicable Not Applicable

The top five prepayments as at the end of the period by the balance collected totaled RMB6,059,036,000, accounting for 19.96% of the total balance of prepayments as at the end of the period.

Other explanation

Applicable Not Applicable

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Interest receivable	118	22,030
Dividends receivable	136,364	39,296
Other receivables	24,827,633	18,297,779
Total	24,964,115	18,359,105

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables (continued)

Dividend receivables(1). *Dividend receivables*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Closing balance of last year
Xi'an Huitian Blood Products Co., Ltd. (西安回天血液製品有限責任公司)	100,522	
Liuzhou Guilu Hydropower Co., Ltd. (柳州市桂柳水電有限公司)	10,793	10,793
Yunnan Hexing Investment Development Co., Ltd. (雲南和興投資開發股份有限公司)	8,966	
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	8,000	
Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	4,015	
Jianhu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)		8,700
China Power New Energy Limited (中國電力新能源有限公司)		2,539
Wuhan Steel Corporation Limited (武漢鋼電股份有限公司)		774
Others	4,068	16,490
Subtotal	136,364	39,296

(2). *Significant dividend receivables with aging over 1 year*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Aging	Reasons for non-recovery	Whether impairment occurred and the basis for its judgment
Liuzhou Guilu Hydropower Co., Ltd. (柳州市桂柳水電有限公司)	10,793	1-2 year	Tight liquidity of the investee company	No (not impaired in consideration of the sustainability of the future operation)
Subtotal	10,793			

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables (continued)

Other Receivables

(1). Disclosure by aging

Applicable Not Applicable

Unit: '000 Currency: RMB

Aging	Closing book balance
Within 1 year	12,704,353
1 to 2 years	7,179,840
2 to 3 years	6,457,529
Over 3 years	2,451,980
Subtotal	28,793,702
Less: Provision for bad debts	3,966,069
Total	24,827,633

(2). Classification by nature

Applicable Not Applicable

Unit: '000 Currency: RMB

Nature	Closing amount	Amount at the end of the previous year
Pledge and security deposit	10,462,816	6,509,194
Other advances	12,173,603	8,562,559
Borrowed funds	3,253,109	3,875,368
Tax payable	543,474	354,751
Other	2,360,700	2,350,611
Subtotal	28,793,702	21,652,483
Less: Provision for bad debts	3,966,069	3,354,704
Total	24,827,633	18,297,779

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables (continued)

Other Receivables (continued)(3). *Provision for bad debts*

Applicable Not Applicable

Unit: '000 Currency: RMB

	Stage I ECL over the next 12 months	Stage II Lifetime ECL (non-credit impaired)	Stage III Lifetime ECL (credit impaired)	Total
Provision for bad debts				
Balance as at 1 January 2022	1,398,473		1,956,231	3,354,704
Balance as at 1 January 2022 for the period	1,398,473		1,956,231	3,354,704
– Transfer to stage II				
– Transfer to stage III				
– Transfer back to stage II				
– Transfer back to stage I				
Provision made during the period	517,510		212,356	729,866
Reversed during the period	56,908			56,908
Offset during the period				
Written off during the period	61,593			61,593
Other changes				
Balance as at 31 December 2022	1,797,482		2,168,587	3,966,069

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables (continued)

Other Receivables (continued)

(4). *Bad debt provision*

Applicable Not Applicable

Among them, the bad debt provision of significant amount recovered or reversed in the period:

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of entity	Amount recovered or reversed	Recovery method
Hubei Xingye Steel Raw Materials Co., Ltd. (湖北興業鋼鐵爐料有限責任公司)	8,937	Recovered by cash
Jiangxi Siyuanxiang Recycled Fiber Co., Ltd. (江西省絲源祥再生纖維有限公司)	6,000	Recovered by non-cash means (the settlement agreement has been signed, pursuant to which the payment will be recovered within 3 years)
Baise Baikuang Power Generation Co., Ltd. (白色百礦發電有限公司)	4,870	Recovered by cash
Total	19,807	

(5). *Other receivables actually written off in the period*

Applicable Not Applicable

The other receivables actually written off in the period amounted to RMB61,593,000.

Among them, the information on write-off of significant other receivables:

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of entity	Nature of amount	Write-off amount	Write-off reason	Write-off procedure performed	Whether the amount is caused by a related party transaction
Guangxi Yuhai Railway Development Co., Ltd. (廣西玉海鐵路發展有限公司)	Performance security	29,700	Sued, but no enforceable property	Approved by the chairman's office of the second-level company	No
Urumqi Baocheng Energy Development Co., Ltd. (烏魯木齊市寶誠能源開發有限公司)	Deposit	10,000	The other party is bankrupt	Approved by the chairman's office of the second-level company	No
Subtotal		39,700			

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

7. Other Receivables (continued)

Other Receivables (continued)

(6). *Top five other receivables in closing balance by debtors*

Applicable Not Applicable

The top five other receivables as at the end of the period by the balance collected totaled RMB6,547,134,000, accounting for 22.88% of the total balance of other receivables as at the end of the period. The corresponding provision for bad debts totaled RMB1,474,776,000 (the percentage of provision was 22.53%).

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. 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	36,990		36,990	31,441		31,441
Raw materials	4,037,427	203,392	3,834,035	4,590,587	150,197	4,440,390
Product in progress	1,623,000	122,585	1,500,415	1,692,035	86,764	1,605,271
Finished products	6,408,205	211,251	6,196,954	6,057,056	248,022	5,809,034
Circulating material	290,969	6,962	284,007	280,890	6,593	274,297
Development cost	42,140,620	188,237	41,952,383	42,684,589	154,708	42,529,881
Development products	7,576,376		7,576,376	3,919,064		3,919,064
Total	62,113,587	732,427	61,381,160	59,255,662	646,284	58,609,378

(2). Provision for inventory impairment and impairment provision for contract performance cost

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period		Decrease for the period		Closing balance
		Provision	Other	Reversal or write-off	Other	
Raw materials	150,197	170,189		116,994		203,392
Product in progress	86,764	118,246		82,425		122,585
Finished products	248,022	10,407		47,178		211,251
Circulating material	6,593	3,365		2,996		6,962
Development cost	154,708	184,837		151,308		188,237
Total	646,284	487,044		400,901		732,427

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

8. Inventories (continued)

(3). Explanation on inclusion of capitalized amount of the borrowing cost in the closing balance of inventories

Applicable Not Applicable

As of 31 December 2022, the amount of capitalised borrowing costs included in closing balance of inventories of the Company was RMB4,092,929,000.

(4). Explanation on current amortization amount of contract performance cost

Applicable Not Applicable

Other explanation

Applicable Not Applicable

Certain inventories owned by Gezhouba Huanjia were stored in the sites which were leased from Huanjia Group Co., Ltd. (環嘉集團有限公司). In 2019, as Huanjia Group Co., Ltd. (環嘉集團有限公司) involved in litigation, the above-mentioned sites and supplies stored thereon (including inventories legally owned and stored in these sites by Gezhouba Huanjia with a book value of RMB708,000,000) were seized by court orders for enforcement. The impairment provision made for inventories by the Group during the year was RMB203,000,000.

9. Contract Assets

(1). Contract assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Contract assets	91,976,019	2,573,093	89,402,926	66,470,832	1,517,455	64,953,377
Total	91,976,019	2,573,093	89,402,926	66,470,832	1,517,455	64,953,377

(2). Amount of and reason for significant change in carrying amount within the Reporting Period

Applicable Not Applicable

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

9. Contract Assets (continued)

(3). Provision for impairment of contract assets in the current period

Applicable Not Applicable

1) Breakdown

Unit: '000 Currency: RMB

Item	Opening amount	Increase for the period		Decrease for the period		Closing amount	
		Provision	Other	Reversal	Reversal or write-off		Other
Provision for impairment on group basis	1,517,455	1,123,725			5,963	62,124	2,573,093
Total	1,517,455	1,123,725			5,963	62,124	2,573,093

2) Contract assets with provision for impairment on group basis

Unit: '000 Currency: RMB

Item	Closing amount		
	Book balance	Impairment provision	Provision percentage (%)
Contract assets with provision for impairment on group basis	91,976,019	2,573,093	2.80
Subtotal	91,976,019	2,573,093	2.80

If provisions for bad debts are made as per the general model of ECL, please disclose with reference to other receivables:

Applicable Not Applicable

Other explanation:

Applicable Not Applicable

The contract assets are mainly generated from the construction and contracting business of the Company. The Company 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 Company's customers settle with the Company 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 Company 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 Company based on the performance progress is recognized as contract liabilities.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

10. 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	1,410,809	971,540
Other non-current assets due within one year	877,600	
Subtotal	2,288,409	
Impairment provision	33,447	
Total	2,254,962	971,540

Significant debt investments and other debt investments at the end of the period:

Applicable Not Applicable

11. Other Current Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
VAT to be deducted	9,519,986	7,633,728
Prepaid taxes	1,386,896	1,341,295
Interbank deposit	5,776	170,707
Other	78,285	96,097
Total	10,990,943	9,241,827

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

12. Long-term Receivables

(1). Long-term receivables

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Construction progress payments receivable	5,770,672	431,440	5,339,232	6,903,300	360,256	6,543,044
PPP project payments receivable	29,071,359		29,071,359	11,638,271		11,638,271
Other	587,823		587,823	757,772		757,772
Total	35,429,854	431,440	34,998,414	19,299,343	360,256	18,939,087

(2). Provision for bad debts

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening amount	Increase for the period			Decrease for the period			Closing amount
		Provision	Recovery	Other	Reversal	Cancellation	Other	
Provision for bad debts on an individual basis		62,906						62,906
Provision for bad debts on group basis	360,256	81,813			68,965	4,570		368,534
Total	360,256	144,719			68,965	4,570		431,440

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment

✓Applicable □Not Applicable

Unit: '000 Currency: RMB

Investee	Opening amount	Opening balance of provision for impairment	Increase or decrease for the year							Closing amount	Closing balance of provision for impairment
			Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment		
Joint ventures											
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	2,481,878		2,520,523	2,480,773	51,332					-39,750	2,533,210
China Coal Fangchenggang Electric Power Co., Ltd. (中煤防城港電力有限公司)	1,570,912				-23,414				16,200		1,531,298
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	1,171,322				803						1,172,125
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)	971,754		185,029		3						1,156,786
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)	852,857				1,740						854,597
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	627,261				16,838						644,099
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	667,204				-137,262						529,942

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment (continued)

Investee	Opening amount	Increase or decrease for the year									Closing amount	Closing balance of provision for impairment	
		Opening balance of provision for impairment	Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment	Other			
Urumqi Gezhouba Electric Construction Road & 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)	246,954		169,373									416,327	
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	230,658											230,658	
China Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	229,097				-24,098							204,999	
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)	1,732,010										-1,732,010		
Other	67,638	544	872,768	176,534	-11,126		8,520					744,226	544
Subtotal	10,849,545	544	3,747,693	2,657,306	-125,184		24,720		-1,771,760			10,018,267	544
Associates													
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))	2,695,789		431,043									3,126,832	
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	2,271,852		77,000		-55,760							2,293,092	
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	1,540,000		574,554									2,114,554	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment (continued)

Investee	Increase or decrease for the year											
	Opening amount	Opening balance of provision for impairment	Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment	Other	Closing amount	Closing balance of provision for impairment
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	1,686,748				16,415			12,000			1,691,163	
Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	1,433,000		100,000								1,533,000	
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)			993,632		-16,029						977,603	
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石坎水利樞紐開發有限公司)	542,710		312,514								855,224	
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	533,000		227,000								760,000	
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	954,211				-255,051						699,160	
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	712,885				-32,564						680,321	
Luyu Infrastructure Development and Construction (Wuhan) Center (Limited Partnership) (盧禹基礎設施開發建設(武漢)中心(有限合夥))	595,000		80,200								675,200	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment (continued)

Investee	Opening amount	Opening balance of provision for impairment	Increase in investment	Decrease in investment	Increase or decrease for the year					Closing amount	Closing balance of provision for impairment
					Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment		
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	508,280		166,680							674,960	
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	312,500		349,500							662,000	
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)	649,677									649,677	
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	590,409				11,454					601,864	
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		503,176	103,233						600,336	
Gezhouba Jitai Expressway Co., Ltd. (葛洲壩濟泰高速公路有限公司)	719,501				-160,972					558,529	
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	108,074		421,332							529,406	
Guizhou Liu'an Expressway Co., Ltd. (貴州省六安高速公路有限公司)	119,700		344,900							464,600	
Gezhouba Judan Expressway Co., Ltd. (葛洲壩巨單高速公路有限公司)	595,655				-135,931					459,724	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment (continued)

Investee	Opening amount	Opening balance of provision for impairment	Increase in investment	Decrease in investment	Increase or decrease for the year						Closing amount	Closing balance of provision for impairment
					Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment	Other		
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)	366,370		90,360								456,730	
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		107,120	7,780							449,350	
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))	234,552		205,327								439,879	
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	371,900										371,900	
Beijing Jinlong Times Investment Co., Ltd. (北京津隆時代投資有限公司)	319,840				2,583						322,423	
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	378,827				-81,550						297,277	
Zhongge (Luohe) Construction Engineering Co., Ltd. (中葛(漯河)建設工程有限公司)			288,235								288,235	
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)			274,505								274,505	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

13. Long-term Equity Investment (continued)

Investee	Opening amount	Opening balance of provision for impairment	Increase or decrease for the year								Closing amount	Closing balance of provision for impairment	
			Increase in investment	Decrease in investment	Investment gains/losses recognized under equity method	Other comprehensive income adjustment	Other equity changes	Cash dividends or profits declared and paid	Provision for impairment	Other			
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄒鄒高速公路有限公司)	171,959		93,249									265,208	
Haikou Jiangdong Xinju Third Property Co., Ltd. (海口江東新居第三置業有限公司)			254,373									254,373	
Jining-Shangqiu Expressway (Jining) Co., Ltd. (濟商高速公路(濟寧)有限公司)			243,050									243,050	
Jining-Shangqiu Expressway (Heze) Co., Ltd. (濟商高速公路(菏澤)有限公司)			214,533									214,533	
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		
Other	5,262,080	96,177	1,673,563	892,229	290,490		8,066	51,049				6,290,921	96,177
Subtotal	27,549,922	96,177	8,025,846	1,003,242	-416,914		8,066	63,049	-3,325,000			30,775,629	96,177
Total	38,399,467	96,721	11,773,539	3,660,549	542,098		8,066	87,769	-5,096,760			40,793,896	96,721

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

14. 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	848,883	1,162,160
Investment in restricted shares of listed companies	29,756	27,584
Equity investment in non-listed companies	1,306,646	1,199,779
Total	2,185,285	2,389,523

(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)	40,764	724,236	520,292		Plan to hold for long term for strategic purposes	N/A
Bank of Communications Co., Ltd. (交通銀行股份有限公司)	3,855	50,284	34,129		Plan to hold for long term for strategic purposes	N/A
Shenergy Company Limited (申能股份有限公司)	1,334	35,447	26,144		Plan to hold for long term for strategic purposes	N/A
Giti Tire Corporation (佳通輪胎股份有限公司)	105	29,756	25,242		Plan to hold for long term for strategic purposes	N/A
Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司)	1,275	24,730	20,138		Plan to hold for long term for strategic purposes	N/A
Wuhan Department Store Group Co., Ltd. (武漢武商集團股份有限公司)		11,072	10,391		Plan to hold for long term for strategic purposes	N/A
Kaidi Ecological and Environmental Technology Co., Ltd. (凱迪生態環境科技股份有限公司)		966	178		Plan to hold for long term for strategic purposes	N/A
Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司)		2,150	1,713		Plan to hold for long term for strategic purposes	N/A

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

14. Other Equity Instrument Investment (continued)

(2). Information of non-trading equity instrument investment (continued)

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
Equity investment in non-listed companies:						
D&C Engineering Ltd. (D&C工程有限公司)	17,668	4,273			Plan to hold for long term for strategic purposes	N/A
Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	24,147	102,379	64,641		Plan to hold for long term for strategic purposes	N/A
Bank of Chengdu Co., Ltd. (成都銀行股份有限公司)	135			3,436	Plan to hold for long term for strategic purposes	Disposal
Other	10,210	1,199,992	74,041	-63,073	Plan to hold for long term for strategic purposes	Disposal
Total	99,493	2,185,285	776,909	-59,637		

Other explanation:

Applicable Not Applicable

15. Other Non-current Financial Assets

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Financial assets at fair value through profit or loss	8,699,355	7,647,103
Including: Equity investment in non-listed companies	4,967,171	5,631,632
Funds and other non-equity investment	3,732,184	2,015,471
Total	8,699,355	7,647,103

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

16. 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	825,247	150,648	975,895
2. Increase for the period	168,425		168,425
(1) Transfer from inventory/fixed assets/construction in progress	147,266		147,266
(2) Other	21,159		21,159
3. Decrease for the period	47,610		47,610
(1) Disposal	6,672		6,672
(2) Other transfer out	40,938		40,938
4. Closing balance	946,062	150,648	1,096,710
II. Accumulated depreciation and accumulated amortization			
1. Opening balance	300,558	27,257	327,815
2. Increase for the period	95,502	3,481	98,983
(1) Provision or amortization	30,725	3,481	34,206
(2) Transferred from fixed assets	46,713		46,713
(3) Other	18,064		18,064
3. Decrease for the period	13,009		13,009
(1) Disposal	4,620		4,620
(2) Other transfer out	8,389		8,389
4. Closing balance	383,051	30,738	413,789
III. Provision for impairment			
1. Opening balance	5,597	5,292	10,889
2. Increase for the period	1,941		1,941
(1) Provision	1,941		1,941
3. Decrease for the period			
(1) Disposal			
4. Closing balance	7,538	5,292	12,830
IV. Carrying amount			
1. Carrying amount at the end of the period	555,473	114,618	670,091
2. Carrying amount at the beginning of the period	519,092	118,099	637,191

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

16. Investment Properties (continued)

Measurement of investment properties (continued)

(2). *Investment properties for which title certificates have not been obtained*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Book value	Reason for not obtaining the title certificate
Buildings and structures	44	There existed substantial obstacles for obtaining the title certificate, etc.

