



金风科技股份有限公司  
GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.\*

(A joint stock limited liability company incorporated in the People's Republic of China)

Stock Code: 2208

The background of the entire page is a painting in the style of J.M.W. Turner's 'Rain, Steam, and Great Smokes' or similar Impressionist works. It depicts a landscape with rolling green hills and several white wind turbines. The sky is filled with vibrant, swirling patterns of blue, green, and yellow, suggesting a bright, sunny day with strong winds. The brushstrokes are thick and visible, giving the image a textured, artistic feel.

Innovating for a  
Brighter Tomorrow

INTERIM REPORT 2023

\* For identification purpose only



# Contents

Definitions	02
Corporate Information	06
Management Discussion and Analysis	07
Other Information	29
Report on Review of Condensed Consolidated Financial Statements	36
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	37
Condensed Consolidated Statement of Financial Position	39
Condensed Consolidated Statement of Changes in Equity	41
Condensed Consolidated Statement of Cash Flows	43
Notes to the Condensed Consolidated Financial Statements	46

# Definitions

*In this interim report, the following expressions have the following meanings unless the context requires otherwise:*

<b>“2022 AGM”</b>	the 2022 annual general meeting of the Company held on 20 June 2023;
<b>“A Shares”</b>	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are listed on the SZSE and traded in RMB;
<b>“A Shareholders”</b>	the holders of the A Shares;
<b>“Articles”</b>	the Articles of Association of the Company, as amended, modified or otherwise supplemented from time to time;
<b>“associate”</b>	has the meaning as ascribed in the Listing Rules;
<b>“attributable capacity”</b>	represents the capacity attributed to the Group calculated by multiplying the Group’s percentage ownership in a power project by the total capacity of such power project;
<b>“Audit Committee”</b>	the audit committee of the Board;
<b>“availability rate”</b>	a percentage calculated by dividing the amount of time a WTG is not experiencing technical defaults over a certain period by the amount of time in such period;
<b>“Board”</b>	the board of directors of the Company;
<b>“Call Options”</b>	collectively, the call option deed (North) dated 20 December 2022 entered into between Goldwind International Moorabool Limited and MNS Wind Finance Pty Ltd, pursuant to which Goldwind International Moorabool Limited irrevocably granted to MNS Wind Finance Pty Ltd the call option to purchase, and require Goldwind International Moorabool Limited to sell, 26% of the issued capital of Moorabool North; and the call option deed (South) dated 20 December 2022 entered into between Goldwind International Moorabool South Limited and MNS Wind Finance Pty Ltd, pursuant to which Goldwind International Moorabool South Limited irrevocably granted to MNS Wind Finance Pty Ltd the call option to purchase, and require Goldwind International Moorabool South Limited to sell, 26% of the issued capital of Moorabool South;
<b>“CASBE”</b>	China Accounting Standards for Business Enterprises;
<b>“Chairman”</b>	the chairman of the Board;
<b>“Chief Executive”</b>	has the meaning as ascribed in the Listing Rules;
<b>“China” or “PRC”</b>	the People’s Republic of China. References in this interim report to the PRC and China exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