Other explanation

Applicable Not Applicable

17. Fixed Assets

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Fixed assets	42,880,239	39,533,625
Disposal of fixed assets	54,295	52,926
Total	42,934,534	39,586,551

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

17. Fixed Assets (continued)

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	27,181,326	30,009,387	3,310,051	2,001,051	2,658,710	65,160,525
2. Increase for the period	1,591,896	4,550,965	336,157	683,434	354,886	7,517,338
(1) Purchase	580,884	1,504,683	333,684	388,558	287,045	3,094,854
(2) Transferred from construction in progress	941,139	3,040,740	1,506	294,748	67,785	4,345,918
(3) Increase in business combination	28,935	5,542	967	128	56	35,628
(4) Conversion of investment properties to self-use	40,938					40,938
3. Decrease for the period	928,119	904,487	324,634	178,154	110,433	2,445,827
(1) Disposal or retirement	521,806	600,700	301,874	168,798	103,246	1,696,424
(2) Disposal of subsidiaries	255,722	255,270	12,483	8,270	1,803	533,548
(3) Transfer to investment properties	147,266					147,266
(4) Impact of change in exchange rate	3,325	48,517	10,277	1,086	5,384	68,589
4. Closing balance	27,845,103	33,655,865	3,321,574	2,506,331	2,903,163	70,232,036
II. Accumulated depreciation						
1. Opening balance	8,121,258	12,681,733	2,195,957	1,244,858	1,258,580	25,502,386
2. Increase for the period	913,833	1,429,636	269,563	476,535	228,642	3,318,209
(1) Provision	905,438	1,428,043	269,304	476,479	228,627	3,307,891
(2) Increase for acquisition of subsidiaries	6	1,593	259	56	15	1,929
(3) Transfer from investment properties	8,389					8,389
3. Decrease for the period	489,221	612,173	273,537	119,456	96,585	1,590,972
(1) Disposal or retirement	337,862	431,197	261,296	111,393	94,313	1,236,061
(2) Decrease for disposal of subsidiaries	103,560	157,927	9,894	7,504	868	279,753
(3) Transfer to investment properties	46,713					46,713
(4) Impact of change in exchange rate	1,086	23,049	2,347	559	1,404	28,445
4. Closing balance	8,545,870	13,499,196	2,191,983	1,601,937	1,390,637	27,229,623

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

17. 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
III. Provision for impairment						
1. Opening balance	62,506	55,684	2,960	960	2,404	124,514
2. Increase for the period	974			256		1,230
(1) Provision	974			256		1,230
3. Decrease for the period		3,130	250		190	3,570
(1) Disposal or retirement		3,130	250		190	3,570
4. Closing balance	63,480	52,554	2,710	1,216	2,214	122,174
IV. Carrying amount						
1. Carrying amount at the end of the period	19,235,753	20,104,115	1,126,881	903,178	1,510,312	42,880,239
2. Carrying amount at the beginning of the period	18,997,562	17,271,970	1,111,134	755,233	1,397,726	39,533,625

(2). *Temporarily-idle fixed assets*

Applicable Not Applicable

(3). *Fixed assets leased in through financial leases*

Applicable Not Applicable

(4). *Fixed assets leased out through operating leases*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Carrying amount at the end of the period
Buildings and structures	98,104
Mechanical equipment	3,459
Subtotal	101,563

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

17. Fixed Assets (continued)

Fixed assets (continued)(5) *Fix assets for which title certificates have not been obtained* Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Book value	Reason for not obtaining the title certificate
Buildings and structures	582,079	There existed substantial obstacles for obtaining the title certificate, etc.
Subtotal	582,079	

Other explanation:

 Applicable Not Applicable*Disposal of fixed assets* Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing amount	Amount at the end of the previous year
Buildings and structures	5,955	4,220
Machinery and equipment	7,696	7,004
Transportation tools	32,729	31,949
Electronic equipment	7,289	5,049
Office equipment and other	626	4,704
Subtotal	54,295	52,926

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. Construction in Progress

Presentation

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	16,336,423	7,770,379
Construction materials	1,101	31,646
Total	16,337,524	7,802,025

Other explanation:

Applicable Not Applicable

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
Guangxi Guigang North 1 Regional Photovoltaic Project Phase I (廣西貴港北1區域光伏項目一期)	1,329,262		1,329,262			
Ganzhou Nantan 300,000 Kilowatt Photovoltaic Project (甘州南灘30萬千瓦光伏項項目)	1,139,918		1,139,918			
Shahe 500MW Photovoltaic Project (沙河市500MW光伏項目)	1,035,856		1,035,856	497,171		497,171
Jiangzhou District Banchong 160MW Photovoltaic Project (江州區板崇160MW光伏項目)	698,470		698,470	6,887		6,887
South Regional Photovoltaic Project Phase I (南區域光伏項目一期)	658,190		658,190	12,465		12,465
Uzbekistan Cement Project (烏茲別克斯坦水泥項目)	645,237		645,237			

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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
Dali Prefecture Heqing County Junhua Photovoltaic Power Station (Jingdong Bay Site) Project (大理州鶴慶縣均華光伏電站(井東灣場址)項目)	591,535		591,535	114,453		114,453
Jiangnan 145MW Photovoltaic Project (江南145MW光伏項目)	570,487		570,487			
Suihua Beilin 40MW Biomass Cogeneration Project (綏化北林40MW生物質熱電聯產項目)	564,089		564,089	460,650		460,650
EPC Project of CNEEC Jilin Da'an Dagangzi Town Phase I 100MW Wind Power Project (中電工程吉林大安大崗子鎮一期100MW風電項目EPC總承包工程)	519,594		519,594	350,204		350,204
Project of Guangdong Hulu Sandstone Co., Ltd. (廣東葫蘆砂石有限責任公司項目)	452,122		452,122	105,589		105,589
Ningming County Bangun 140MW Photovoltaic Project (寧明縣板棍140MW光伏項目)	436,074		436,074	5,660		5,660
Fusui County Zhongyuan 100MW Photovoltaic Project (扶綏縣中原100MW光伏項目)	419,563		419,563			
Jiangzhou District Qumu 100MW Photovoltaic Project (江州區渠姆100MW光伏項目)	416,023		416,023	5,566		5,566
Suihua Anda Photovoltaic Power Generation Project (Phase I) (綏化安達光伏發電項目(一期))	389,767		389,767	107,111		107,111
Xiyang 100MW Photovoltaic Power Generation Project (昔陽100MW光伏發電項目)	388,675		388,675			

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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
Minjiang Pengshan Jianzishan Avionics Hub Project (岷江彭山尖子山航電樞紐工程)	361,137		361,137			
Ningming County Zhishu 100MW Photovoltaic Project (寧明縣峙書100MW光伏項目)	350,721		350,721			
Ningming County Beijiagang 90MW Photovoltaic Project (寧明縣北江90MW光伏項目)	315,288		315,288			
Xingning Yonghe 100MW Agricultural-photovoltaic Complementary Project (興寧市永和100MW農光互補項目)	291,275		291,275			
Ruyang Chengguan Wind Power Project (汝陽城關風電項目)	284,805		284,805	714		714
CEEC Yangquan Pingding Phase II 100MW Wind Power Expansion Project (中國能建陽泉平定二期100MW風電擴建項目)	275,438		275,438			
CEEC Chizhou Guichi District Dushan Lake Fishery-light Complementary Photovoltaic Power Generation Project (中國能建池州市貴池區贛山湖漁光互補光伏發電項目)	259,133		259,133	214,608		214,608
Reconstruction and Extension Project of Wuning Road Office Building (武寧路辦公大樓改擴建工程)	250,763		250,763	119,892		119,892
Ningming County Naxiao 65MW Photovoltaic Project (寧明縣那小65MW光伏項目)	220,923		220,923	4,717		4,717
Smutas Hydropower Station (斯木塔斯水電站)	215,950		215,950	213,322		213,322
Ningming Zhai'an 50MW Photovoltaic Project (寧明縣寨安50MW光伏項目)	207,876		207,876	4,717		4,717

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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 (巴基斯坦阿紮德帕坦水電項目)	204,088		204,088	174,192		174,192
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)	198,671		198,671	165,915		165,915
China Energy Construction Lyuanbian 100MW 200MWh Shared Storage Power Station Demonstration Project (中能建綠塬變100MW 200MWh 共用儲能電站示範項目)	185,184		185,184			
Jiangzhou District Liuliu 65MW Photovoltaic Project (江州區六留65MW光伏項目)	184,931		184,931	4,717		4,717
Wulan County Dongdatan 50,000 kW Parity Photovoltaic Project of China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問有限公司烏蘭縣東大灘5萬千瓦平價光伏項目)	172,083		172,083	164,918		164,918
Hami Yizhou District Shisanjianfang 50,000 kW Affordable Wind Power Project (哈密市伊州區十三間房5萬千瓦風電項目)	164,719		164,719			
Zhoushan Construction Project of Gezhouba No.1 Engineering (葛洲壩第一工程舟山建築工程項目)	152,461		152,461			
Yingde Jiulong Photovoltaic Project (英德九龍光伏項目)	152,096		152,096			
Guangdong Taishan Qingshanzui 100MWp Fishery Photovoltaic Comprehensive Utilization Power Generation Project (廣東臺山青山咀100MWp漁業光伏綜合利用發電項目)	151,525		151,525	98,919		98,919

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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
Yangjiang Agricultural-photovoltaic Complementary Project (陽江農光互補項目)	147,262		147,262			
Construction in progress of Gezhouba Xinjiang Investment and Development Co., Ltd. (葛洲壩新疆投資開發有限責任公司在建工程)	124,395		124,395	120,086		120,086
Banchong Centralized Energy Storage Station Project (板崇集中儲能站項目)	122,249		122,249			
Tiandeng County Tuokan Township Cowshed "Animal Husbandry-photovoltaic Complementary" 40MW Roof Photovoltaic Project (天等縣馱堪鄉牛舍「牧光互補」40MW屋頂光伏項目)	117,076		117,076			
China Energy Construction Investment Chaoyang Baishan 150MW Wind Power Project (中能建投朝陽白山150MW風電項目)	111,545		111,545			
Gezhouba Group Pakistan Regional Dispatching Management Center (葛洲壩集團巴基斯坦區域調度管理中心)	104,626		104,626	44,235		44,235
CEEC Zhaodong Biomass Cogeneration Project (中國能建肇東市生物質熱電聯產項目)				467,189		467,189
Ansai Zhongdian Engineering New Energy Co., Ltd. (安塞中電工程新能源有限公司)				375,482		375,482
Yanchi 120MWp Photovoltaic Compound Power Generation Project (鹽池120MWp光伏復合發電項目)				335,977		335,977
Maoming Domestic Waste Incineration Power Generation Project 2x12MW (茂名市生活垃圾焚燒發電項目 2x12MW)	7,954		7,954	281,717		281,717

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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
Gonghe Zhongneng Construction Investment Qingjiaokong New Energy Co., Ltd. (共和中能建投青交控新能源有限公司)				276,849		276,849
EPC Project of Integrated Power Engineering Yicheng Liuhou 40MW Distributed Wind Power Project (綜電工程宜城劉猴40MW分散式風電項目工程總承包 (EPC) 項目)				240,537		240,537
China Energy Construction Investment Qingyuan 40MW Biomass Cogeneration Project (中能建投清原40MW生物質熱電聯產項目)				232,722		232,722
CEEC Songyuan Qianguo Chagan Lake Phase I 50MW Ecological Wind Power Project (中國能建松原前郭查幹湖一期50MW生態風電項目)				219,099		219,099
EPC Project of Integrated Power Engineering Yicheng Jingkai Distributed Wind Power Project (綜電工程宜城經開分散式風電項目EPC總承包項目)				179,176		179,176
CEEC Guichi District Wusha Town Distributed Wind Power Project (中國能建貴池區烏沙鎮分散式風電項目)				140,596		140,596
Scrap steel production and sales of Huaiyuan Branch of Gezhouba Huanjia (Dalian) Renewable Resources Company Limited (葛洲壩環嘉(大連)再生資源有限公司懷遠分公司廢鋼產銷)	22,382		22,382	111,680		111,680
Xinguan Cement Limestone Mine Construction Project (新關水泥灰岩礦建設項目)	5,241		5,241	109,155		109,155
Other	790,401	70,637	719,764	1,874,129	70,637	1,803,492
Total	16,407,060	70,637	16,336,423	7,841,016	70,637	7,770,379

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. 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

Name of project	Budget	Opening balance	Increase for the period	Transfer to fixed assets for the period	Other decrease for the period	Closing balance	Proportion of total project investment in the budget (%)	Progress of project (%)	Accumulated capitalised interest	Including Capitalised interest for the period	Interest rate of capitalisation for the period (%)	Source of fund
North 1 Regional Photovoltaic Project Phase I (北1區域光伏項目一期)	2,330,283		1,329,262			1,329,262	57.04	42.74	5,586	5,586	3.65	Self-owned funds + Loans
Garzhuo Nentan 300,000 Kilowatt Photovoltaic Project (甘肅南澗30萬千瓦光伏項目)	1,216,030		1,139,918			1,139,918	70.10	99.99	10,971	10,971	3.85	Self-owned funds + Loans
Shihe Photovoltaic Project (沙河市光伏項目)	3,009,239	497,171	538,684			1,035,855	47.92	38.75	17,624	17,535	3.75	Self-owned funds + Loans
Jiangzhou District Banchong 160MW Photovoltaic Project (江州區板崇160MW光伏項目)	932,251	6,887	691,583			698,470	65.89	56.95	7,799	7,799	3.96	Self-owned funds + Loans
South Regional Photovoltaic Project Phase I (南區域光伏項目一期)	995,695	12,465	645,725			658,190	66.10	20.42	8,433	8,433	3.65	Self-owned funds + Loans
Uzbekistan Cement Project (烏茲別克斯坦水泥項目)	2,307,470		645,237			645,237	27.96	27.96				Self-owned funds
Dali Prefecture Heqing County Jinhua Photovoltaic Power Station (大理州鶴慶縣金華光伏电站 (井東壩址) 項目)	749,383	114,453	477,082			591,535	78.90	78.90	10,925	10,925	4.00	Self-owned funds + Loans
Jiangnan 145MW Photovoltaic Project (江南145MW光伏項目)	956,789		570,487			570,487	60.00	59.40	1,041	1,041	3.55	Self-owned funds + Loans

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

18. Construction in Progress (continued)

Construction in progress (continued)

(2). Changes in important projects under construction for the current period (continued)

Name of project	Budget	Opening balance	Increase for the period	Transfer to fixed assets for the period	Other decrease for the period	Closing balance	Proportion of total project investment in the budget (%)	Progress of project (%)	Accumulated capitalised interest	Including: Capitalised interest for the period	Interest rate of capitalisation for the period (%)	Source of fund
Suihua Beilin 40MW Biomass Cogeneration Project (綏化北林40MW生物質發電聯產項目)	762,450	460,650	104,092	653		564,089	76.60	76.60	33,514	21,714	4.02	Self-owned funds + Loans
EPC Project of CMEC Jilin Da'an Dapengzi Town Phase I 100MW Wind Power Project (中重工程吉林大安大崗子鎮一期100MW風電項目EPC總承包工程)	690,260	350,204	169,390			519,594	98.36	98.36	17,864	14,854	3.90	Self-owned funds + Loans
Project of Guangdong Hulu Sandstone Co., Ltd. (廣東葫蘆砂石有限責任公司項目)	1,278,000	105,589	346,533			452,122	38.02	38.02	19,488	19,488	3.45	Self-owned funds + Loans
Wuying County Baogun 140MW Photovoltaic Project (寧明縣板棍140MW光伏項目)	833,708	5,660	430,413			436,074	65.00	61.50	6,592	6,592	3.75	Self-owned funds + Loans
Fusui County Zhongguan 100MW Photovoltaic Project (扶綏縣中關100MW光伏項目)	594,914		419,553			419,553	70.53	87.90	3,238	3,238	3.75	Self-owned funds + Loans
Jiangzhou District Qumu 100MW Photovoltaic Project (江州區渠姆100MW光伏項目)	591,078	5,566	410,457			416,023	69.61	55.55	4,832	4,832	3.95	Self-owned funds + Loans

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

19. Right-of-use assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Building and structures	Construction equipment	Transportation equipment	Other right-of-use assets	Total
I. Original Carrying amount					
1. Opening balance	2,065,016	70,868	340,890	4,364	2,481,138
2. Increase for the period	1,415,340	269,413	1,286	254	1,686,293
3. Decrease for the period	251,690	57,661	760	388	310,499
4. Closing balance	3,228,666	282,620	341,416	4,230	3,856,932
II. Accumulated depreciation					
1. Opening balance	832,649	29,182	29,734	1,920	893,485
2. Increase for the period	407,037	48,077	890	149	456,153
(1) Provision	407,037	48,077	890	149	456,153
3. Decrease for the period	201,096	37,360	115	325	238,896
(1) Disposal	201,096	37,360	115	325	238,896
4. Closing balance	1,038,590	39,899	30,509	1,744	1,110,742
III. Impairment provision					
1. Opening balance					
2. Increase for the period					
3. Decrease for the period					
4. Closing balance					
IV. Carrying amount					
1. Carrying amount at the end of the period	2,190,076	242,721	310,907	2,486	2,746,190
2. Carrying amount at the beginning of the period	1,232,367	41,686	311,156	2,444	1,587,653

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Intangible assets

(1). Intangible assets

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Land use rights	Patent rights, non-patented technology and software	Mining rights	Concession rights	Others	Total
Original carrying amount						
Opening amount	10,223,162	1,878,487	2,311,353	59,969,818	516,515	74,899,335
Increase for the period	482,510	151,333	130,618	6,312,021	180,110	7,256,592
1) Disposal	426,783	151,333	130,618	5,144,397	180,110	6,033,241
2) Acquisition of subsidiaries	46,340			1,167,624		1,213,964
3) Investment from investors	9,387					9,387
Decrease for the period	428,118	9,668	8,820	6,006,595	145,612	6,598,813
1) Disposal or retirement	9,592		8,820	4,596	42,790	65,798
2) Disposal of subsidiaries	162,977	9,149		6,001,999		6,174,125
3) Disposal	168,310					168,310
4) Others	87,239	519			102,822	190,580
Closing amount	10,277,554	2,020,152	2,433,151	60,275,244	551,013	75,557,114
Accumulated amortization						
Opening balance	1,669,691	1,393,032	175,434	3,353,279	130,904	6,722,340
Increase for the period	254,838	145,760	71,604	1,494,554	33,067	1,999,823
1) Provision	254,838	145,760	71,604	1,494,554	33,067	1,999,823
Decrease for the period	67,987	5,117	8,820	879,215	75,836	1,036,975
1) Disposal	2,500		8,820	4,595	38,473	54,388
2) Disposal of subsidiaries	27,027	4,694		874,620		906,341
3) Disposal	23,508					23,508
4) Other	14,952	423			37,363	52,738
Closing amount	1,856,542	1,533,675	238,218	3,968,618	88,135	7,685,188

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

20. Intangible assets (continued)

(1). Intangible assets (continued)

Item	Land use rights	Patent rights, non-patented technology and software	Mining rights	Concession rights	Others	Total
Impairment provision						
Opening amount	65,791	1,150				66,941
Increase for the period						
Decrease for the period						
Closing amount	65,791	1,150				66,941
Carrying amount						
Carrying amount at the end of the period	8,355,221	485,327	2,194,933	56,306,626	462,878	67,804,985
Carrying amount at the beginning of the period	8,487,680	484,305	2,135,919	56,616,539	385,611	68,110,054

(2). Land use rights for which title certificates have not been obtained

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Book value	Reason for not obtaining the title certificate
Land use rights	21,427	There existed substantial obstacles for obtaining the title certificate, etc.