<b>“China Three Gorges Corporation”</b>	China Three Gorges Corporation (中國長江三峽集團有限公司), a company incorporated under the laws of the PRC and the parent company of China Three Gorges Energy;
<b>“China Three Gorges Energy”</b>	China Three Gorges New Energy (Group) Co., Ltd. (中國三峽新能源(集團)股份有限公司), a joint stock limited company incorporated under the laws of the PRC, an owned subsidiary of China Three Gorges Corporation;
<b>“Company”</b>	GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (金風科技股份有限公司);
<b>“Corporate Governance Code”</b>	Corporate Governance Code, as set out in Appendix 14 of the Listing Rules;
<b>“Directors”</b>	the directors of the Company;
<b>“Financial Statements”</b>	the condensed consolidated financial statements of the Group for the six months ended 30 June 2023, prepared in accordance with IFRSs;
<b>“gearing ratio”</b>	net debt divided by the sum of capital and net debt;
<b>“Group”, “Goldwind”, “us” or “we”</b>	the Company and its subsidiaries;
<b>“GW”</b>	gigawatt, a unit of power, 1GW equals 1,000MW;
<b>“H Shares”</b>	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are listed on the Stock Exchange and traded in HKD;
<b>“H Shareholders”</b>	the holders of the H Shares;
<b>“HKD”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC;
<b>“IFRSs”</b>	International Financial Reporting Standards;
<b>“kW”</b>	kilowatt, a unit of power, 1kW equals 1,000 watts;
<b>“kWh”</b>	kilowatt hour, the unit of measurement for calculating the quantity of power production output. 1kWh is the work completed by a kilowatt generator running continuously for one hour at the rated output capacity;
<b>“Latest Practicable Date”</b>	19 September 2023, being the latest practicable date prior to the publication of this interim report for ascertaining certain information contained in this report;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;



# Definitions

<b>“MNS SPAs”</b>	the sale and purchase agreements dated 20 December 2022 entered into between Goldwind International Moorabool Limited and Goldwind International Moorabool South Limited (the “Vendors”), and MNS Wind Finance Pty Ltd. (the “Purchaser 2”) pursuant to which the Vendor to the corresponding MNS SPA agreed to sell, and Purchaser 2 agreed to acquire, 25% of the issued capital of each of Moorabool North and Moorabool South;
<b>“Model Code”</b>	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules;
<b>“Moorabool North”</b>	Moorabool Wind Farm (Holding) Pty Limited, a company incorporated in Australia and a former indirect wholly-owned subsidiary of the Company;
<b>“Moorabool South”</b>	Moorabool South Wind Farm (Holding) Pty Ltd, a company incorporated in Australia and a former indirect wholly-owned subsidiary of the Company;
<b>“MW”</b>	megawatt, a unit of power, 1MW equals 1,000kW;
<b>“NDRC”</b>	National Development and Reform Commission of the PRC (中國國家發展和改革委員會);
<b>“NEA”</b>	National Energy Administration of the PRC (中國國家能源局);
<b>“R&amp;D”</b>	research and development;
<b>“Reporting Period”</b>	six months ended 30 June 2023;
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC;
<b>“Senior Management”</b>	the members of the senior management of the Company;
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong;
<b>“SFO”</b>	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time;
<b>“Shareholders”</b>	shareholders of the Company;
<b>“State Council”</b>	the State Council of the PRC (中國國務院);
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“subsidiary”</b>	has the meaning as ascribed in the Listing Rules;
<b>“Supervisors”</b>	the supervisors of the Company;

<b>“Supervisory Committee”</b>	the supervisory committee of the Company;
<b>“SZSE”</b>	Shenzhen Stock Exchange;
<b>“Wind Farm Investment and Development”</b>	the Group's wind farm investment and development segment, one of the three primary business segments of the Group;
<b>“Wind Power Services”</b>	the Group's wind power services business segment, one of the three primary business segments of the Group;
<b>“WTG”</b>	wind turbine generator;
<b>“WTG Manufacturing”</b>	the Group's WTG R&D, manufacturing and sales business segment, the core business of the Group and one of the three primary business segments of the Group;
<b>“Xinjiang”</b>	the Xinjiang Uyghur Autonomous Region of the PRC;
<b>“Xinjiang Wind Power”</b>	Xinjiang Wind Power Co., Ltd. (新疆風能有限責任公司), a state-owned enterprise incorporated under the laws of the PRC and a substantial shareholder of the Company;
<b>“YoY”</b>	year-over-year, a method of evaluating two or more measured events to compare the results at one time period with those from another time period on an annualised basis; and
<b>“%”</b>	percent, in this interim report, calculations of percentage shall be based on the financial data contained in the Financial Statements including the relevant notes (where applicable).

# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Wu Gang (*Chairman*)  
Mr. Cao Zhigang  
Mr. Liu Rixin

### Non-executive Directors

Mr. Gao Jianjun  
Mr. Wang Yili  
Ms. Yang Liying

### Independent Non-executive Directors

Ms. Yang Jianping  
Mr. Tsang Hin Fun Anthony  
Mr. Wei Wei

## SUPERVISORS

Ms. Li Tiefeng  
(*Chairman of the Supervisory Committee*)  
Mr. Luo Jun  
Mr. Wang Yan  
Mr. Lu Min  
Ms. Ji Tian

## COMPANY SECRETARY

Ms. Ma Jinru

## PLACE OF BUSINESS

### In the PRC

No. 107 Shanghai Road  
Economic & Technological Development District  
Urumqi, Xinjiang

### In Hong Kong

33/F, Edinburgh Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

## LEGAL COUNSEL

Morrison & Foerster

## AUDITORS

### International Auditors

Deloitte Touche Tohmatsu

### PRC Auditors

Deloitte Touche Tohmatsu  
Certified Public Accountants LLP

## LISTING PLACES

H Shares:  
The Stock Exchange of Hong Kong Limited  
Stock name: Goldwind  
Stock code: 2208

A Shares:  
Shenzhen Stock Exchange  
Stock name: Goldwind  
Stock code: 002202

## SHARE REGISTRARS

H Shares:  
Computershare Hong Kong Investor Services Limited

A Shares:  
China Securities Depository and Clearing Corporation  
Limited, Shenzhen Branch

## PRINCIPAL BANKS

China Development Bank  
Export-import Bank of China, Xinjiang Branch  
Bank of China Limited, Xinjiang Branch  
China Construction Bank Corporation, Xinjiang Branch  
Agricultural Bank of China Limited, Xinjiang Branch  
Industrial and Commercial Bank of China Limited,  
Xinjiang Branch

## COMPANY WEBSITE

[www.goldwind.com](http://www.goldwind.com)



## I. PRIMARY ACTIVITIES OF THE COMPANY DURING THE REPORTING PERIOD

The Company is mainly engaged in three primary activities, namely WTG manufacturing, wind power services and wind farm investment and development and other activities such as water treatment, which provide the Company with diversified sources of profits. Drawing from the Company's extensive experience in R&D and manufacturing of WTGs and wind farm construction, the Company is able to provide its customers with high quality WTGs as well as comprehensive solutions, which include wind power services and wind farm investment and development, allowing the Company to meet its customers' demands in multiple segments of the wind power industry's value chain. The Company's turbines are capable of sustained operation in many varying environments, from high to low temperatures, high altitude, low wind speed and marine environments. In terms of market expansion, the Company has actively expanded into the global wind power market while consolidating the domestic market, with development spreading across six continents.

## II. CORE COMPETITIVE ADVANTAGES

### i. Market Leading Position

Goldwind was among the earliest enterprises to enter into the field of WTG manufacturing in China. After more than 20 years of development, Goldwind has become an industry-leading, comprehensive wind power solution provider both in China and overseas. The Company's WTGs with independent intellectual property rights represent the most promising technology in global wind power industry. Goldwind ranked the largest wind power manufacture in China by market share for 12 consecutive years and ranked the first in the world in 2022, symbolizing its industry-leading position for many years.

### ii. Advanced Products and Technology

Goldwind's WTGs have superior performance, including high efficiency of power generation, wide range of rotational speeds, cabin structure designed for easy maintenance, flexible transportation, grid-friendly features and highly efficient utilization. The Company has eight R&D centers in both China and overseas and more than 3,000 R&D staff with extensive industry experience. Through mastering more cutting-edge technologies, the Company constantly develops and streamlines its serialized product portfolio to ensure the application of products in diversified usage scenarios and the Company's market coverage. The Company's outstanding product quality and performance has been demonstrated by its substantial order backlog, which provides visibility to the Company's revenue in the foreseeable future.