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

21. Goodwill

(1). Original book value of goodwill

✓Applicable □ Not Applicable

Name of investee or matters resulting in goodwill	Opening balance	Increase for the period Through business combination	Unit: '000 Currency: RMB		Closing balance
			Decrease for the period Disposal		
Hengyuan Cement Joint Venture Co., Ltd. (恒遠水泥合資有限公司)		69,127			69,127
Empresarios Agrupados Internacional, S.A., Ghesa Ingenieria y Tecnologia, S.A.	236,010				236,010
Guangxi Liuzhou Weiqi Chemical Co., Ltd. (廣西柳州威奇化工有限責任公司)	356,235				356,235
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)	97,989				97,989
Gezhouba Zhongxiang Cement Company Limited (葛洲壩鐘祥水泥有限公司)	653,762				653,762
Laiwu Zhonghe Water Purification Co., Ltd. (萊蕪中和水質淨化有限責任公司)	150,536				150,536
Danjiangkou Zhonghe Water Purification Co., Ltd. (丹江口市中和水質淨化有限公司)	81,082				81,082
Huanggang Zhonghe Water Purification Co., Ltd. (黃岡市中和水質淨化有限公司)	40,447				40,447
Gezhouba Water Affairs (Binzhou) Co., Ltd. (葛洲壩水務(濱州)有限公司)	78,027				78,027
Gezhouba Water Affairs (Qinyang) Co., Ltd. (葛洲壩水務(沁陽)有限公司)	60,559				60,559
Gezhouba Water Affairs (Lingbao) Co., Ltd. (葛洲壩水務(靈寶)有限公司)	54,124				54,124
Other	354,027		33,238		320,789
Total	2,162,798	69,127	33,238		2,198,687

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

21. Goodwill (continued)

(2). Provision for impairment of goodwill

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of investee or matters resulting in goodwill	Opening balance	Increase for the period Provision	Decrease for the period Disposal	Closing balance
Xi'an Huitian Blood Products Co., Ltd. (西安回天血液製品有限公司)	1,224		1,224	
Chongqing Lineng Civil Explosive Equipment Co., Ltd. (重慶力能民爆器材有限公司)		330		330
Lixian Erhua Civil Explosive Equipment Co., Ltd. (澧縣二化民爆器材有限公司)		101		101
Total	1,224	431	1,224	431

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

22. Long-term Prepaid Expenses

Applicable Not Applicable

Item	Opening balance	Increase for the period	Amortization for the period	Unit: '000 Currency: RMB	
				Other decrease	Closing balance
Leasehold improvement	141,800	7,802	5,281	129,610	14,711
Insurance premiums	185,934	1,024,469	685,451	504	524,448
Others	280,515	411,421	155,113	54,247	482,576
Total	608,249	1,443,692	845,845	184,361	1,021,735

23. Deferred Income Tax Assets/Deferred Income Tax Liabilities

(1). Deferred tax liabilities not offset

Applicable Not Applicable

Item	Closing balance		Unit: '000 Currency: RMB	
	Deductible temporary difference	Deferred income tax assets	Opening balance	
			Deductible temporary difference	Deferred income tax assets
Provision for assets impairment	2,051,096	387,980	1,059,787	199,605
Unrealized profit in intra-group transactions	3,416,334	838,747	3,396,200	849,050
Deductible losses	672,117	141,844	582,964	130,848
Impairment of credit assets	3,904,966	674,281	4,595,496	775,805
Employee benefits payable	90,673	17,353	383,439	78,801
Depreciation of fixed assets	404	101	1,712	428
Depreciation of right-of-use assets	114,556	27,900	104,142	25,364
Defined benefit plans	1,447,441	259,608	1,013,803	153,339
Financial assets held for trading and derivative financial assets	59,080	14,770	55,628	13,907
Other debt investments	1,303	289	-74,072	-16,430
Others	1,013,221	209,290	1,067,268	210,911
Subtotal	12,771,191	2,572,163	12,186,367	2,421,628
Offset amount		22,263		23,786
Total	12,771,191	2,549,900	12,186,367	2,397,842

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

23. Deferred Income Tax Assets/Deferred Income Tax Liabilities (continued)

(2). *Deferred tax liabilities not offset*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Appreciation of the combined asset valuation of enterprises not under the same control	239,444	39,712	298,425	49,494
Changes in fair value of other debt investments	962,226	193,509	1,243,376	180,252
Change in fair value of other equity instrument investments			878,511	135,843
Depreciation of fixed assets	3,824,292	954,692	4,148,348	1,037,087
Others	1,339,599	331,760	557,224	139,195
Appreciation of the combined asset valuation of enterprises not under the common control	406,417	98,351		
Subtotal	6,771,978	1,618,024	7,125,884	1,541,871
Set-off amount		22,263		23,786
Total	6,771,978	1,595,761	7,125,884	1,518,085

(3). *Deferred income tax assets or liabilities stated on a net basis after offset*

Applicable Not Applicable

(4). *Details of unrecognized deferred income tax assets*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	6,136,490	4,294,010
Deductible losses	14,876,229	16,177,614
Total	21,012,719	20,471,624

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

23. Deferred Income Tax Assets/Deferred Income Tax Liabilities (continued)

(5). *Deductible losses for which deferred tax assets are not recognised will expire in the following years*

Applicable Not Applicable

Unit: '000 Currency: RMB

Year	Closing amount	Opening amount
2022		1,665,816
2023	1,687,817	2,553,459
2024	2,058,612	2,180,608
2025	3,616,605	3,897,105
2026	4,947,974	5,022,221
2027	1,817,815	110,999
2028	152,037	152,037
2029	190,606	190,606
2030	196,280	196,280
2031	208,483	208,483
2032		
Total	14,876,229	16,177,614

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

24. Other Non-current Assets

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Prepaid enterprise income tax	318,266		318,266	203,335		203,335
VAT to be deducted	461,511		461,511	180,185		180,185
Prepayments for equipment	958,705		958,705	546,267		546,267
Prepayments for long-term assets	949,333		949,333			
Contract assets	57,605,629	534,824	57,070,805	24,665,592	379,265	24,286,327
– Quality Guarantee deposit	24,738,233	534,824	24,203,409	15,056,547	379,265	14,677,282
– Payments of PPP projects during the operation period calculated under financial asset model	32,867,396		32,867,396	9,609,045		9,609,045
Entrusted loans				450,000		450,000
Others	140,916		140,916	267,332		267,332
Subtotal	60,434,360	534,824	59,899,536	26,312,711	379,265	25,933,446
Less: The portion due within one year	877,600	33,447	844,153	1,345		1,345
Total	59,556,760	501,377	59,055,383	26,311,366	379,265	25,932,101

25. Short-term Borrowings

Classification of short-term borrowings

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Credit loans	23,417,305	13,967,034
Guaranteed loans	672,834	392,884
Secured borrowings	176,710	25,000
Pledged borrowings	1,282,733	1,387,333
Total	25,549,582	15,772,251

Description of classification of short-term borrowings:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

26. Bills Payable

(1). Breakdown of bills payable

Applicable Not Applicable

Class	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Commercial acceptance bills	1,967,407	1,847,973
Bank acceptance bills	12,723,860	10,574,107
Letter of credit	256,114	
Total	14,947,381	12,422,080

27. Trade Payables

(1). Breakdown of trade payables

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Work progress payables	87,189,098	69,510,454
Material purchase payables	31,873,522	25,161,899
Equipment payables	14,396,810	10,632,176
Warranty deposit payables	11,908,728	8,186,582
Labor fee payables	4,605,686	3,838,386
Engineering design consulting fee payables	1,300,240	740,309
Others	14,820,956	6,507,028
Total	166,095,040	124,576,834

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

27. Trade Payables (continued)

(2) Significant trade payables aged over one year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Reasons for non-repayment or carry-forward
Equipment payables	1,105,167	Based on the contract agreement, the time for payment is not yet due
Work progress payables	1,891,027	Based on the contract agreement, the time for payment is not yet due
Total	2,996,194	/

Other explanation

Applicable Not Applicable

28. Receipts in Advance

(1). Breakdown of receipts in advance

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Rent in advance	29,813	
Total	29,813	

(2). Major receipts in advance aged over one year

Applicable Not Applicable

Other explanation

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

29. Contract Liabilities

(1). Contract liabilities

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Settled but uncompleted payments of construction contract	22,059,457	17,542,676
Advanced sales receipt from real estate business	7,589,442	18,488,453
Advanced receipts from construction work	28,198,575	22,250,798
Advanced sales receipt from products	1,037,031	1,133,698
Others	1,557,339	1,835,867
Total	60,441,844	61,251,492

(2). Amount and reasons for significant changes in carrying amount during the Reporting Period

Applicable Not Applicable

Other explanation:

Applicable Not Applicable

30. Employee Benefits Payable

(1). Breakdown of employee benefits payable

Applicable Not Applicable

Item	Unit: '000 Currency: RMB			
	Opening balance	Increase for the period	Decrease for the period	Closing balance
Short-term benefits	1,853,791	26,080,841	24,987,376	2,947,256
Post-employment benefits – defined contribution plan	258,637	3,433,927	3,386,546	306,018
Termination benefits	2,376	32,556	31,787	3,145
Other benefits due within one year	8,262	3,754	12,004	12
Total	2,123,066	29,551,078	28,417,713	3,256,431

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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

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000	Currency: RMB
				Closing balance	
I. Wages, bonuses, allowances and subsidies	608,688	19,288,808	18,317,352		1,580,144
II. Employee welfare benefits	378	1,235,474	1,235,852		
III. Social insurance	175,886	1,683,621	1,668,882		190,625
Including: Medical insurance	151,087	1,528,049	1,507,950		171,186
Work-related injury insurance	17,463	120,235	126,250		11,448
Maternity insurance premiums	7,336	35,337	34,682		7,991
IV. Housing provident fund	323,427	1,718,086	1,699,729		341,784
V. Union and education fund	595,643	603,983	502,535		697,091
VI. Others	149,769	1,550,869	1,563,026		137,612
Total	1,853,791	26,080,841	24,987,376		2,947,256

(3). Breakdown of defined contribution plan

Applicable Not Applicable

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000	Currency: RMB
				Closing balance	
1. Basic pension insurance	171,097	2,431,275	2,407,213		195,159
2. Unemployment insurance	17,381	93,058	86,496		23,943
3. Enterprise annuity payment	70,159	909,594	892,837		86,916
Total	258,637	3,433,927	3,386,546		306,018

Other explanation:

Applicable Not Applicable

In addition to basic pension insurance, the Company has established an enterprise annuity plan in accordance with the relevant policies of the national enterprise annuity system. The Company 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	3,535,527	4,128,215
Enterprise income tax	1,912,678	1,916,613
Personal income tax withholding and payment	347,491	296,484
City construction and maintenance tax	67,691	66,784
Land value-added tax	748,652	653,800
Property tax	50,049	52,617
Land use tax	53,074	60,018
Educational surcharge	47,234	48,852
Others	275,102	242,555
Total	7,037,498	7,465,938

Other explanation:

None

32. Other Payables

Breakdown of item

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Dividends payable	654,302	972,611
Other payables	36,160,633	29,592,910
Total	36,814,935	30,565,521

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

32. Other Payables (continued)

Interest payable

(1). Breakdown of item

Applicable Not Applicable

Dividends payable

(1). Breakdown of item

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing amount	Amount at the end of the previous year
Dividends on ordinary shares	654,302	972,611
Subtotal	654,302	972,611

Other payables

(1). Other payables by nature

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Deposit	14,114,414	12,002,110
Payment and collection clearance payables	9,072,445	4,589,694
Placements	7,641,954	6,742,786
Daily expenses payable	1,062,551	1,468,938
Three supply and one industry separation transfer payment (note)	673,935	827,078
Real estate sales earnest money	36,908	111,022
Others	3,558,426	3,851,282
Total	36,160,633	29,592,910

Note: 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) (Guo Ban Fa [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, and to charge fees at household basis by professional enterprises or institutions for socialized management, which was basically completed by the end of 2018.

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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 Company signed an entrustment agreement entrusting the Company to implement the separation and transfer 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 transfer agreement and complete the separation and transfer 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 Company 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 Company.

In 2018, when the Company was entrusted by Energy China Group to carry out the separation and transfer of "Three Supply and One Industry", there were payables to the recipient and the party providing maintenance and renovation services to the Company. As of 31 December 2022, the above-mentioned other payables were RMB673,953,000.

(2). *Other major payables aged over one year*

Applicable Not Applicable

Other explanation:

Applicable Not Applicable

33. Non-current Liabilities Due Within One Year

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Long-term borrowings due within one year	12,261,515	3,617,661
Long-term wages payable due within one year	860,850	936,338
Bonds payable due within one year	3,413,346	1,957,056
Others	871,912	345,173
Total	17,407,623	6,856,228

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

34. Other Current Liabilities

Details of other current liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Pending output VAT	1,012,410	405,640
Estimated liabilities	1,976,335	2,176,062
Acceptance bills endorsed but not due	3,689,183	3,869,483
Others	108,086	115,820
Total	6,786,014	6,567,005

Increase or decrease in short-term bonds payable:

Applicable Not Applicable

Other explanation:

Applicable Not Applicable

Estimated liabilities

Unit: '000 Currency: RMB

Item	Amount at the end of the previous year	Increase for the period	Decrease for the period	Closing amount
Onerous contract to be performed (Note 1)	429,668	246,995	102,074	574,589
Pending litigation (Note 2)	1,636,903	104,838	358,757	1,382,984
Other	109,491		90,729	18,762
Total	2,176,062	351,833	551,560	1,976,335

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

34. Other Current Liabilities (continued)

*Estimated liabilities (continued)**Note 1: Onerous contracts to be performed*

If a contract to be performed by the Company 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. During the period, due to factors such as the increase in material and labor price, expected total project cost of some general contracts for engineering construction to be performed exceeded total contract amount, resulting in onerous contracts. As of 31 December 2022, the balance of estimated liabilities accrued by the Company for onerous contracts to be performed was RMB574,589,000.

Note 2: Pending litigation

The Company 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 disputes, lawsuits or claims that are likely to cause losses to the Company, as of 31 December 2022, the total balance of corresponding estimated liabilities accrued by the Company was RMB1,382,984,000.

As of 31 December 2022, Gezhouba Huanjia was involved in a total of 57 legal proceedings, of which 20 were unsuccessful in the first or second judgment, and Gezhouba Huanjia has appealed or applied for retrial; 35 cases have not yet been judged in the first judgment and are still under trial; 2 cases were successful in the second judgment. Based on the progress of the litigations and the judgment results, and after consulting with relevant legal advisors, the Company has made provision for the corresponding estimated liabilities totaling RMB1,278,147,000 for the pending legal lawsuits that are likely to cause losses to the Company.

Financial Report

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	84,667,404	39,310,633
Secured borrowings	34,111,321	30,017,636
Mortgaged loans	19,691,107	9,086,057
Guaranteed borrowings	5,915,210	9,821,628
Less: Long-term borrowings due within one year	12,261,515	3,617,661
Total	132,123,527	84,618,293

Description of classification of long-term borrowings:

None

Other explanation: including interest rate range:

Applicable Not Applicable

Maturity analysis of long-term borrowings

Unit: '000 Currency: RMB

Item	Closing amount	Amount at the end of the previous year
Immediate or within 1 year	12,261,515	3,617,661
1 to 2 years	31,370,907	13,976,417
2 to 5 years	50,656,801	17,517,876
Over 5 years	50,095,819	53,124,000
Subtotal	144,385,042	88,235,954
Including: Long-term borrowings due within one year	12,261,515	3,617,661
Long-term borrowings due in more than one year	132,123,527	84,618,293

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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	13,213,346	13,249,540
Less: Bonds payable due within one year	3,413,346	1,957,056
Total	9,800,000	11,292,484

(2). Changes in bonds payable: (excluding preferred 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	Opening balance	Issued in the period	Interest accrued at face value	Amortization of premium and discount	Repayment in the period	Closing balance
19 GZ 01	1,000,000	2019/1/9	5 years	1,000,000	1,000,000					1,000,000
19 GZ 02	1,500,000	2019/3/13	5 years	1,500,000	1,500,000					1,500,000
19 GZ 03	1,500,000	2019/4/24	3 years	1,500,000	1,500,000				1,500,000	
21 Gezhouba 01	3,000,000	2021/4/29	5 years	3,000,000	2,795,223			4,777		2,800,000
21 Gezhouba 02	3,000,000	2021/5/18	5 years	3,000,000	3,000,000					3,000,000
13 CEEC MTN1	3,000,000	2013/1/18	10 years	3,000,000	2,997,261			21,389	18,650	3,000,000
22 CEEC 01	1,500,000	2022/7/2	3 years	1,500,000		1,500,000				1,500,000
Subtotal	14,500,000	/	/	14,500,000	12,792,484	1,500,000		26,166	1,518,650	12,800,000

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

36. Bonds Payable (continued)

Other explanation:

Applicable Not Applicable

As of 31 December 2022, the balance of interest payable for the above bonds at the beginning of the period was RMB457,056,000, and the balance of interest payable at the end of the period was RMB413,346,000. As of 31 December 2022, the total interest-bearing amount of the above bonds was RMB13,213,246,000.

37. Lease Liabilities

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Long-term lease liabilities	2,176,857	1,383,690
Less: Lease liabilities due within one year	213,238	261,868
Total	1,963,619	1,121,822

Other explanation:

None

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

38. Long-term Payables

Breakdown of item

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Long-term payables	1,009,134	641,190
Special payables	353,876	177,160
Total	1,363,010	818,350

Other explanation:

Applicable Not Applicable

Long-term payables

(1). *Long-term payables by nature*

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
After-sale financial lease	66,380	136,382
Finance lease payables	22,617	33,063
Others	920,137	471,745
Total	1,009,134	641,190

Other explanation:

None

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

38. Long-term Payables (continued)

Special payables

(1). *Special payables by nature*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Special demolition compensation	55,037	385,355	283,987	156,405
Disposal of zombie enterprises and difficult enterprises		76,000		76,000
Three Supply and One Industry	34,892	304	3,404	31,792
Others	87,231	9,517	7,069	89,679
Total	177,160	471,176	294,460	353,876

Other explanation:

None

39. Long-term Employee Benefits Payable

Applicable Not Applicable

(1). *Statement on long-term employee benefits payable*

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Post-employment benefits – net liabilities under defined benefit plan	7,403,418	8,081,854
Resignation benefits	1,046,340	1,177,307
Less: Portion paid within one year	860,850	936,338
Total	7,588,908	8,322,823

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Long-term Employee Benefits Payable (continued)

(2). Changes in defined benefit plans

Present value of obligations under defined benefit plans:

✓ Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
I. Opening balance	9,259,161	9,909,587
II. Defined benefit cost included in the current profit and loss	341,900	274,949
1. Current service costs		
2. Past service costs	103,910	18,141
3. Settlement gain (loss represented by "-")		
4. Net interest	237,990	256,808
III. Defined benefit cost included in other comprehensive income	-245,820	23,150
1. Actuarial gain (loss represented by "-")	-245,820	23,150
IV. Other changes	-905,483	-948,525
1. Consideration paid at settlement		
2. Benefits paid	-905,483	-948,525
V. Closing balance	8,449,758	9,259,161

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Long-term Employee Benefits Payable (continued)

(2). Changes in defined benefit plans (continued)

Plan assets:

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Same period of previous year
Opening balance		259,581
Interest income		
Cash received by the Company from Energy China Group		-259,581
Closing balance		

Net liabilities (net assets) under defined benefit plans

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
I. Opening balance	9,259,161	9,909,587
II. Defined benefit cost included in the current profit and loss	341,900	274,949
III. Defined benefit cost included in other comprehensive income	-245,820	23,150
IV. Other changes	-905,483	-948,525
V. Closing balance	8,449,758	9,259,161

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Long-term Employee Benefits Payable (continued)

(2). Changes in defined benefit plans (continued)

Net liabilities (net assets) under defined benefit plans (continued)

Explanation on impacts of the details of the defined benefit plan and its associated risks on the Company's future cash flow, timing and uncertainty:

Applicable Not Applicable

Energy China Group and the Company provided supplementary post-employment benefits to retirees who have completed the retirement procedures before 31 December 2014. In addition, Energy China Group and the Company undertake to regularly pay subsidies and benefits to former employees who have terminated their labor relationship or retired early, employees with off-duty work injuries and survivors of deceased employees who comply with relevant policies in accordance with various employee benefit plans (the "Defined Benefit Plans") adopted.

According to the notice issued by the Ministry of Finance in 2012, the Ministry of Finance allocated the 9.2 million kilowatt power generation asset realization fund (the "920 Fund") to Energy China Group to compensate for the expenses of post employment benefits provided by the Company 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 Plans of the Company, and was transferred from Energy China Group to the Company year by year. From 2012 to the time when the Company was restructured and listed, the Company 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 Plans 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 Company was recognized as the Company's receivables from Energy China Group, and the interest income generated by the time deposit portion of the receivables belongs to the Company. The receivables and related interest income are recognized as assets of the Company under the Defined Benefit Plans. The amount after offsetting the assets balance with the liabilities under the Defined Benefit Plans of the Company was shown in the balance sheet.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Long-term Employee Benefits Payable (continued)

(2). Changes in defined benefit plans (continued)

Net liabilities (net assets) under defined benefit plans (continued)

Explanation on key actuarial assumptions and sensitivity analysis results of the Defined Benefit Plans

Applicable Not Applicable

The Group faces actuarial risks such as interest rate risk, welfare risk and average medical expense risk related to the Defined Benefit Plans:

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, the 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:

Item	Unit: '000 Currency: RMB	
	Amount for the period	Amount for the same period last year
Discount rate	2.50% -2.75%	2.50% -2.75%
Salaries for employees with early retirement and off-the-job injuries	4.50%	4.50%
Inflation rate of supplementary benefits	2.00%	2.00%
Inflation rate of retired employees, dependents of deceased employees and retired employee benefits	5.50%	5.50%

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

39. Long-term Employee Benefits Payable (continued)

(2). Changes in defined benefit plans (continued)

Net liabilities (net assets) under defined benefit plans (continued)

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:

Item	Unit: '000 Currency: RMB	
	Amount for the period	Amount for the same period last year
Discount rate		
Increased by 0.25%	-174,150	-195,720
Decreased by 0.25%	181,270	203,910
Supplementary benefit ratio		
Increased by 1.00%	575,570	639,140
Decreased by 1.00%	-502,870	-556,660
Healthcare cost trend ratio		
Increased by 1.00%	150,820	179,670
Decreased by 1.00%	-128,720	-152,720

Although the above analysis does not take into account the full projected cash flows under the Defined Benefit Plans, 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.

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

40. Estimated Liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Closing balance	Reason
Onerous contract to be performed	16,962	6,579	Mainly including environmental costs, rehabilitation costs of abandoned mines, etc.
Other estimated losses	6,048	23,208	
Cost of restoration or removal of right-of-use assets	17,963	9,367	
Disposal fee	27,430	34,720	
Total	68,403	73,874	/

Other explanations, including significant assumptions and estimates related to significant projected liabilities:

None

41. Deferred Revenue

Description of deferred revenue

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance	Reason
Government grants	661,164	390,666	533,323	518,507	Government grants related to assets/revenue
Total	661,164	390,666	533,323	518,507	/

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

41. Deferred Revenue (continued)

Items involving government grants:

Applicable Not Applicable

Item of liabilities	Opening balance	Additions of grants for the period	Amount included in profit or loss in the period	Unit: '000 Currency: RMB	
				Closing balance	Related to assets/ Related to income
920 Fund (note)	170,980	364,775	438,043	97,712	Related to income
Accumulated amortization of land on No. 11 Road in Zhanzhuangzi	62,900		1,424	61,476	Related to assets
Return of land grant for new production line	46,176		2,328	43,848	Related to assets
Hefei High-tech Zone Integrated Pipe Corridor Phase I PPP Project (Special Funds for Upgrading and Renovating the Pipe Corridor)	35,837		1,068	34,769	Related to assets
Waste incineration and power generation project	23,424		1,952	21,472	Related to assets
Major Industry Support Fund	50,866	0	16,960	33,906	Related to assets
Central budget infrastructure subsidies	31,816	0	4,717	27,099	
Return of land grant	82,057		65,287	16,770	Related to assets
Others	157,108	25,891	1,544	181,455	Related to assets/ income
Subtotal	661,164	390,666	533,323	518,507	

Note: Upon the Company's listing in Hong Kong, for the part of the 920 Fund that exceeds the assets under the Defined Benefit Plans (see Note V. (I) 42) received each year, the Company continued to follow the "920 Fund Appropriation Management Measures" formulated by Energy China Group, and the allocated 920 Fund to compensate the Company'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.

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

42. Others Non-current Liabilities

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Taxes payable by oversea subsidiaries	155,070	151,468
Others	124,613	33,787
Total	279,683	185,255

Other explanation:

None

43. Share Capital

Applicable Not Applicable

Unit: '000 Currency: RMB

	Opening balance	Increase or decrease (+, -)				Subtotal	Closing balance
		Issuance of new shares	Bonus	Share conversion of provident fund	Others		
Total number of shares	41,691,164					41,691,164	

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

44. Other Equity Instruments

(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 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	Equity	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	Equity	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	Equity	3.33%	0.10	15,000,000	1,500,000	Issuer has the right to exercise renewal option after 3 years
First tranche of medium-term notes in 2022 of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司2022年度第一期中期票據)	2022-12-5	Equity	3.85%	0.10	30,000,000	3,000,000	Issuer has the right to exercise renewal option after 3 years
Total					95,000,000	9,500,000	

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

44. Other Equity Instruments (continued)

Main terms:

For the capital instruments issued by the Company, at the end of the agreed initial period and the end of each renewal period, the Company 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 Company 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 Company.

The Company 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;
- to reduce registered capital.

When any of the compulsory distribution payment events occur, the Company, as the case may be, shall make distribution to the holders of these capital 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 Company 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)

45. Capital Reserve

Applicable Not Applicable

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000 Currency: RMB
				Closing balance
Capital premium (Share premium)	16,731,128	116,355	8,456	16,839,027
Total	16,731,128	116,355	8,456	16,839,027

Other explanation, including changes in the current period and the reasons for the changes:

The share premium increased by RMB116,343,000 for the purchase of minority shareholders' equity attributable to the parent company by subsidiaries of the Company, decreased by RMB8,456,000 for the underwriting fees for the issuance of renewable corporate bonds by subsidiaries of the Company, and increased by RMB12,000 for the three supply and one industry separation transfer by subsidiaries of the Company.

46. Other Comprehensive Income

Applicable Not Applicable

Item	Unit: '000 Currency: RMB							Closing amount
	Opening amount	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 minority shareholders after tax	Less: Amount transferred to retained earnings from other comprehensive income (Amount attributable to the parent after tax)	
Other comprehensive income not to be reclassified into profit or loss	1,326,424	122,115		-32,117	18,637	135,596	-59,637	1,404,699
Including: Changes of the re-measurement of defined benefit plans	850,522	245,820		2,285	182,816	60,719		1,033,338
Change in fair value of investments in other equity instruments	475,903	-123,705		-34,402	-164,179	74,877	-59,637	371,361
Other comprehensive income to be reclassified into profit or loss	-1,403,945	779,646			759,290	20,355		-644,656
Including: Differences on translation of foreign currency financial statements	-1,403,945	779,646			759,290	20,355		-644,656
Total other comprehensive come	-77,520	901,761	-59,637	-32,117	777,927	155,952	-59,637	760,044

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

46. Other Comprehensive Income (continued)

Other explanation, including adjustments to the effective portion of the cash flow hedge gain or loss to the amount initially recognized for the hedged item:

None

47. Special Reserve

Applicable Not Applicable

Item	Opening balance	Increase for the period	Decrease for the period	<i>Unit: '000 Currency: RMB</i>
				Closing balance
Production safety expenses	648,786	3,224,708	2,968,915	904,579
Total	648,786	3,224,708	2,968,915	904,579

Other explanation, including changes in the current period and the reasons for the changes:

The increase for the period was due to the provision for the production safety expenses based on 1.5% and 3% of project progress at the end of the month by the Company in accordance with the "Administrative Measures for Withdrawal and Use of Enterprise Production Safety Expenses of Enterprises". The decrease for the period was due to the expenses directly related to production safety.

48. Surplus Reserve

Applicable Not Applicable

Item	Opening balance	Increase for the period	Decrease for the period	<i>Unit: '000 Currency: RMB</i>
				Closing balance
Statutory surplus reserve	5,563,652	1,980,921		7,544,573
Total	5,563,652	1,980,921		7,544,573

Description of surplus reserves, including changes in the current period and reasons for the changes:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

49. Retained Earnings

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Current period	Last period
Retained earnings at the end of last period before adjustment	20,141,471	15,647,219
Total amount of retained earnings at the beginning of the adjustment period (increase +, decrease -)		
Retained earnings at the beginning of the period after adjustment	20,141,471	15,647,219
Add: Net profits attributable to shareholders of the parent during the current period	7,809,343	6,504,102
Less: Withdrawal of statutory surplus reserve	1,980,921	1,102,162
Withdrawal of discretionary surplus reserve		
Withdrawal of general risk reserve		
Dividends payable on ordinary shares	938,051	675,459
Dividends on ordinary shares converted into share capital		
Perpetual bond interests payable	317,930	365,309
Others	-59,637	133,080
Retained earnings at the end of the period	24,654,275	20,141,471

Other explanations

- At the 2021 annual general meeting held by the Company on 28 June 2022, the Resolution regarding the 2021 Profit Distribution Plan of the Company was considered and approved. Cash dividends totaling RMB938,051,000 were distributed to all shareholders during the period;
- 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 RMB317,930,000 for the year.
- The Company's subsidiaries transferred the amount originally included in other comprehensive income due to changes in fair value to retained earnings of RMB-59,637,000 upon their disposal of other debt instrument investments.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

50. Operating Income and Operating Costs

(1). Operating income and operating costs

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period		Amount for the same period last year	
	Revenue	Cost	Revenue	Cost
Principal businesses	363,883,319	319,441,219	319,299,975	278,162,789
Other businesses	2,509,982	1,449,912	3,018,590	1,747,183
Total	366,393,301	320,891,131	322,318,565	279,909,972
Including: Revenue from contracts with customers	365,961,741	320,542,984	321,931,718	279,601,822

(2) Revenue breakdown

1) Breakdown of revenue from contracts with customers by type of goods or services

Unit: '000 Currency: RMB

Item	Amount for the period		Amount for the same period last year	
	Revenue	Cost	Revenue	Cost
Survey, design and consulting services	17,277,945	10,085,385	14,737,671	9,518,170
Construction and contracting	286,146,292	263,097,728	246,970,777	224,951,018
Industrial manufacturing	26,633,003	21,827,475	28,017,500	21,341,645
Investment and operation	32,763,822	24,336,612	26,419,170	19,200,625
Other businesses	3,140,679	1,195,784	5,786,600	4,590,364
Subtotal	365,961,741	320,542,984	321,931,718	279,601,822

2) Breakdown of revenue from contracts with customers by the time of transfer of goods or services

Unit: '000 Currency: RMB

Item	Amount for the period	Amount for the same period last year
Revenue recognized at a point in time	49,841,535	51,074,577
Revenue recognized over a period of time	316,120,206	270,857,141
Subtotal	365,961,741	321,931,718

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

50. Operating Income and Operating Costs (continued)

(3). Revenue from contracts

Applicable Not Applicable

The revenue recognized for the period included in the beginning book value of contract liabilities amounted to RMB23,606,831,000.

Description of revenue from contracts:

Applicable Not Applicable

(4). Description of performance obligations

Applicable Not Applicable

(5). Explanation on allocation to the remaining performance obligations

Applicable Not Applicable

The construction and contracting services provided by the Company generally constitute a single performance obligation as a whole, and is the performance obligation to be performed within a certain period of time. As of December 31, 2022, some of the construction and contracting business of the Company was still in the process of performance. The transaction prices allocated to the unfulfilled (or partially unfulfilled) performance obligations are related to the performance progress of the corresponding engineering construction contract, and will be recognized as revenue based on the performance progress over the future performance period of the corresponding engineering construction contract.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

51. Taxes and Surcharges

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Land appreciation tax	517,782	369,919
City maintenance and construction tax	253,715	237,262
Stamp duty	231,473	168,080
Property tax	209,763	221,971
Educational surcharge	184,773	180,842
Land use tax	96,731	103,820
Resource tax	42,289	30,905
Vehicle usage tax	3,947	4,918
Others	162,605	119,141
Total	1,703,078	1,436,858

Other explanation:

None

52. Selling Expenses

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Employee benefits	655,757	680,640
Business expenses	342,882	371,457
Packaging expenses	100,542	97,055
Advertising and promotion expense	79,097	58,471
Travel expenses	68,151	69,231
Agency fee for commissioned sales	54,883	64,258
Others	386,005	326,312
Total	1,687,317	1,667,424

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

53. Administrative Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Employee benefits	8,923,691	7,906,902
Depreciation and amortization	1,545,615	1,655,701
Professional service fee	492,692	598,718
Office and travel expenses	1,447,141	1,339,000
Rental expenses	312,898	269,480
Labor cost	205,577	147,977
Others	794,191	828,865
Total	13,721,805	12,746,643

Other explanation:

None

54. Research and Development Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Research and development material expenses	4,544,991	4,088,507
Labor expenses	4,711,298	3,736,310
Expenses for outsourcing research and development	366,747	243,021
Depreciation and amortization	175,365	166,730
Expenses for new product design	42,130	34,649
Other relevant expenses	601,106	520,255
Total	10,441,637	8,789,472

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

55. Finance Costs

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Interest expense	7,679,470	5,019,436
Less: Capitalized interest expense	2,061,467	1,656,854
Less: Interest income	612,092	336,451
Net exchange losses	-799,129	182,640
Others	409,060	463,855
Total	4,615,842	3,672,626

Other explanation:

The Company capitalizes borrowing costs incurred for the construction or production of assets eligible for capitalization. The capitalization rate the Company adopted to determine the capitalized amount of borrowing costs for the current year ranged from 3.30% to 6.50%.

56. Other Income

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Government grants related to assets	187,042	66,660
Government grants related to income	909,141	887,733
Debt restructuring	6,422	28,896
Refund of commission for withholding individual income tax	10,894	16,168
Others	40,615	44,401
Total	1,154,114	1,043,858

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

56. Other Income (continued)

*Other explanation:**Projects involving government subsidies:*

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
920 Fund	438,043	451,697
Tax subsidy	129,160	53,195
Subsidy for stabilizing employment	43,279	25,178
R&D and Innovation Grants	17,448	81,113
Relocation and demolition subsidies	68,370	33,034
Others	399,883	310,176
Total	1,096,183	954,393

Other explanation:

None

57. Investment Income

 Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Income from long-term equity investment under equity method	-542,101	101,040
Investment income generated from disposal of long-term equity investments	1,075,033	254,397
Investment income earned during the holding period of financial assets held for trading	116,786	114,418
Investment income from disposal of financial assets held for trading	2,917	-5,501
Dividend income generated from other equity instrument investments during the holding period	104,629	94,030
Fund occupation fee charged on non-financial enterprises	92,561	56,899
Derecognition of financial assets at amortized cost	-166,658	-150,782
Others	313,908	7,374
Total	997,075	471,875

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

58. Gains on Changes in Fair Value

Applicable Not Applicable

Source of gains on change in fair value	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Financial assets held for trading	81,167	7,810
Derivative financial assets	-9,780	329
Total	71,387	8,139

Other explanation:

None

59. Credit Impairment Losses

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Bad debts loss of accounts receivable	579,954	548,871
Bad debts loss of other receivables	369,760	391,059
Bad debts loss of long-term receivables	74,169	6,589
Loans to customers	13,224	40,718
Bad debts loss of bills receivable	2,254	6,136
Total	1,039,361	993,373

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

60. Assets Impairment Losses

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Impairment loss on contract assets	984,134	310,586
Inventory depreciation loss	494,445	388,178
Other long-term asset loss	4,511	160,050
Total	1,483,090	858,814

Other explanation:

None

61. Gains from Disposal of Assets

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Gains from disposal of fixed assets	433,394	458,056
Gains from disposal of intangible assets	281,668	344,331
Others	1,619	7,510
Total	716,681	809,897

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

62. Non-operating Income

Breakdown of non-operating income

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Unpayable amount	65,370	150,803
Compensation income and penalty gains	155,175	115,185
Gains from disposal of non-current assets	12,267	15,737
Gains on surplus	2,215	2,821
Others	88,788	47,304
Total	323,815	331,850

Government subsidies included in current profit and loss

Applicable Not Applicable

Other explanation:

Applicable Not Applicable

63. Non-operating Expenses

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Estimated loss on pending litigation	134,271	1,399,800
Compensation, liquidated damage and penalty expenses	171,608	203,019
Losses from damage and scrap of non-current assets	22,294	36,682
Donation	29,944	18,689
Others	39,984	198,946
Total	398,101	1,857,136

Other explanation:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

64. Income Tax Expenses

(1) Breakdown of income tax expenses

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Current income tax	3,134,013	3,436,475
Deferred income tax	134,442	16,364
Total	3,268,455	3,452,839

(2) Adjusting process for accounting profits and income tax expenses

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	
Total profit	13,675,011	
Income tax expenses at statutory/applicable rates	3,418,753	
Effects of different applicable tax rates on subsidiaries	6,620	
Effects of adjusting income tax of prior periods		
Effects of non-taxable income	-571,808	
Effects of non-deductible costs, expenses and losses	369,063	
Effects of utilization of deductible loss arising from previously unrecognized deferred income tax assets	-325,346	
Effects of deductible temporary difference arising from unrecognized deferred income tax assets or deductible loss during the period	460,620	
Other tax incentives	-551,030	
Others	461,583	
Income tax expenses	3,268,455	

Other explanation:

Applicable Not Applicable

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

65. Other Comprehensive Income

Applicable Not Applicable

See Note 46 Other Comprehensive Income for details.