### iii. Brand Awareness and Reputation

The Company attaches great importance to the quality of WTGs and insists on the approach of quality benefits. With more than 20 years of WTG R&D and manufacturing experience, the Company ensures the quality and reliability of WTGs and reduces the levelized cost of energy throughout turbine lifecycle. Goldwind has earned good reputation and industry leverage after years of industry precipitation thanks to its advanced technology, excellent quality, high power generation efficiency, warranty service and overall solutions for its customer. It has been highly recognized by the government, customers, partners and investors.



# Management Discussion and Analysis

## iv. Comprehensive Solution Provider

Relying on the Company's advanced technology and products, and years of experience in wind power development, construction, and O&M, in addition to WTG sales, the Company actively expands wind farm services and comprehensive solution of wind farm development to satisfy customer demands throughout the value chain in wind power industry, enhancing the Company's competitiveness as a whole and gained a unique advantage. In the field of energy conservation and environmental protection, the Company has water treatment and environmental protection assets, and developed smart water treatment comprehensive solutions. The Company is committed to becoming a global leader in clean energy, energy conservation and environmental protection comprehensive solutions.

## v. Internationalization

As one of the first domestic wind power enterprises in China to have expanded overseas business, the Company has actively promoted its internationalization strategy for many years, adhering to the aim of "promoting internationalization through localization". The Company has successfully developed North America, Oceania and European markets, and actively deployed in emerging markets such as Asia, South America and Africa to participate in international market competition. Currently, the Company has installed WTGs in 36 countries across six continents worldwide, and the installed capacity in North America, Oceania, Asia (except China) and South America has exceeded 1GW respectively. The Company has deployed eight major overseas regional centres across the globe and is committed to realizing the internationalization of capital, market, technology, talent and management.

## III. MAIN BUSINESS ANALYSIS

### i. Overview

According to the latest "World Economic Outlook Report" released by the International Monetary Fund (IMF), global economic growth is projected to fall from 3.5% in 2022 to 3.0% in both 2023 and 2024. The pace of global economic recovery is slowing with widening divergences among economic sectors and regions. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. The future outlook of economic growth remains tilted to the downside.

In the face of the complex and severe international environment, the Chinese government has firmly focused on promoting high-quality economic development. Market demand has gradually recovered, production and supply have continued to increase, employment and prices have generally stabilized, while household income has grown steadily, and the overall economic growth has picked up. According to the data released by the National Bureau of Statistics of China, the gross domestic product (GDP) in China was RMB59,303.4 billion in the first half of 2023, representing a year-on-year increase of 5.5%.

Statistics released by the NEA indicate that in the first six months of 2023, China's electricity consumption grew by 5% YoY to 4,307.6 billion kWh. On the power supply side, the accumulated installed power generation capacity of China was about 2,710 GW by the end of June, representing a 10.8% YoY increase. Among which, the accumulated installed capacity of wind power was about 389 GW, representing a 13.7% YoY increase.

## 1. Main Policies Review

With the in-depth advancement of the “14th Five-Year Plan” and the “Dual Carbon” strategic goals, China’s energy structure continues to be optimized and adjusted, and the development of new energy is further accelerated. In order to ensure a reliable replacement of new energy in terms of power supply and stable support, the NDRC, the NEA and other ministries and commissions accelerated the improvement of relevant policy systems and promoted new power systems construction, deepened power market reform, optimized market trading mechanism, and also increased new energy consumption capacity and supply during the first half of 2023 in view of energy security. In addition, China also actively promoted clean energy development in rural areas, and encouraged old wind farms transformation by providing sound policy support for renewable energy development such as wind power.

### (1) *Deeply promote energy structure transformation and accelerate the green and low-carbon energy development*

On 19 January, the State Council Information Office of China released the white paper titled “China’s Green Development in the New Era”, proposing to promote green and low-carbon energy development and vigorously develop non-fossil energy. With an aim to accelerate the construction of large-scale wind power photovoltaic bases focusing on deserts, Gobi, and desert areas, China will actively and steadily develop offshore wind power, actively promote urban and rural rooftop photovoltaics, and encourage the development of decentralized wind power in rural areas.