66. Items in Statement of Cash Flows

(1). Other cash received related to operating activities

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Government grants	824,366	849,344
Others	291,415	42,116
Total	1,115,781	891,460

(2). Other cash paid related to operating activities

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Deposits, guarantees and advances	3,184,003	2,816,226
Office water and electricity	870,294	655,991
Professional service fee	736,933	598,718
Travel expenses	414,663	436,491
Expenses for outsourcing research and development	381,747	243,021
Business expenses	342,882	348,071
Compensation, liquidated damage and penalty expenses	171,608	203,019
Three Supply and One Industry	126,797	400,959
Agency fee for commissioned sales	54,883	64,258
Insurance premiums	45,879	53,862
Other	842,923	2,336,640
Total	7,172,612	8,157,256

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

66. Items in Statement of Cash Flows (continued)

(3). Other cash received related to investment activities

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Recovery of fund borrowings	2,585,797	4,536,064
Time deposits of more than three months	650,159	94,654
Pledged deposits	117,693	383,697
Other	10,278	76,721
Total	3,363,927	5,091,136

(4). Other cash paid related to investment activities

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Time deposits of more than three months	1,264,772	
Payment for fund borrowings	1,892,037	3,453,048
Pledged deposits	95,679	
Other	919,777	
Total	4,172,265	3,453,048

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

66. Items in Statement of Cash Flows (continued)

(5). Other cash received related to financing activities

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Receipt of related party borrowings	1,482,870	3,266,298
Other	370,369	
Total	1,853,239	3,266,298

(6). Other cash paid related to financing activities

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Repayment of perpetual financial instruments	18,000,000	16,180,000
Repayment of related party borrowings	1,841,499	4,921,863
Payment of lease rentals	991,039	739,135
Payment of lease interest expenses	96,078	78,983
Total	20,928,616	21,919,981

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

67. Supplementary Information to the Statement of Cash Flows

(1). Supplementary information to the statement of cash flows

✓ Applicable □ Not Applicable

Supplementary information	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
1) Adjustment of net profit to cash flows of operating activities:		
Net profits	10,406,556	9,597,544
Add: Provision for asset impairment	2,522,450	1,852,187
Depreciation of fixed assets, oil and gas assets, and productive biological assets	3,318,209	2,862,830
Depreciation of right-in-use assets	456,153	449,333
Amortization of intangible assets	1,999,823	1,348,180
Amortization of long-term deferred expenses	845,991	197,640
Loss from disposal of fixed assets, intangible assets and other long-term assets (gain represented by "-")	-716,681	-809,897
Losses from retirement of fixed assets (gain represented by "-")	8,075	20,944
Losses due to changes in fair value (gain represented by "-")	-71,387	-8,139
Financial costs (gain represented by "-")	4,615,842	3,672,626
Investment loss (gain represented by "-")	-997,075	-471,875
Decrease in deferred income tax assets (increase represented by "-")	56,766	-124,557
Increase in deferred income tax liabilities (decrease represented by "-")	77,676	152,829
Decrease in inventories (increase represented by "-")	-2,771,782	3,238,931
Decrease in operating receivables (increase represented by "-")	-47,937,329	-31,906,416
Increase in operating payables (decrease represented by "-")	36,121,012	18,772,018
Net cash flows generated from operating activities	7,934,299	8,844,178
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 and cash equivalents	64,000,940	52,203,782
Less: Opening balance of cash and cash equivalents	52,203,782	49,861,244
Net increase in cash and cash equivalents	11,797,158	2,342,538

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

67. Supplementary Information to the Statement of Cash Flows (continued)

(2). Net cash of acquisition of subsidiaries paid during the period

Applicable Not Applicable

Unit: '000 Currency: RMB

	Amount
Cash or cash equivalents paid during the period from business combination during the year	98,968
Less: Cash and cash equivalents held by subsidiaries at the acquisition date	9
Add: Cash or cash equivalents paid during the period from business combination in previous periods	
Net cash paid for acquisition of subsidiaries	98,959

Other explanations:

None

(3). Net cash of acquisition of subsidiaries received during the period

Applicable Not Applicable

Unit: '000 Currency: RMB

	Amount
Cash or cash equivalents received from disposal of subsidiaries during the period	2,196,854
Less: Cash and cash equivalents held by subsidiaries at the date of loss of control	136,128
Add: Cash or cash equivalents received from disposal of subsidiaries in previous periods	
Net cash paid for acquisition of subsidiaries	2,060,726

Other explanations:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

67. Supplementary Information to the Statement of Cash Flows (continued)

(4). Composition of cash and cash equivalents

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
I. Cash	64,000,940	52,203,782
Including: Cash on hand	68,744	40,231
Bank deposits available for payment	63,932,196	52,163,551
Other currency available for payment		
Deposits with central bank available for payment		
Deposits with other banks		
Loans from other banks		
II. Cash equivalents		
Including: Bond investments due within 3 months		
III. Balance of cash and cash equivalents at the end of the period	64,000,940	52,203,782
Including: Restricted cash and cash equivalents used by the Company or subsidiaries within the Group		

Other explanations:

Applicable Not Applicable

Financial Report

VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

68. Assets with Restricted Ownership or Right-of-use

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Carrying amount at the end of the period	Reasons for restriction
Monetary funds	9,102,902	Bank acceptance bill deposits; guarantee letter deposits; time deposits over three months, other purposes
Bills receivables	5,673,270	Secured borrowings
Account receivables	5,268,108	Secured borrowings
Inventories	14,153,234	Secured borrowings/Litigation seizure
Fixed assets	1,279,319	Secured borrowings
Long-term receivables	7,916,135	Secured borrowings
Intangible assets	30,698,771	Secured borrowings/Pledge
Total	74,091,739	/

Other explanations:

None

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. Foreign Currency Monetary Items

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Monetary funds			11,670,624
Including: US Dollar	1,290,465	6.9646	8,987,570
Euro	110,891	7.4229	823,133
Vietnam Dong	1,871,453,333	0.0003	561,436
Hong Kong Dollar	242,949	0.8933	217,026
Brazil Reais	136,748	1.3257	181,286
Indonesian Rupiah	357,462,500	0.0004	142,985
Pakistan Rupee	4,476,221	0.0307	137,420
Others			619,768
Accounts receivable			119,905
Including: US Dollar	14,718	6.9646	102,506
Euro		7.4229	
Vietnam Dong	27,506,667	0.0003	8,252
Hong Kong Dollar		0.8933	
Brazil Reais	3,616	1.3257	4,794
Indonesian Rupiah		0.0004	
Pakistan Rupee	14,821	0.0307	455
Others			3,898
Other receivables			125,460
Including: US Dollar	11,976	6.9646	83,409
Euro	641	7.4229	4,761
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais		1.3257	
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			37,290

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. Foreign Currency Monetary Items (continued)

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Other current assets			63,806
Including: US Dollar	4,484	6.9646	31,232
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais		1.3257	
Indonesian Rupiah		0.0004	
Pakistan Rupee	1,061,042	0.0307	32,574
Others			
Non-current assets within one year			304,615
Including: US Dollar		6.9646	
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	229,777	1.3257	304,615
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			
Long-term receivables			4,729,146
Including: US Dollar		6.9646	
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	3,567,282	1.3257	4,729,146
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. Foreign Currency Monetary Items (continued)

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Short-term borrowings			139,292
Including: US Dollar	20,000	6.9646	139,292
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais		1.3257	
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			
Accounts payable			595,228
Including: US Dollar	49,252	6.9646	343,020
Euro	698	7.4229	5,181
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	15,664	1.3257	20,766
Indonesian Rupiah		0.0004	
Pakistan Rupee	1,282,182	0.0307	39,363
Others			186,898
Other payables			849,367
Including: US Dollar	16,888	6.9646	117,618
Euro	248	7.4229	1,841
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	512,316	1.3257	679,177
Indonesian Rupiah		0.0004	
Pakistan Rupee	126,547	0.0307	3,885
Others			46,846

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

69. Foreign Currency Monetary Items (continued)

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Other current liabilities			1,054,290
Including: US Dollar	151,378	6.9646	1,054,290
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais		1.3257	
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			
Non-current liabilities within one year			218,995
Including: US Dollar		6.9646	
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	165,192	1.3257	218,995
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			
Long-term borrowings			3,217,733
Including: US Dollar	85,000	6.9646	591,991
Euro		7.4229	
Vietnam Dong		0.0003	
Hong Kong Dollar		0.8933	
Brazil Reais	1,916,640	1.3257	2,540,890
Indonesian Rupiah		0.0004	
Pakistan Rupee		0.0307	
Others			84,852

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

70. Government Grants

(1) Breakdown

1) Government grants relating to assets

Unit: '000 Currency: RMB

Item	Opening deferred income	New subsidies	Amortization	Closing deferred income	Presented amortization	Explanation
Accumulated land amortization for Zhanzhuangzi Road No. 11	62,900		1,424	61,476		Other income
Refund of land premiums for newly constructed production lines	46,176		2,328	43,848		Other income
Hefei High-tech Zone Integrated Pipe Corridor Phase I PPP Project (Special Funds for Upgrading and Renovating the Pipe Corridor)	35,837		1,068	34,769		Other income
Waste incineration and power generation project	23,424		1,952	21,472		Other income
Major industry supporting funds	50,866	0	16,960	33,906		Other income
Infrastructure subsidies within the central budget	31,816	0	4,717	27,099		Other income
Refund of land premiums	82,057		65,287	16,770		Other income
Others	65,886	12,500	3,289	75,097		Other income
Subtotal	398,962	12,500	97,025	314,437		

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

70. Government Grants (continued)

(1) *Breakdown (continued)*

2) *Government grants relating to income and used for compensating relevant costs and expenses or losses of the Company for subsequent periods*

Item	Opening deferred income	Newly added subsidies	Carried forward	Closing deferred income	Presented carried forward	Explanation
920 Fund	170,980	364,775	438,043	97,712	Other income	
Others	91,222	15,136		106,358	Non-operating income	
Subtotal	262,202	379,911	438,043	204,070		

3) *Government grants relating to income and used for compensating relevant costs and expenses or losses of the Company occurred*

Item	Amount	Presentation	Explanation
Subsidies for taxation	129,160	Other income	
Subsidies for employment stabilization	43,279	Other income	
Subsidies for R&D and innovation	17,448	Other income	
Subsidies for relocation and demolition	68,370	Other income	
Others	302,858	Other income	
Subtotal	561,115		

(2) *The amount of government grants charged in the profit or loss for the period was RMB1,096,183 thousand.*

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

71. Directors', Chief Executives', Supervisors' and Employees' Emoluments

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 2022						
Executive directors and chief executives						
SONG Hailiang		283	975	58		1,316
SUN Hongshui		283	1,035	58		1,376
MA Mingwei		259	1,123	58		1,440
Subtotal		825	3,133	174		4,132
Non-executive directors						
LI Shulei						
LIU Xueshi						
SI Xinbo						
Independent non-executive directors						
ZHAO Lixin	80					80
CHENG Niangao	80					80
NGAI Wai Fung	80		48			128
Subtotal	240		48			288
Supervisors						
HE Jiansheng		444	457	58		959
WU Daozhuan		440	422	58		920
KAN Zhen		429	422	58		909
MAO Fengfu		400	387	58		845
LV Shisen						
Subtotal		1,713	1,688	232		3,633
Total	240	2,538	4,869	406		8,053

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT (CONTINUED)

71. 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 2021						
Executive directors and chief executives						
SONG Hailiang		265	373	53		691
SUN Hongshui		265	469	53		787
MA Mingwei		242	572	53		867
Subtotal		772	1,414	159		2,345
Non-executive directors						
LI Shulei						
LIU Xueshi						
SI Xinbo						
Independent non-executive directors						
ZHAO Lixin	70					70
CHENG Niangao	70					70
CHEUNG Yuk Ming	7		7			14
NGAI Wai Fung	73		41			114
Subtotal	220		48			268
Supervisors						
WANG Zengyong		75	78	8		161
HE Jiansheng		368	439	44		851
LI Fangyi		161	261	21		443
WU Daozhuan		256	205	31		492
KAN Zhen		425	502	53		980
FU Dexiang		7		7		14
WEI Zhongxi		7		7		14
MAO Fengfu						
LV Shisen						
Subtotal		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)

71. Directors', Chief Executives', Supervisors' and Employees' Emoluments (continued)

The discretionary bonus is determined by the remuneration committee in accordance with the relevant human resources policies.

Five highest paid individuals

Details of the remuneration of the five highest paid individuals during the year are as follows:

	Unit: '000 Currency: RMB	
	2022	2021
Basic salaries and other allowances	1,319	1,686
Discretionary bonus	5,793	4,541
Retirement benefit scheme contributions	289	209
Total	7,400	6,436

The number of the five highest paid individuals whose remuneration fell within the following bands is as follows:

	Unit: '000 Currency: RMB	
	2022	2021
Hong Kong Dollar ("HKD") 1,000,001 to HKD1,500,000		5
HKD1,500,001 to HKD2,000,000	5	
Total	5	5

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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
Hengyuan Cement Joint Venture Co., Ltd. (恒遠水泥合資有限公司)	2022/1/6	171,827	95.00	Acquisition	2022/1/6	Actual control day		534

Other explanations:

None

(2). Combination costs and goodwill

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Hengyuan Cement Joint Venture Co., Ltd. (恒遠水泥合資有限公司)
Combination costs	
Cash	171,827
Combination costs in total	171,827
Less: Fair value of net identifiable assets acquired	102,700
Differences between goodwill/combination costs and fair value of net identifiable assets acquired	69,127

Financial Report

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

Hengyuan Cement Joint Venture Co., Ltd.
(恒遠水泥合資有限公司)

Item	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets		
Cash at bank and on hand	9	9
Accounts receivable	158	158
Prepayment	1	1
Inventories		
Fixed assets		
Intangible assets		
Assets held-for-sale	6,585	6,585
Other non-current assets	593	593
Construction under progress	104,575	19,008
Liabilities:		
Borrowings	2,474	2,474
Accounts payable	1,226	1,226
Taxation payables	13	13
Other payables	103	103
Net assets	108,105	22,538
Less: Minority interests	5,405	1,127
Net assets acquired	102,700	21,411

Financial Report

VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

2. 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 remeasurement 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
Shandong Taishan Civil Explosion Equipment Co., Ltd. (山东泰山民爆器材有限公司)	69,910	53.00	Disposal	2022/1/5	Transfer of control	43,887						
Gezhouba Xingye (Shangrao) Renewable Resources Co., Ltd. (葛洲坝兴业(上饶)再生资源有限公司)	46,359	100.00	Disposal	2022/5/25	Transfer of control	393						-1,109
Sichuan Neisui Expressway Co., Ltd. (四川内遂高速公路有限责任公司)	1,979,773	100.00	Disposal	2022/6/30	Transfer of control	1,001,003						

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VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

2. Disposal of Subsidiaries (continued)

Other explanations:

Applicable Not Applicable

3. Changes in Scope of Consolidation Due to Other Reasons

Explanation of changes in scope of consolidation due to other reasons (e.g. incorporation of new subsidiaries, and liquidation of subsidiaries, etc.) and relevant information:

Applicable Not Applicable

(1) Increase in scope of consolidation

Unit: '000 Currency: RMB

Company name	Method of equity acquisition	Acquisition date	Investment amount	Investment percentage (%)
Energy China Construction Hydrogen Energy Co., Ltd. (中能建氫能源有限公司)	Established by investment	2022/1/25	5,000,000	100
China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司)	Established by investment	2022/1/7	2,000,000	100
China Energy Engineering Huazhong Investment Co., Ltd. (中能建華中投資有限公司)	Established by investment	2022/8/2	2,000,000	100
China Energy Construction Southwest Investment Co., Ltd. (中能建西南投資有限公司)	Established by investment	2022/4/2	2,000,000	100
Zhongnengjian Investment (Pingtan) New Energy Co., Ltd. (中能建投(平潭)新能源有限責任公司)	Established by investment	2022/6/1	775,500	50
Zhongnengjian (Shanghai) Whole Set Engineering Co., Ltd. (中能建(上海)成套工程有限公司)	Established by investment	2022/1/20	1,000,000	100
Zhongnengjian (Hefei) Construction and Development Co., Ltd. (中能建(合肥)建設發展有限公司)	Established by investment	2022/12/31	210,500	97
Anhui Liu'an Hexiang Expressway Co., Ltd. (安徽六安和襄高速公路有限公司)	Established by investment	2022/11/22	200,000	100
Zhongnengjian Guangxin Development and Investment Co., Ltd. (中能建廣西開發投資有限公司)	Established by investment	2022/2/24	200,000	100
Chongzuo Jiangzhou District Zhongneng Lydian New Energy Co., Ltd. (崇左市江州區中能綠電新能源有限公司)	Established by investment	2022/2/15	188,390	100

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VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

3. Changes in Scope of Consolidation Due to Other Reasons (continued)

(1) Increase in scope of consolidation (continued)

Company name	Method of equity acquisition	Acquisition date	Investment amount	Investment percentage (%)
Tiandeng Zhongnengjian New Energy Co., Ltd. (天等中能建新能源有限公司)	Established by investment	2022/2/23	178,379	100
Zhenning Zhongnengjian Lvdian New Energy Co., Ltd. (鎮寧中能綠電新能源有限公司)	Established by investment	2022/3/2	150,000	100
Gezhouba Explosive (Chongqing) Corporate Management Consulting Co., Ltd. (葛洲壩易普力(重慶)企業管理諮詢有限公司)	Established by investment	2022/3/7	134,488	100
Zhongnengjian (Dunhuang) Clean Energy Co., Ltd. (中能建(敦煌)清潔能源有限公司)	Established by investment	2022/9/1	126,000	90
Zhongnengjian Sailing No. 2 (Tianjin) Corporate Management Center (Limited Partnership) (中能建遠航貳號(天津)企業管理中心(有限合夥))	Established by investment	2022/12/20	125,000	20
Zhongnengjian Prefabricated Construction Industry Development Co., Ltd. (中能建裝配式建築產業發展有限公司)	Established by investment	2022/1/31	101,000	100
Hanzhong Diangu Lvdian New Energy Co., Ltd. (漢中電願綠電新能源有限公司)	Established by investment	2022/6/22	100,200	100
Gezhouba Mining Construction and Engineering Co., Ltd. (葛洲壩礦山建設工程有限公司)	Established by investment	2022/7/4	100,000	100
Ji'nan Gecheng Real Estate Development Co., Ltd. (濟南葛城房地產開發有限公司)	Established by investment	2022/4/20	100,000	100
Chengdu Gecheng Real Estate Development Co., Ltd. (成都葛城房地產開發有限公司)	Established by investment	2022/1/7	100,000	100