On 6 April, the NEA issued the “Guiding Opinions on Energy Work in 2023”, proposing to further promote structural transformation and increase the proportion of non-fossil energy in total energy consumption to about 18.3%. The proportion of non-fossil energy power generation installed capacity should be increased to about 51.9%, and the proportion of wind power and photovoltaic power generation accounted for 15.3% of the electricity consumption of the whole society. In addition, it also proposed to promote the first batch of large-scale wind power photovoltaic base projects focusing on deserts, Gobi, and desert areas to be connected to the grid and put into operation, build the second and third batches of projects, while steadily build offshore wind power bases, and vigorously promote the construction of decentralized onshore wind power and distributed photovoltaic power generation projects. The annual wind power and photovoltaic installed capacity should also be increased by about 160 million kW.

### (2) *Accelerate the construction of a new power system and deepen power market reform*

On 15 February, the NDRC, the Ministry of Finance, and the NEA jointly issued the “Notice on Matters Related to the Participation of Green Power Projects Enjoying Central Government Subsidies in Green Power Trading”, proposing to expand the scale of green power projects participation in the market. With an aim to promote all renewable energy grid-parity projects participating in green power trading, China will steadily promote the participation of green power projects enjoying national renewable energy subsidies in green power trading.



# Management Discussion and Analysis

On 24 April, the General Department of the NEA issued a notice on public consultation of the “Guiding Opinions on Strengthening the Stability of the New Power System (Consultation Paper)”, proposing to vigorously improve the ability to actively support new energy, promote the construction of system-friendly power stations, as well as gradually realize the reliable replacement of new energy in terms of power supply and stable support.

On 15 May, the NDRC issued a notice on “Provincial Power Grid Transmission and Distribution Tariffs for the Third Regulatory Period and Related Matters”, proposing that the current catalog on electricity tariffs policy should continue to be implemented for residents’ daily life and agricultural production. The electricity price for industrial and commercial users consists of the on-grid electricity price, the line loss cost of the on-grid link, the power grid transmission and distribution tariffs, the system operation cost, government funds and surcharges.

On 2 June, the NEA organized and released the “Blue Book on the Development of New Power System”, comprehensively expounding the development concept and connotation characteristics of the new power system, formulating a “three-step” development path, and proposing the overall structure and key tasks of building the new power system, which includes strengthening the construction of the four major systems such as the power supply support system, the new energy development and utilization system, the large-scale layout and application system of energy storage, and the intelligent operation system of the power system, while enhancing the standards and specifications, core technologies and major equipment adapted to the new power system, and promoting the relevant policy and institutional mechanism innovation so as to formulate the three-dimensional pillar support.

(3) *Promote the development of decentralized wind power and encourage the renovation and upgrading of old wind farms*

On 23 March, the NEA, the Ministry of Ecology and Environment, the Ministry of Agriculture and Rural Affairs, and the National Rural Revitalization Bureau issued the “Notice on Organizing the Construction of Rural Energy Revolution Pilot Counties”, proposing to coordinate the development of urban and rural clean energy with the county as the basic unit, promote the high-quality development of clean energy in rural areas, explore the feasibility of the construction of a multi-energy complementary distributed low-carbon comprehensive energy network, and improve the supply capacity and consumption level of clean energy. By 2025, renewable energy in the pilot counties will account for more than 30% of the total primary energy consumption and more than 60% of the increase in primary energy consumption.

On 25 May, the General Department of the NEA issued the “Notice on Further Regulating the Management and Matters Relating to Power Business Permits for Renewable Energy Power Generation Projects (Consultation Paper)”, proposing to exempt some decentralized wind power projects from acquiring power business licenses. On the basis of the existing license exemption policy, decentralized wind power projects that are connected to power grid with a voltage level of 35kV and below will be included within the scope of license exemption, and therefore power business license will no longer be required. Those who have obtained a license of 35kV and below before the notice has issued can apply for cancellation, and those who have not obtained a power business license and have connected to 35kV and above power grid can apply for it within one year.

On 13 June, the NEA issued the “Measures on Wind Farm Renovation, Upgrading and Decommissioning Management”, proposing to encourage wind farms that have been connected to power grid for more than 15 years or have a single unit capacity less than 1.5MW to carry out renovation and upgrading works, i.e., to replace small single capacity units with large single capacity units, and to replace those outdated units with those having excellent performance, as well as replacing or upgrading facilities such as ancillary step-up substations and on-site collector lines accordingly, so as to improve the quality and efficiency of wind farms.

## 2. Industry Review

### (1) *China’s wind power construction and operating efficiency continue to improve*

22.99 GW installed wind power was newly connected to the grid in China in the first half of 2023, up by 77.7% YoY, according to NEA statistics. Out of the total, additions to installed onshore and offshore wind power capacity were 21.89 GW and 1.10 GW, respectively. The country-wide cumulative grid-connected installed wind power capacity came in at 389 GW by the end of June 2023, representing a 13.7% YoY increase and accounting for 14.4% of the installed capacity of the grid. Out of the total, onshore and offshore wind power capacity were 358GW and 31.46GW, respectively. In the first half of 2023, wind power generation was 462.8 billion kWh, up by 20% YoY; wind power utilization was 1,237 hours on average in the country; and national average wind power utilization was 96.7%, representing an increase of 0.9 percentage point.

### (2) *Gradual construction of large onshore wind power bases, and expanding offshore wind power towards large-capacity and deep waters*

At present, China continues to promote the construction of large-scale wind power photovoltaic bases. The first batch of 97.05 million kW base projects has already commenced operations, and the grid connection work of the projects is actively underway, which is scheduled to be completed and put into operation before the end of this year. The second batch of base projects has started construction successively, while the list of the third batch of base projects has been officially issued and implemented. With continuous breakthroughs of technological innovation and the accelerated advancement of complete machine products, the country’s offshore wind power sector is expanding towards large-capacity and deep waters. On 28 June 2023, the world’s first 16MW offshore wind turbine was hoisted in Pingtan, Fujian, and successfully connected to the grid for power generation on 19 July, marking a new milestone in the R&D, manufacturing and operation of the country’s large-capacity offshore wind turbines to reach an advanced level internationally.

### (3) *Open bids for wind power turbines remain stable*

From January to June in 2023, bids in the domestic market grossed 47.3 GW, a decrease by 7.5% YoY, in which onshore bids reached 41.5GW and offshore bids reached 5.8GW. Among them, 69% is located in north China, which is a major source of wind power demand. Along with technological progress and the development of large-scale wind power, 6MW-unit turbines and above are dominant types in bids.



# Management Discussion and Analysis

## ii. Main Business Analysis

Driven by China's "14th Five-Year Energy Development Plan" and the "dual carbon" strategic goal, the wind power industry continues to expand rapidly, albeit facing many challenges such as complex and diversified customer needs, rapid product technology advancement. During the Reporting Period, Goldwind followed the trend of large-scale wind turbines and launched a wide range of products. The sales volume of products and both orders in hand achieved steady growth. The revenue from wind turbine sales, wind power services, and wind farm investment and development also maintained a stable growth.

During the Reporting Period, revenue for the Group was RMB18,909.12 million. Net Profit attributable to Owners of the Company was RMB1,251.33 million.

### 1. WTG Manufacturing, R&D and Sales

#### (1) WTG Manufacturing and Sales

For the six months ended 30 June 2023, the Group's revenue from the sales of WTGs and components was RMB12,740.92 million, representing an increase of 17.65% YoY. From January to June 2023, the Group's external sales totaled 5,783.70MW, representing an increase of 41.55% YoY.