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VIII. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

3. Changes in Scope of Consolidation Due to Other Reasons (continued)

(2) Decrease in scope of consolidation

Unit: '000 Currency: RMB

Company name	Method of equity disposal	Date of equity disposal	Net asset at the date of disposal	Net profit from the beginning of the period to the date of disposal
Gezhouba (Beijing) Industry Co., Ltd. (葛洲壩(北京)實業有限公司)	Liquidation	2021/8/27		
Shanghai Gezhouba Lvrong Property Co., Ltd. (上海葛洲壩綠融置業有限公司)	Liquidation	2021/12/28		
Gezhouba (Changsha) Construction Decoration Engineering Co., Ltd. (葛洲壩(長沙)建築裝飾工程有限公司)	Liquidation	2021/4/8	420,617	
Gezhouba Xingye Anlu Renewable Energy Co., Ltd. (葛洲壩興業安陸再生資源有限公司)	Liquidation	2022/7/6	17,954	-226
Shanghai Huadian Runpaq Environmental Engineering Co., Ltd. (上海華電源牌環境工程有限公司)	Cancel	2022/12/15		
Tianjing Zhongnengjian New Energy Co., Ltd. (天津中能建新能源有限公司)	Liquidation	2022/11/29	4,411	-238
Guangxi Anke Geotechnical Engineering Co., Ltd. (廣西安科岩土工程有限責任公司)	Cancel	2022/12/20		
Zhejiang Thermal Power Construction Design Co., Ltd. (浙江火電建築設計有限公司)	Cancel	2022/11/28	5,148	198
Guangzhou Tongcheng Construction Co., Ltd. (廣州同誠建設有限公司)	Others	2022/3/11		
Guangxi Yunpeng Industrial and Trading Co., Ltd. (廣西雲鵬工貿有限責任公司)	Liquidation	2022/6/20		912
Xi'an Huitian Blood Products Co., Ltd. (西安回天血液製品有限責任公司)	Passive dilution of equity	2022/9/5	1,982	-73,001
Lechang China Power Construction Co., Ltd. (樂昌市中電工程有限公司)	Liquidation	2022/7/1		

4. Others

 Applicable Not Applicable

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IX. EQUITY IN OTHER ENTITIES

1. Equity in Subsidiaries

Constitution of enterprise group

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of subsidiary	Principal place of business	Place of registration	Nature of business	Shareholding 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	100.00		Business combination
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	Beijing, the PRC	Beijing, the PRC	Survey, design and engineering contract	100.00		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	100.00		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	Construction and engineering, investment holding	100.00		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	Construction and engineering, investment holding	100.00		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	Construction and engineering, investment holding	100.00		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	Construction and engineering, investment holding	100.00		Establishment

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)**2. Transactions for Which the Share of Owner's Equity in Subsidiary Changes but the Subsidiary is Controlled**

Applicable Not Applicable

Financial Report

IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate

(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	Shareholding ratio (%)		Accounting treatment for investment in joint venture or associate
				Direct	Indirect	
Wuhan Gezhoubu Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Real estate development	50.00		Equity method
Nanjing Gezhoubu 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) (Note 1)	Jiangsu Province, the PRC	Jiangsu Province, the PRC	Investment and operation of infrastructure	70.00		Equity method
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 development and investment	49.00		Equity method
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 development and investment	49.00		Equity method
Huage Nengrong (Shenzhen) Expressway Investment Partnership (Limited Partnership) (華葛能融(深圳)高速公路投資合夥企業(有限合夥))	Guangdong Province, the PRC	Guangdong Province, the PRC	Investment and operation of infrastructure	47.50		Equity method
Shaanxi Gezhoubu 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 investment and operation	40.00		Equity method
Guangxi Gezhoubu Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Shaanxi Province, the PRC	Shaanxi Province, the PRC	Expressway investment and operation	40.00		Equity method
Wuhan China Resources Land Gezhoubu 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 development and investment	40.00		Equity method

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(1). Significant joint ventures or associates (continued)

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Shareholding ratio (%)		Accounting treatment for investment in joint venture or associate
				Direct	Indirect	
Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	Shaanxi Province, the PRC	Shaanxi Province, the PRC	Investment and operation of infrastructure	24.13		Equity method
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	Beijing City, the PRC	Beijing City, the PRC	Real estate development and investment	45.00		Equity method
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)	Xinjiang Autonomous Region, the PRC	Xinjiang Autonomous Region, the PRC	Power operation	47.00		Equity method
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Expressway investment and operation	49.00		Equity method

Explanation on the shareholding ratio in joint ventures or associates being different from the voting rights ratio therein:

Note 1: 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.

The basis of holding less than 20% voting rights but with significant influence, or the basis of holding 20% or more voting rights but with insignificant influence:

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(2). Main financial information of significant joint ventures

✓Applicable □Not Applicable

31 December 2022/Amount for the current period

Unit: '000 Currency: RMB

Item	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	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)	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)
Current assets	3,417,625	514,293	2,526,419	2,099,430
Including: Cash and cash equivalents	180,077	210,864	148,255	175,132
Non-current assets	1,901,781	9,096,498	2,707	61
Total assets	5,319,406	9,610,791	2,529,126	2,099,491
Current liabilities	281,230	3,160,797	137,034	355,415
Non-current liabilities	75,000	4,829,317		
Total liabilities	356,230	7,990,114	137,034	355,415
Equity attributable to owners of the parent company	4,963,176	1,620,677	2,392,092	1,744,076
Share in net assets calculated by shareholding ratio	2,481,588	1,134,473	1,172,125	854,597
Carrying amount of equity investment in the joint venture	2,533,210	1,156,786	1,172,125	854,597
Operating income	493,976	733	7,029	9,633
Operating cost	365,093	604	4,967	5,226
Net profit	103,245	5	1,863	3,552

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(2). Main financial information of significant joint ventures (continued)

31 December 2021/Amount in the same period of the previous year

Unit: '000 Currency: RMB

Item	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	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)	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)
Current assets	3,417,625	711,642	3,091,085	2,281,483
Including: Cash and cash equivalents		120,577	63,874	121,510
Non-current assets	1,901,781	7,213,102	165	81
Total assets	5,319,406	7,924,744	3,091,250	2,281,564
Current liabilities	281,230	2,413,093	700,797	541,040
Non-current liabilities	75,000	4,123,600		
Total liabilities	356,230	6,536,693	700,797	541,040
Equity attributable to owners of the parent company	4,963,176	1,388,051	2,390,453	1,740,524
Share in net assets calculated by shareholding ratio	2,481,588	971,636	1,171,322	852,857
Carrying amount of equity investment in the joint venture	2,481,878	971,636	1,171,322	852,857
Operating income	821,308	859	221,926	16,065
Operating cost	723,405	687	146,287	729
Net profit	51,042	134	-9,450	7,151

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates

Applicable Not Applicable

(1) 31 December 2022/Amount for the period

① Part I

Unit: '000 Currency: RMB

Item	Huage Nengrong (Shenzhen) Expressway Investment Partnership (Limited Partnership) (華葛 能融(深圳)高速 公路投資合夥企業 (有限合夥))	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延 黃寧石高速公路有 限公司)	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩 田西高速公路有限 公司)	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武 漢華潤置地葛洲 壩置業有限公司)
Current assets	5,381,327	1,709,948	639,152	5,371,956
Including: Cash and cash equivalents		493,584	47,493	449,433
Non-current assets		22,202,871	26,791,213	117,211
Total assets	5,381,327	23,912,819	27,430,365	5,489,167
Current liabilities	2	1,681,388	4,206,819	1,255,830
Non-current liabilities		16,500,710	17,974,008	5,428
Total liabilities	2	18,182,098	22,180,827	1,261,258
Equity attributable to owners of the parent company	5,381,325	5,730,721	5,249,538	4,227,909
Share in net assets calculated by shareholding ratio	2,556,129	2,292,288	2,099,815	1,691,163
Carrying amount of equity investment in the joint venture	3,126,832	2,293,092	2,114,554	1,691,163
Operating income	9	328,996		234,419
Operating cost	1,756	548,375		150,389
Net profit	-1,747	-139,400		39,946

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates (continued)

✓Applicable □Not Applicable

(1) 31 December 2022/Amount for the period (continued)

② Part II

Unit: '000 Currency: RMB

Item	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	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)	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	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	5,086,137	662,744	1,290,644	3,194,800
Including: Cash and cash equivalents	200,391	75,755	117,978	6,308
Non-current assets	19,236	3,369,893	5,903,799	
Total assets	5,105,373	4,032,637	7,194,443	3,194,800
Current liabilities	2,930,806	117,661	6,443	
Non-current liabilities	2,116	670,000	5,690,000	
Total liabilities	2,932,922	787,661	5,696,443	
Equity attributable to owners of the parent company	2,172,451	3,244,976	1,498,000	2,451,374
Share in net assets calculated by shareholding ratio	977,603	1,525,139	734,020	591,516
Carrying amount of equity investment in the joint venture	977,603	855,224	760,000	1,533,000
Operating income	39,982			144,211
Operating cost	31,053			11,776
Net profit	-47,440			132,435

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates (continued)

(2) 31 December 2021/Amount in the same period of the previous year

① Part I

Unit: '000 Currency: RMB

Item	Huage Nengrong (Shenzhen) Expressway Investment Partnership (Limited Partnership) (華葛能 融(深圳)高速公路 投資合夥企業(有 限合夥))	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延 黃寧石高速公路有 限公司)	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲 壩田西高速公路有 限公司)	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武 漢華潤置地葛洲壩 置業有限公司)
Current assets	1,063	1,914,582	1,186,293	5,966,382
Including: Cash and cash equivalents				
Non-current assets	5,381,327	20,539,632	13,361,814	118,629
Total assets	5,382,390	22,454,214	14,548,107	6,085,011
Current liabilities	7	2,098,283	11,907	1,618,193
Non-current liabilities		15,085,550	11,094,700	249,949
Total liabilities	7	17,183,833	11,106,607	1,868,142
Equity attributable to owners of the parent company	5,382,383	5,270,381	3,441,500	4,216,869
Share in net assets calculated by shareholding ratio	2,556,632	2,108,152	1,376,600	1,686,748
Carrying amount of equity investment in the joint venture	2,695,789	2,271,852	1,540,000	1,686,748
Operating income	12	115,963		5,560,435
Operating cost	308	318,894		3,216,369
Net profit	-332	-102,869		1,217,173

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates (continued)

(2) 31 December 2021/Amount in the same period of the previous year (continued)

② Part II

Item	Unit: '000 Currency: RMB			
	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司) (Note 1)	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)	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	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		760,164	1,130,803	4,082
Including: Cash and cash equivalents		153,503	4,841	
Non-current assets		2,366,307	4,126,556	2,446,000
Total assets		3,126,471	5,257,359	2,450,082
Current liabilities		136,764	307,358	–
Non-current liabilities		470,000	3,860,000	1,292
Total liabilities		606,764	4,167,358	1,292
Equity attributable to owners of the parent company		2,519,707	1,090,001	2,448,790
Share in net assets calculated by shareholding ratio		1,184,262	534,100	590,893
Carrying amount of equity investment in the joint venture		909,080	533,000	1,433,000
Operating income				111,237
Operating cost				88,768
Net profit				18,469

Note 1: Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司) is a newly established company in the current year, and there is no data in the 2021 annual statement.

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IX. EQUITY IN OTHER ENTITIES (CONTINUED)

4. Interests in Structured Entities not Included in the Scope of Consolidated Financial Statements

Explanation on structured entities not included in the scope of consolidated financial statements:

Applicable Not Applicable

1. *General information of structured entities not included in the scope of consolidated financial statements*

The Company has participated in the establishment of several fund products or partnerships, which are structured entities that are not included in the consolidation scope of the Company. As at 31 December 2022, the total investment amount of the above structured entities was approximately RMB98,368,328 thousand. Among them, the subscription amount of the Company was approximately RMB37,816,090 thousand, and the actual subscription amount paid by the Company was approximately RMB9,148,472 thousand, 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 Company's maximum risk exposure in these structured entities at the end of each year was the amount of capital contributed by the Company as of the end of each year. The Company has no obligation or intention to provide financial support to the structured entities.

2. *Asset-backed securities issued*

The Company issued certain asset-backed securities, and the Company held some subordinate tranche of the relevant asset-backed securities. As at 31 December 2022, the subordinated tranche of the above asset-backed securities held by the Company was RMB210,000 thousand, 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 Company 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.

5. Others

Applicable Not Applicable

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X. RISKS RELATED TO FINANCIAL INSTRUMENTS

Applicable Not Applicable

The Company aims to seek balance between the risks and benefits, minimize negative impact of risks on the operating performance of the Company, and maximize the interests of shareholders and other equity investors. Based on such risk management objective, the basic strategy of the Company's risk management is to identify and analyze various risks faced by the Company, establish appropriate risk tolerance bottom line and carry out risk management, and supervise various risks in a timely and reliable manner, and control risks within limited range.

The Company faces various risks related to financial instruments in daily activities, mainly including credit risk, liquidity risk, market risk and other price risks. The management has reviewed and approved policies to manage these risks, which are summarized below.

(I) 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.

1. Credit risk management practices

1.(1) Credit risk assessment method

The Company assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. While determining whether the credit risk has significantly increased since initial recognition or not, the Company takes into account the reasonable and substantiated information that is accessible without exerting unnecessary cost or effort, including qualitative and quantitative analysis based on the historical data, external credit risk rating and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Company compares the risk of default of financial instruments on the balance sheet date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments.

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative and qualitative criteria have been met:

- 1) Quantitative criteria are mainly that the probability of default of the remaining duration of the balance sheet date rises by more than a certain proportion compared with the initial recognition;
- 2) Qualitative criteria include major adverse changes in the debtor's business or financial situation, 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 Company.

Financial Report

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(I) Credit Risk (continued)

1. Credit risk management practices (continued)

(2) Definition of default and credit-impaired financial asset

When a financial instrument meets one or more of the following conditions, the Company considers the financial asset to be in default, and the criteria are consistent with the definition of credit-impaired assets:

- 1) Major financial difficulties occur to the debtor;
- 2) The debtor breaches the restrictive clauses on the debtor under the contract;
- 3) The debtor is likely to go bankrupt or undergo other financial restructuring;
- 4) The creditor gives the debtor concessions in no other case for economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit losses

The key parameters for the measurement of expected credit losses include default probability, default loss rate and default risk exposure. Considering the quantitative analysis and forward-looking information of historical statistical data (such as counterparty ratings, guarantees and collateral types, repayment methods), the Company establishes a default probability, default loss rate and default risk exposure model.

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 Company as set out in Note XII in the financial report, the Company does not provide any other guarantees which would expose the Company to credit risk. The maximum exposure to credit risk for the above financial guarantees on the balance sheet date is disclosed in Note XII in the financial report.

The Company'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. In order to control the above related risks, the Company has taken the following measures.

Financial Report

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)**(I) Credit Risk (continued)****(1) Cash at bank and on hand**

The Company places bank deposits and other monetary capital in financial institutions with high credit ratings, as a result of which its credit risks are low.

(2) Accounts receivable and contract assets

Since the Company's risk exposure to account receivables and contract assets are from many partners and customers, as at 31 December 2022, 9.38% (as at 31 December 2021: 7%) of the balance of accounts receivable and contract assets of the Company were due from the five largest customers of the Group, the Company exposed no significant concentrations of credit risk.

The maximum credit risk exposed to the Company was the book value of each financial assets in the balance sheet.

The Company 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 Company, 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 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 Company 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 V(l)10 and Note V(l)16.

(3) Other receivables and loans

For the capital lent by the Company to associates and fellow subsidiaries, the Company 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 Company 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.

Financial Report

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(II) Liquidity Risk

Liquidity risk is the risk that the Company will encounter shortage of funds in meeting obligations that are settled by delivering cash or other financial assets. The Company monitors and maintains a certain level of cash balances and sufficient undrawn bank facilities considered by the management to meet the Company'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.

Classification of financial liabilities based on the remaining maturity

Unit: '000 Currency: RMB

Item	Carrying amount	Undiscounted contractual amount	Amount at the end of the period			
			Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years
Short-term loans	25,549,582	26,316,069	26,316,069			
Receipts of deposits	3,191,860	3,287,615	3,287,615			
Bills payable	14,947,381	14,947,381	14,947,381			
Accounts payable	166,095,040	166,095,040	166,095,040			
Other payables	36,814,935	36,814,935	36,814,935			
Long-term loans	143,201,694	163,485,695	11,731,550	33,628,367	57,117,927	61,007,851
Bonds payable	13,213,346	14,370,723	3,550,563	10,820,160	10,518,149	
Lease liabilities	2,195,031	2,527,833	658,855	106,336	818,448	944,194
Long-term payables	1,363,010	1,517,575	591,817	271,942	87,058	566,758
Subtotal	406,571,879	429,362,866	263,993,825	44,826,805	58,023,433	62,518,803

Item	Carrying amount	Undiscounted contractual amount	Amount at the end of the previous year			
			Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years
Short-term loans	15,772,251	16,245,985	16,245,985			
Receipts of deposits	2,921,494	2,987,958	2,987,958			
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	88,235,954	99,286,099	3,876,434	16,151,188	25,555,380	53,703,097
Bonds payable	13,249,540	17,584,150	2,167,750	6,608,500	8,807,900	
Lease liabilities	1,383,690	2,140,260	330,795	362,807	528,271	918,387
Long-term payables	818,350	818,350	563,267	16,495	105,826	132,762
Subtotal	289,945,714	306,627,237	193,736,624	23,138,990	34,997,377	54,754,246

Financial Report

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(III) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk mainly includes interest rate risk and foreign exchange risk.

1. *Interest rate risk*

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest-bearing financial instruments at fixed rates and at floating rates expose the Company to fair value interest risk and cash flow interest rate risk, respectively. The Company determines the appropriate weightings of the fixed and floating rate interest-bearing financial instruments based on the current market conditions and performs regular reviews and monitoring to maintain an appropriate mix of financial instruments. The Company's exposure to the cash flow interest rate risk relates mainly to the Company's bank borrowings with floating interest rate.

As of 31 December 2022, the Company's borrowings with interest accrued at floating interest rate totaled RMB109,054,790 thousand. Assuming that interest rates had been 50 basis points higher/lower and all other variables were held constant, there will be no significant impact on the Company's total profit and shareholders' interests.

2. *Foreign exchange risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The foreign exchange risk exposed to the Company 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.

For details of the Company's assets or liabilities denominated in foreign currencies as at the end of the period, please refer to Note VII.69 in the financial statements.

As at 31 December, the Company'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.

Financial Report

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 categorized 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.

Unit: '000 Currency: RMB

Item	Fair value at the end of the period			Total
	Level 1 fair value	Level 2 fair value	Level 3 fair value	
Held-for-trading financial assets	20,000		3,060,541	3,080,541
Other equity instrument investments	848,884		1,336,402	2,185,286
Other non-current financial assets			8,699,355	8,699,355
Receivables financing			849,501	849,501
Total assets continuously measured at fair value	868,884		13,945,799	14,814,683

Financial Report

XI. FAIR VALUE DISCLOSURE (CONTINUED)**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 Company is the current bid price. These financial instruments are presented in Level 1.

3. Level 2 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

4. 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.

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XI. FAIR VALUE DISCLOSURE (CONTINUED)

5. 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

Item	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 item or loss
				Included in profit or loss (Note)	Included in other comprehensive income (Note)	Purchase	Issue	Sell	Settle		
Assets	14,156,533			24,096	153,376	2,751,349		-1,673,615	-1,465,940	13,945,798	951,558
Including: Held-for-trading financial assets	2,966,626			-37,799		665,398		-533,685		3,060,540	-37,799
Other equity instrument investment	1,227,363				153,376	40,424		-84,761		1,336,402	N/A
Other non-current financial assets	7,647,103			61,895		2,045,527		-1,055,169		8,699,355	989,357
Receivables financing	2,315,441								-1,465,940	849,501	N/A
Total	14,156,533			24,096	153,376	2,751,349		-1,673,615	-1,465,940	13,945,798	951,558

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 (%)
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

The ultimate controller of the Company is the State-owned Assets Supervision and Administration Commission of the State Council.

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, please refer to the Note IX.1.

Applicable Not Applicable

3. Joint Ventures and Associates of the Company

For details of the major joint ventures or associates of the Company, please refer to Note IX.3.

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
Anqing Zhongnengjian Jinpeng Construction Development Co., Ltd. (安慶中能建金鵬建設發展有限公司)	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
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

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
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 (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 (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)	Associate
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	Associate
Gezhouba 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
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
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 Ruidong Investments Limited (廣西瑞東投資有限公司)	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
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	Associate
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	Associate

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Hunan Gening Real Estate Development Co., Ltd. (湖南葛甯房地產開發有限公司)	Associate
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
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
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
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	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
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
Shaanxi Guanhuan 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
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

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	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
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 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
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
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 Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	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
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 Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	Associate
Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)	Associate
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	Associate
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	Associate

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
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
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	Associate
Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	Associate
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)	Associate
Huanglong Zhongneng Construction Investment Green Energy Co., Ltd. (黃龍中能建投綠能有限公司)	Associate
Naqing Expressway Co., Ltd. (納晴高速公路有限公司)	Associate
Xi'an Huitian Blood Products Co., Ltd. (西安回天血液製品有限責任公司)	Associate
Xishuangbanna Tianshengqiao Hydropower Development Co., Ltd. (西雙版納天生橋水電開發有限公司)	Associate
Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	Associate
CSCC (Beijing) Financial Information Service Co., Ltd. (中企雲鏈(北京)金融信息服務有限公司)	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
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	Associate
Nanjing Yuexin Decoration Management Co., Ltd. (南京悅欣裝飾管理有限公司)	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
Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越地產開發有限公司)	Associate
Wuhu Qianwan Group Co., Ltd. (蕪湖前灣集團有限公司)	Associate
Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	Associate

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Vietnam Zhengsheng Wind Power Co., Ltd. (越南正勝風電有限責任公司)	Associate
Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	Associate
Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	Associate
Gongyi Keyuan Yufeng Wind Power Generation Co., Ltd. (鞏義市科源禦風風力發電有限公司)	Associate
Hubei Provincial Communications Investment Suixin Expressway Co., Ltd. (湖北交投隨信高速公路有限公司)	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
Kangbao County Zhongmin Tongtai Solar Power Generation Co., Ltd. (康保縣中民通泰太陽能發電有限公司)	Associate
Urumqi Power Construction Road and Bridge Ring Expressway Co., Ltd. (烏魯木齊電建路橋繞城高速公路有限公司)	Associate
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)	Associate
China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(瀟池)投資建設有限公司)	Associate
China Energy Engineering (Shanghai) Municipal Construction Development Co., Ltd. (中能建(上海)城市建設發展有限公司)	Associate
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
Hunan Lenercom Technology Co., Ltd. (湖南能創科技有限責任公司)	Joint venture
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	Joint venture
China Coal Fangchenggang Power Co., Ltd. (中煤防城防城港電力有限公司)	Joint venture

Other explanations

Applicable Not Applicable

Financial Report

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 Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	Common ultimate controller
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	Common ultimate controller
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Common ultimate controller
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)	Common ultimate controller
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Common ultimate controller
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Common ultimate controller
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	Common ultimate controller
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)	Common ultimate controller
Huanjia Group and relevant suppliers (環嘉集團及相關供應商)	Other related party
Units, labor unions and committees under CEEC	Other related party

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

Related party	<i>Unit: '000 Currency: RMB</i>	
	Amount for the current period	Amount for the last period
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	48,868	13,152
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	33,266	92,581
Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	18,171	11,628
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	15,869	1,099
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	11,062	62,922
Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	7,748	8,294
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	7,692	
Others	4,176	4,307
Sub-total	146,852	193,983

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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 sales of goods/provision of labor services

✓ Applicable □ Not Applicable

Related party	Unit: '000 Currency: RMB	
	Amount for the current period	Amount for the same period last year
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	4,733,391	8,004,269
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	2,766,105	1,971,754
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	2,500,013	1,851,296
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)	2,323,588	1,522,348
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)	2,015,347	1,345,794
Urumqi Power Construction Road and Bridge Ring Expressway Co., Ltd. (烏魯木齊電建路橋繞城高速公路有限公司)	1,665,839	1,718,680
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	1,560,479	1,000,922
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	1,452,565	
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	1,202,015	
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	1,186,579	
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	1,071,193	
Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	878,911	
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)	846,191	3,877,289
Hubei Provincial Communications Investment Suixin Expressway Co., Ltd. (湖北交投隨信高速公路有限公司)	788,365	

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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 sales of goods/provision of labor services (continued)

Related party	Amount for the current period	Amount for the same period last year
Gongyi Keyuan Yufeng Wind Power Generation Co., Ltd. (鞏義市科源禦風風力發電有限公司)	713,769	
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	711,023	
Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	545,735	
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)	531,462	
Kangbao County Zhongmin Tongtai Solar Power Generation Co., Ltd. (康保縣中民通泰太陽能發電有限公司)	493,523	
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)	357,416	982,319
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	230,209	
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	199,189	43,265
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	167,414	1,260,364
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)	157,409	351,432
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	145,808	1,569,102
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	86,984	1,092
Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限公司)	78,491	77,396

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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 sales of goods/provision of labor services (continued)

Related party	Amount for the current period	Amount for the same period last year
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	68,927	154,802
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	60,379	36,672
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	47,130	142,352
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	40,024	1,212,196
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)	32,046	20,071
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)	27,441	91,396
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	25,610	27,177
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	18,083	680,319
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)	161	128,258
Others	2,756,175	3,907,460
Sub-total	32,484,989	31,978,025

Explanation about related party transactions of purchasing or selling goods and rendering or receiving services

 Applicable Not Applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(2). *Connected entrusted management/contracting and entrusted management/outsourcing*

Description of entrusted management/contracting of the Company:

Applicable Not Applicable

Description of connected entrusted management/contracting

Applicable Not Applicable

Description of entrusted management/outsourcing of the Company

Applicable Not Applicable

Description of connected management/outsourcing

Applicable Not Applicable

(3). *Leases with related parties*

The Company as lessor:

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of lessee	Type of leased assets	Rental income recognized in the current period	Rental income recognized in the last period
China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(澠池)投資建設有限公司)	Vehicle rent	170	
Guizhou Nahe Expressway Co., Ltd. (貴州納赫高速公路有限公司)	Buildings and structures		104
Sub-total		170	104

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(3). Leases with related parties (continued)

The Company as lessee:

 Applicable Not Applicable

Unit: '000 Currency: RMB

Name of lessor	Type of leased assets	Rental expenses for short-term leases and low-value asset leases that adopt simplified treatment (if applicable)		Variable lease payments not included in the measurement of the lease liability (if applicable)		Rental paid		Interest expenses of lease liability assumed		Increase in right-of-use assets	
		Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period
		Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Buildings and structures	94,483	90,544						
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Buildings and structures	76,214	42,395								
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		75,653								
Sub-total		170,697	208,592								

Explanation of leases with related parties

 Applicable Not Applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(4). Related guarantee

The Company as guarantor

Applicable Not Applicable

Unit: '000 Currency: RMB

Party guaranteed	Guarantee amount	Commencement date of guarantee	Expiration date of guarantee	Performance completed or not
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	2,788,100	2021/3/31	2055/3/30	No
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	533,644	2013/6/7 to 2022/3/11	2023/2/28 to 2043/6/7	No
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	94,000	2018/7/26	2032/3/21	No
Vietnam Zhengsheng Wind Power Co., Ltd. (越南正勝風電有限責任公司)	17,267	2022/3/31	2037/3/31	No
China Coal Fangchenggang Power Co., Ltd. (中煤防城港電力有限公司)	12,600	2019/7/18	2027/7/18	No
Sub-total	3,445,611			

The Company as party guaranteed

Applicable Not Applicable

Explanation on related guarantee

Applicable Not Applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(5). Capital lending to/borrowing from related parties

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Due to banks and other financial institutions			
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	2022/12/22	No fixed date of expiration
Wuhu Qianwan Group Co., Ltd. (無湖前灣集團有限公司)	221,970	2022/12/22	No fixed date of expiration
Nanjing Yuexin Decoration Management Co., Ltd. (南京悅欣裝飾管理有限公司)	50,816	2022/6/24	No fixed date of expiration
Beijing Frashion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	44,952	2022/3/3	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)	1,422	2022/6/1	No fixed date of expiration

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date
Funds deposited by related party companies in the fund settlement center			
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	1,528,000	2022/6/24	No fixed date of expiration
Chongqing Gening Real Estate Development Co., Ltd. (重慶葛甯房地產開發有限公司)	168,260	2022/4/7	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)	156,921	2022/6/15	No fixed date of expiration
Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)	26,640	2022/1/16	No fixed date of expiration
Hunan Gening Real Estate Development Co., Ltd. (湖南葛甯房地產開發有限公司)	11,992	2022/3/29	No fixed date of expiration
Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越地產開發有限公司)	224	2022/9/30	No fixed date of expiration

(6). Asset transfer and debt restructuring of related parties

Applicable Not Applicable

Financial Report

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(7). Emolument of key management

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount for the period	Amount for the same period last year
Emolument of key management	15,258	10,589

(8). Other related party transactions

Applicable Not Applicable

(1) Interest income

Relate party	Unit: '000 Currency: RMB	
	Amount for the period	Amount for the same period last year
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	54,975	
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	18,366	5,176
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	16,801	25,761
Chongqing Gening Real Estate Development Co., Ltd. (重慶葛甯房地產開發有限公司)	15,036	1,890
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	11,328	14,917
Hunan Gening Real Estate Development Co., Ltd. (湖南葛甯房地產開發有限公司)	11,313	10,336
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)	9,517	7,478
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	9,359	2,982
Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)	4,858	3,145
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)		3,869
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)		39,518
Subtotal	151,553	115,072

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related Party Transactions (continued)

(8). Other related party transactions (continued)

(2) Interest expenses

Relate party	Unit: '000 Currency: RMB	
	Amount for the period	Amount for the same period last year
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	21,502	16,761
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	498	13,349
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	19,485	21,797
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	17,560	7,482
Others	1,872	2,331
Subtotal	60,917	61,720

6. Amounts Due from/to Related Parties

(1). Amounts due from related parties

✓ Applicable Not Applicable

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
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)	1,444,947	43,348	23,850	422
Trade receivables	Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	767,193	23,016	46,820	829
Trade receivables	Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	663,555	19,907		
Trade receivables	Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	508,419	15,253	284,480	5,035

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Trade receivables	Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	363,777	10,913		
Trade receivables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	353,455	10,604	484,649	8,578
Trade receivables	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)	343,205	10,296		
Trade receivables	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	264,465	7,934	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)	214,075	6,422	132,996	2,354
Trade receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建設邢台園林建設有限公司)	143,154	4,295	110,698	1,959
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)	135,206	4,056	92,635	1,640
Trade receivables	Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	96,864	2,906	35,000	620
Trade receivables	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	90,646	2,719	152,352	2,697
Trade receivables	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	80,113	2,403	100,113	1,772
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)	77,896	2,337	74,315	1,315

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Trade receivables	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	71,911	2,157	690,769	12,227
Trade receivables	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	70,155	2,105	200,326	3,546
Trade receivables	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限公司)	54,468	1,634	92,136	1,631
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)	52,458	1,574	485,720	8,597
Trade receivables	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	40,639	1,219	26,856	475
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)	38,261	1,148	49,489	876
Trade receivables	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)	37,542	1,126	24,678	437
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)	29,872	896	19,854	351
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)	27,379	821	27,879	493
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)	25,473	764	25,408	450
Trade receivables	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	17,194	258	17,508	310

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Trade receivables	Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟甯夢河東方生態建設開發有限公司)	16,065	482	107,205	1,898
Trade receivables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	12,494	187	7,883	140
Trade receivables	Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	11,900	357	43,949	778
Trade receivables	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	10,404	156	4,542	80
Trade receivables	Hengxian Jiangnan Power Generation Co., Ltd. (橫縣江南發電有限公司)	10,172	305	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)	9,368	281	8,265	146
Trade receivables	Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	8,600	258	11,000	195
Trade receivables	Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	7,279	218	10,795	191
Trade receivables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	5,742	172	43,530	770
Trade receivables	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)	4,659	140	15,759	279
Trade receivables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	4,584	138	5,836	103
Trade receivables	Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	4,016	120	7,777	138

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Trade receivables	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	3,377	101	3,950	70
Trade receivables	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	2,203	66	4,002	71
Trade receivables	Zhejiang Tianchuang Environmental Technology Co., Ltd. (浙江天創環境科技有限公司)	2,005	60	3,605	64
Trade receivables	China Coal Fangchenggang Power Co., Ltd. (中煤防城港電力有限公司)	1,047	31	2,024	36
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 and Development Co., Ltd. (葛洲壩保定建設開發有限公司)			491,826	8,705
Trade receivables	Gezhouba Water Affairs (Tangshan) Co., Ltd. (葛洲壩水務(唐山)有限公司)			275,532	4,877
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	Others	239,480	5,987	337,642	5,976
Trade receivables	Sub-total	6,365,717	189,170	5,553,090	98,289
Bills receivables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	3,216		20,316	
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)	2,239		515	
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)	1,025		43,415	

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Bills receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)			724,528	
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	Shaanxi Yinhe Electrical Equipment Co., Ltd. (陝西銀河電氣設備有限公司)			500	
Bills receivables	Others			525,915	
Bills receivables	Sub-total	6,480		1,336,323	
Prepayments	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	215,998		211,929	
Prepayments	Sub-total	215,998		211,929	
Loans to customers	China Energy Engineering Group Co., Ltd. (the Head Office) (中國能源建設集團有限公司(本部))	3,000,000	65,273	1,500,000	27,520
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)	459,000	11,475	448,900	11,223
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)	260,000	6,500	285,000	7,125

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
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	Sub-total	3,719,000	83,248	2,853,900	61,368
Dividend receivables	Xi'an Huitian Blood Products Co., Ltd. (西安回天血液製品有限責任公司)	100,522			
Dividend receivables	Liuzhou Guilou Hydropower Co., Ltd. (柳州市桂柳水電有限公司)	10,793		10,793	
Dividend receivables	Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	8,966			
Dividend receivables	Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	8,000			
Dividend receivables	Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	4,015			
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	China Power New Energy Limited (中國電力新能源有限公司)			2,539	
Dividend receivables	Wuhan Steel Corporation (武漢鋼電股份有限公司)			774	
Dividend receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	750	750	750	750
Dividend receivables	Others	4,068		16,490	
Dividend receivables	Sub-total	137,114	750	40,046	750
Other receivables	Huanjia Group and relevant suppliers (環嘉集團及相關供應商)	1,474,776	1,474,776	1,474,776	1,474,776
Other receivables	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)	515,288		514,488	
Other receivables	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	508,983			

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
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)	442,614		479,574	
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)	435,201		126,405	
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	22,971	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)	341,750		321,579	
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)	266,875		109,954	
Other receivables	Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	260,474		1,084,244	
Other receivables	Chongqing Gening Real Estate Development Co., Ltd. (重慶葛甯房地產開發有限公司)	260,015		175,466	
Other receivables	Hunan Gening Real Estate Development Co., Ltd. (湖南葛甯房地產開發有限公司)	224,071		266,079	
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)	218,391		242,111	
Other receivables	Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	181,208		181,208	
Other receivables	Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	129,644	129,644	129,644	129,644
Other receivables	Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)	77,610		51,769	-

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Other receivables	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	72,818		58,788	
Other receivables	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	66,924	66,924	66,924	66,924
Other receivables	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	66,701		30,728	
Other receivables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	35,742		33,668	
Other receivables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)	35,577		70,097	
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		33,664	
Other receivables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	30,053		25,674	
Other receivables	Shanghe County Qianyi Construction Investment Co., Ltd. (商河縣千醫建設投資有限公司)	25,633		9,837	
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)	25,155		28,855	
Other 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)	19,585		19,585	
Other receivables	Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	16,160		17,816	

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
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)	11,024		6,529	
Other receivables	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	10,000		10,000	
Other receivables	Yichang Yiling Riqing Ecological Management Co., Ltd. (宜昌夷陵日清生態治理有限公司)	8,566		15,091	
Other receivables	Others	224		1,245,211	
Other receivables	Sub-total	6,159,353	1,694,315	7,194,391	1,671,344
Contract assets	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	1,344,751	20,171		
Contract assets	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	1,282,106	19,232	348,449	5,192
Contract assets	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	1,031,165	15,467	56,082	836
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)	1,026,303	15,395	844,507	12,583
Contract assets	Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	966,477	14,497		
Contract assets	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	692,680	10,390	5,009	75
Contract assets	Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	604,523	9,068		
Contract assets	Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	580,601	8,709		

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Contract assets	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)	509,912	7,649	140,370	2,092
Contract assets	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	449,898	6,748		
Contract assets	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	298,181	4,473		
Contract assets	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)	295,032	4,425	223,505	3,330
Contract assets	Xinjiang Gezhouba Qiaobat 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)	253,574	3,804	181,016	2,697
Contract assets	Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	223,031	3,345		
Contract assets	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	211,851	3,178		
Contract assets	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)	168,642	2,530		
Contract assets	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)	168,473	2,527		
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)	159,867	2,398	82,550	1,230

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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		Opening balance	
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
Contract assets	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	133,954	8,364	96,505	1,438
Contract assets	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗河高速公路有限公司)	12,843	193	589,543	8,784
Contract assets	Shaanxi Guanhuang Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	966,051	14,491	322,324	4,803
Contract assets	Others	726,553	2,281	571,487	8,514
Contract assets	Sub-total	12,106,468	179,335	3,461,347	51,574
Other non-current assets	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	211,645			
Other non-current assets	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	75,813			
Other non-current assets	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	51,573			
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	Others	137,540			
Other non-current assets	Sub-total	476,571		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
Long-term receivables	Sub-total				7,363

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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

Name of item	Related party	Unit: '000 Currency: RMB	
		Closing book balance	Opening book balance
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)	405,078	241,173
Trade payables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	149,296	11,740
Trade payables	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	6,177	3,927
Trade payables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	3,678	
Trade payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)		9,668
Trade payables	Anhui Zhijing Construction Engineering Co., Ltd. (安徽至精建設工程有限公司)		3,628
Trade payables	Others	2,878	26,197
Trade payables	Sub-total	567,107	296,333
Bills payables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	8,207	
Bills 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)	1,983	5,331
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)	137,567	133,171

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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
Bills payables	Hunan Lenercom Technology Co.,Ltd. (湖南能創科技有限責任公司)	2,258	1,974
Bills payables	Sub-total	150,015	140,476
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)	65,835	
Contract liabilities	Naqing Expressway Co., Ltd. (納晴高速公路有限公司)	40,762	
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	4,122
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
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
Contract liabilities	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)		8,795
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

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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
Contract liabilities	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	
Contract liabilities	Others	90,300	10,758
Contract liabilities	Sub-total	236,766	202,720
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)	1,276,446	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	1,163,710
Other payables	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	931,207	931,207
Other payables	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州如茂房地產開發有限公司)	895,558	895,558
Other payables	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	891,318	85,713
Other payables	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	574,402	251,034
Other payables	Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	559,131	508,658
Other payables	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	559,068	10,095

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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
Other payables	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	373,093	629,633
Other payables	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃甯石高速公路有限公司)	481,071	
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	278,352
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)	151,495	109,090
Other payables	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	147,801	20,262
Other payables	Shandong Gezhouba Juanyun Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	135,024	472,481
Other payables	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	118,168	116,746
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
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

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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
Other payables	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	96,452	272,730
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
Other payables	Others	137,944	503,349
Other payables	Sub-total	8,770,240	8,744,709
Receipts of deposits	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	1,117,236	975,388
Receipts of deposits	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	935,504	904,510
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)	243,697	116,658
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)	191,543	285,620
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)	89,384	93,747
Receipts of deposits	Huanglong China Energy Construction Investment Green Energy Co., Ltd. (黃龍中能建投綠能有限公司)	57,726	910
Receipts of deposits	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	52,585	20,758

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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	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)	34,965	
Receipts of deposits	Huanglong Zhongdian Engineering Win Power Co., Ltd. (黃龍中電工程風電有限公司)	27,922	1,277
Receipts of deposits	Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	20,320	22,813
Receipts of deposits	Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	10,940	10,413
Receipts of deposits	Labour unions and committees of subsidiaries of CEEC	342,566	275,534
Receipts of deposits	Shaanxi Guanhuang Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	6	2,238
Receipts of deposits	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	68	190,000
Receipts of deposits	Others	67,398	21,628
Receipts of deposits	Sub-total	3,191,860	2,921,494

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XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)**7. Related Party Commitments**

Applicable Not Applicable

8. Others

Applicable Not Applicable

XIII. SHARE-BASED PAYMENTS**1. Overview of Share-based Payment**

Applicable Not Applicable

2. Equity-settled Share-based Payment

Applicable Not Applicable

3. Cash-settled Share-based Payment

Applicable Not Applicable

4. Modification and Termination of Share-based Payment

Applicable Not Applicable

5. Others

Applicable Not Applicable

Financial Report

XIV. COMMITMENTS AND CONTINGENCIES

1. Significant Commitments

Applicable Not Applicable

Significant external commitments, nature and amount existing as at the balance sheet date

(1) *Contracts contracted but not performed or not completely performed*

Unit: '000 Currency: RMB

Item	Total contract amount	Closing balance of capital commitment
Procurement contracts contracted but not performed or not completely performed	1,204,448	219,979
Sub-total	1,204,448	219,979

(2) *Lease contracts contracted and performing or to be performed*

Unit: '000 Currency: RMB

Item	Total contract amount	Estimated payables/receivables
Irrevocable operating lease (as a lessee)	7,731	2,594
Irrevocable operating lease (as a lessor)	2,063,536	386,757

Financial Report

XIV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies

(1). *Material contingencies existing as at the balance sheet date*

Applicable Not Applicable

1. *Contingent liabilities arising from providing guarantees for debts of other units and its financial impact*

(1) For details of guarantees provided to related parties please refer to Note XII to these financial statements.

(2) Guarantees provided by the Company and subsidiaries to non-related parties

Unit: '000 Currency: RMB

Units guaranteed	Method of guarantee	Type of guarantee	Expiration date of guarantee	Amount of guarantee agreed in the contract	Actual amount of guarantee
Ningxia Haixintai Photovoltaic Agricultural Development Co., Ltd. (寧夏海鑫泰光伏農業發展有限公司)	Joint liability guarantee	Other guarantees	2026/12/18	25,000	17,300
Longhua Jinhan Solar Power Generation Co., Ltd. (隆化縣金瀚太陽能發電有限公司)	Joint liability guarantee	Other guarantees	2026/9/6	104,429	68,765
China Electric Equipment Group Shahe Photovoltaic Power Co., Ltd. (中電電氣集團沙河光伏發電有限公司)	General guarantee	Other guarantees	2026/11/28	100,800	77,800
Ministry of Finance of Argentina	Joint liability guarantee	Guarantee for loans	2030/1/28	1,478,961	1,478,961
Sub-total				1,709,190	1,642,826

(2). *To state that the Company has no material contingency that needs to be disclosed:*

Applicable Not Applicable

3. Others

Applicable Not Applicable

Financial Report

XV. EVENTS AFTER THE BALANCE SHEET DATE

Significant Events not subject to Adjustment

Applicable Not Applicable

1. On 11 January 2023, the China Securities Regulatory Commission approved the realization of the spin-off of China Gezhouba Group Explosive Co., Ltd.* (中國葛洲壩集團易普力股份有限公司) (“Gezhouba Explosive”) for reorganization and listing by the Company through the acquisition of the 68.36% of shares of Gezhouba Explosive held by China Gezhouba Group Stock Company Limited* (中國葛洲壩集團股份有限公司) (“CGGC”), a subsidiary of the Company, by Hunan Nanling Industry Explosive Material Co., Ltd.* (湖南南嶺民用爆破器材股份有限公司) (“Nanling Industry Explosive”) by way of issuance of shares. Currently, Nanling Industry Explosive has become the controlling shareholder of Gezhouba Explosive; CGGC holds 47.90% of the shares of Nanling Industry Explosive and is the controlling shareholder of Nanling Industry Explosive; and the Company is the indirect controlling shareholder of Nanling Industry Explosive.
2. On 16 February 2023, the Board of Directors of the Company approved the resolution related to the Non-public Issuance of A Shares in 2023, proposing to issue 8,338,232,727 Shares for raising RMB15 billion to be applied to funding five projects including the China Energy Engineering Hami “Photovoltaic (Heat) Storage” Multi-energy Complementary Integrated Green Power Demonstration Project, Gansu Qingyang “East and West” Source-Network-Load-Storage Integrated Smart Zero Carbon Big Data Industrial Park Demonstration Project, Solar Thermal Power + Photovoltaic Power Integrated Project of China Energy Engineering Group Zhejiang Thermal Power Construction Co., Ltd., Hubei Yingcheng 300MW Compressed Air Energy Storage Power Station Demonstration Project and Uzbekistan Bash and Zankeldi Wind Power Project, as well as for supplement of working capital. The Non-public Issuance is subject to the approval at the general meeting, the A Shareholders’ class meeting and the H Shareholders’ class meeting of the Company, and obtaining of the approval by competent authorities responsible for state-owned asset supervision obligations and by the China Securities Regulatory Commission.

Financial Report

XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

Segment Information

(1). *Basis of determination and accounting policy for reportable segment*

Applicable Not Applicable

1. *Determination basis and accounting policies of reportable segments*

The Company determined reportable segments according to the internal organizational structure, management requirement and internal report system of the Company, and determined reportable segments based on business segments. The Company evaluated the operating performance of 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 for the purpose of decisions-making for resources allocation and result appraisal. The five reportable segments of the Company 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.

2. *Financial information of reportable segment*

The management of the Company 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.

The information on each reportable segment of the Company as disclosed below was provided to the management of the Company when measuring the profit of the reportable segment applying or not applying following data.

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XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

Segment Information (continued)

(2). Financial information of reportable segment

✓ Applicable □ Not Applicable

2022

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	17,277,945	286,146,292	26,633,003	32,763,822	3,572,239			366,393,301
Revenue from intersegment transactions	184,519	15,909,329	879,423	831,531	4,677,299	-22,482,101		
Non-segmental cost	10,085,385	263,097,728	21,827,475	24,336,612	1,543,931			320,891,131
Cost of intersegment transactions	128,741	15,845,201	815,493	748,479	4,523,439	-22,061,353		
Other income	74,716	474,179	386,787	29,130	146,838		42,464	1,154,114
Selling and distribution expenses	353,134	124,951	633,186	413,300	162,746			1,687,317
Administrative expenses	2,295,093	6,116,200	1,699,239	1,776,966	1,930,284	-95,977		13,721,805
Research and development expenses	2,328,228	7,135,625	745,888	86,363	145,533			10,441,637
Tax and surcharges	167,689	545,811	206,214	695,395	87,969			1,703,078
Segment income	2,178,910	9,664,284	1,971,718	5,567,368	2,474	-324,771	42,464	19,102,447

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XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

Segment Information (continued)

(2). Financial information of reportable segment (continued)

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		
Other income	77,106	456,001	254,112	48,834	177,285		30,520	1,043,858
Selling and distribution 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
Operating income	1,590,085	10,029,179	3,382,067	4,947,666	-658,083	-509,380	30,520	18,812,054

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XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

Segment Information (continued)

(3). Geographical Information

Applicable Not Applicable

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	
	Amount for the period	Amount for the same period last year
The PRC	319,614,035	276,065,344
Including: Mainland China	319,614,035	276,065,344
Vietnam	5,651,543	11,565,479
Pakistan	6,139,235	6,659,597
U.A.E.	1,250,487	3,286,190
Angola	3,801,738	2,583,186
Indonesia	3,233,066	2,328,026
Bangladesh	3,585,127	2,213,400
Others	23,118,070	17,617,343
Sub-total	46,779,266	46,253,221
Total	366,393,301	322,318,565

(4). Other explanation

Applicable Not Applicable

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT

1. Other Receivables

By item

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Interest receivables	18,666	20,472
Dividend receivables	2,343,321	1,572,206
Other receivables	1,707,215	2,149,481
Total	4,069,202	3,742,159

Other explanation:

Applicable Not Applicable

*Interest receivables**Classification of interest receivables*

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Time deposits	18,666	20,472
Total	18,666	20,472

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

1. Other Receivables (continued)

Dividends receivables

(1). Dividend receivables

Applicable Not Applicable

Unit: '000 Currency: RMB

Project (or Investee)	Closing balance	Opening balance
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	932,320	619,808
China Gezhouba Group Company Limited	1,190,114	867,165
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)	96,364	34,995
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	59,266	41,797
China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	55,114	7,873
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	8,415	
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	1,728	524
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
Total	2,343,321	1,572,206

(2). Significant dividend receivables with aging over 1 year

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing amount	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 years	There is no clear timetable for receiving the corresponding dividends and no collection is made	No In good operating condition with solvency
Sub-total	310,921			

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

1. Other Receivables (continued)

Other receivables(1). *Disclosure by ageing*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Ageing	Closing book balance
Within 1 year	179,070
1-2 years	4,764
2-3 years	9,118
Over 3 years	1,514,263
Total	1,707,215

(2). *Classification by nature of accounts*✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Nature of amounts	Closing book balance	Opening book balance
Advances receivable	1,601,900	2,070,996
Others	105,315	78,485
Total	1,707,215	2,149,481

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

1. Other Receivables (continued)

Other receivables (continued)

(3). *Top five other receivables by closing balance of debtors*

Applicable Not Applicable

Unit: '000 Currency: RMB

Name	Nature	Book balance	Ageing	Proportion of the balance of other receivables (%)	Provision for bad debt
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	Other advances receivable	1,370,867	4-5 years	82.63	
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)	Other advances receivable	1,536	Within 1 year	7.95	
		130,409	4-5 years		
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)	Other advances receivable	37,130	Within 1 year	2.24	
China Gezhouba Group Co., Ltd. (中國葛洲壩集團有限公司)	Other advances receivable	20,870	Within 1 year	1.26	
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	Other advances receivable	6,486	Within 1 year	0.94	
Total		1,567,298		95.02	

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provisions for impairment	Book value	Book balance	Provisions for impairment	Book value
Investment in subsidiaries	91,039,773		91,039,773	86,439,648		86,439,648
Investment in associates and joint ventures	22,269		22,269	22,269		22,269
Total	91,062,042		91,062,042	86,461,917		86,461,917

Financial Report

XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries

✓ Applicable □ Not Applicable

Unit: '000 Currency: RMB

Investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provisions for impairment
China Gezhoubao Group Stock Company Limited	32,094,610	195,867		32,290,477		
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	19,228,582	108,003		19,336,585		
China Gezhoubao Group Company Limited	5,783,292			5,783,292		
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	19,447		5,351,488		
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	39,149		3,934,008		
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	3,148,449	211,209		3,359,658		
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	122,877		3,271,713		
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 Finance Co., Ltd. (中國能源建設集團財務有限公司)	2,185,436	756,400		2,941,836		

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provisions for impairment
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)		2,497,907		2,497,907		
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 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	31,193		1,335,076		
China Energy Construction Pilot IV (Tianjin) Enterprise Management Center (Limited Partnership) (中國能建領航肆號(天津)企業管理中心(有限合夥))	1,310,000			1,310,000		
China Energy Construction Pilot II (Tianjin) Enterprise Management Center (Limited Partnership) (中國能建領航貳號(天津)企業管理中心(有限合夥))	920,000			920,000		
China Energy International Group Co., Ltd. (中能建國際建設集團有限公司)	356,000	537,893		893,893		
China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司)		664,382		664,382		

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provisions for impairment
China Energy Construction Pilot III (Tianjin) Enterprise Management Center (Limited Partnership) (中國能建領航三號(天津)企業管理中心(有限合夥))	640,000			640,000		
China Energy Construction Green Building Materials Co., Ltd. (中能建綠色建材有限公司)	18,000	100,000		118,000		
China Energy Construction Prefabricated Building Industry Development Co., Ltd. (the Head Office) (中能建裝配式建築產業發展有限公司本部)		101,000		101,000		
China Energy Construction (Kaiping) Environmental Technology Co., Ltd. (中能建(開平)環保科技有限公司)	76,856			76,856		
China Energy Engineering (Hong Kong) Company Limited (中國能源建設香港有限公司)	231,954		230,691	1,263		
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	45,000			45,000		
Energy China Construction Hydrogen Energy Co., Ltd. (中能建氫能源有限公司)		31,500		31,500		
China Energy Engineering Huazhong Investment Co., Ltd. (中能建華中投資有限公司)		25,000		25,000		
China Energy Construction Southwest Investment Co., Ltd. (中能建西南投資有限公司)		25,000		25,000		

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provisions for impairment
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)	55,736		55,736			
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 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			
Energy China Group Tower Co., Ltd. (中國能源建設集團鐵塔股份有限公司)	274		274			
Total	86,439,647	5,466,827	866,701	91,039,773		

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. 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 period			Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provisions for impairment
				Investment gains/losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity					
I. Joint ventures											
Sub-total											
II. Associate											
Huatai Insurance Agency & Consultant Service Ltd. (华泰保险经纪有限公司)	22,269			60			60			22,269	
Sub-total	22,269			60			60			22,269	
Total	22,269			60			60			22,269	

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

3. Revenue and Costs of Sales

Revenue and costs of sales✓ Applicable Not Applicable

Item	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal activities	7,221	7,189		
Other businesses	111,640		132,310	
Total	118,861	7,189	132,310	

Unit: '000 Currency: RMB

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XVII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

4. Investment Income

Applicable Not Applicable

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for the current period	Amount for the last period
Income from long-term equity investments under equity method	2,740,176	1,983,663
Income from long-term equity investments under the equity method	60	101
Investment income from disposal of long-term equity investments		
Investment income from holding held-for-trading financial assets	2,416	
Dividend income from holding other equity instruments		
Interest income from holding debt investments	39,713	49,809
Interest income from other holding debt investments		
Investment income on disposal of held-for-trading financial assets		
Investment income on disposal of other investments in equity instruments		
Investment income on disposal of debt instruments		
Investment income on disposal of other debt instruments		
Gains from debt restructuring		
Total	2,782,365	2,033,573

Other explanation:

None

5. Others

Applicable Not Applicable

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XVIII. SUPPLEMENTARY INFORMATION

1. Breakdown of Non-Recurring Profit or Loss

Applicable Not Applicable

Item	Unit: '000 Currency: RMB	
	Amount	Description
Gains or loss from disposal of non-current assets, including the offset part provided for asset impairment	1,781,687	1,027,612
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)	1,131,096	901,198
Fund possession cost received from non-financial enterprises and included in profit or loss for the current period	92,561	56,899
Profit or loss from debt restructuring	19,490	28,896
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	2,917	2,309
Anticipated litigation/guarantee losses	-134,271	-1,399,800
Other off-business income and expense besides items above	35,093	302,188
Sub-total	2,928,573	919,302
Less: Effect of income tax	821,726	-366,248
Effect of minority interests (after tax)	4,289	879,219
Net non-recurring profit or loss attributable to the owners of the parent in total	2,102,558	1,432,273

Reasons shall be given for non-recurring profit or loss items defined by the Company according to definitions under the Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public – Non-recurring Profits or Losses and for non-recurring profit or loss items listed in the Explanatory Announcement No.1 on Information Disclosure by Companies Offering Securities to the Public – Non-recurring Profits or Losses but defined by the Company as recurring profit or loss.

Applicable Not Applicable

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XVIII. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on Net Assets and Earnings Per Share

Applicable Not Applicable

Profit for the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	8.46	0.18	0.18
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	6.09	0.13	0.13

Chairman of the Board: Song Hailiang

Date of approval and delivery by the Board: 30 March 2023



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