The following table sets out the details of products sold by the Group in the first half of 2023 and 2022:

	Six months ended 30 June				Change in Capacity Sold
	2023		2022		
	Units Sold	Capacity Sold (MW)	Units Sold	Capacity Sold (MW)	
Below 4MW	9	29.30	451	1,354.45	-97.84%
4MW (inclusive)					
-6MW	831	4,221.10	537	2,381.15	77.27%
6MW and above	252	1,533.30	56	350.50	337.46%
<b>Total</b>	<b>1,092</b>	<b>5,783.70</b>	1,044	4,086.10	41.55%

The large-scale capacity transformation process of the wind power industry continues to accelerate. During the Reporting Period, the Company's sales capacity of units below 4MW decreased by 97.84% YoY, and units of 4MW (inclusive)-6MW became our main models, with sales capacity increased by 77.27% YoY. Sales capacity of units of 6MW and above increased significantly by 337.46%YoY.

As at the end of the Reporting Period, the Company had 21,554.88MW external orders to be executed, including 1,010.87MW for units below 4MW, 12,576.66MW for units 4MW (inclusive)-6MW, 7,967.35MW for units 6MW and above. The Company had 6,601.83MW of external unsigned contract orders, including 3,447.18MW for units 4MW (inclusive)-6MW, 3,154.65MW for units 6MW and above. The Company's external order totaled 28,156.71MW, including 4,600.97MW overseas orders. In addition, the Company had 1,848.15MW of internal orders.

In terms of wind turbine production and manufacturing, Goldwind continues to lead the intelligent manufacturing and high-quality development of the wind power industry, and to deepen the research and development and application of automation equipment in plants. As a pioneer in the industry, Goldwind Dabancheng Zero-carbon Digital Factory (金風科技達阪城零碳數字化工廠) is the first company to realize the full coverage and application of 5G industrial Internet, successfully implemented the unmanned and automated material distribution, picking and installation, automatic quality inspection, data storage and traceability. With automation equipment, the production cycle of wind turbines in Dabancheng Zero Carbon Digital Factory has been shortened by more than one-third, thereby greatly improving its production efficiency. Moreover, AI image recognition technology, quality management system, and production process inspection are also applied to achieve quality management. Before official launch of products after completion, the debugging platform is used to inspect and conduct final testing on the control units of the products, so as to ensure our product quality.

## (2) *Technology R&D and Product Certification*

Under the guidance of the “dual carbon” goal, China’s wind power industry is developing rapidly, and the records of single unit capacity of onshore and offshore wind power units are constantly being set. Goldwind continues to increase its investment in technology research and product innovation, strictly controls product quality and reliability, provides customers with reliable products, and assists new energy industry in developing with high quality.

### a. *Product R&D and Mass Production*

In order to respond to the diversified needs of the market and customers, the Company has continuously optimised and upgraded the existing product platforms around the strategy of product and technology leadership, and has now formed a multi-platform series of GWHV11, GWHV12, GWHV15, GWHV17, GWHV20, GWHV21, and GWHV22, with a rich spectrum of products covering both the onshore and offshore wind power market.

During the Reporting Period, for the domestic onshore market, based on the product development experience of the GWHV11 platform, the Company has completed the development of 14 models of the GWHV12 platform and made them available on the market, covering the two market segments of domestic onshore medium-low wind speed and medium-high wind speed. Among which, the high wind speed GWH182-7.2MW prototype has been connected to the grid, and the largest impeller diameter GWH204-6.7MW prototype for low wind speed in China has been hoisted and connected to the grid. The serialised models of GWHV12 platform have entered the stage of batch delivery, which has become the Company’s major delivered models. In order to cope with the increasingly fierce market competition and the market demand for high wind speed “desert, gobi, wasteland”, the Company has started the development of GWHV17 platform series models.



# Management Discussion and Analysis

For the domestic offshore southern market, the Company has completed the development of 5 models of GWHV20 platform, among which the major task of the NDRC's "open competition mechanism" jointly undertaken by Goldwind and China Three Gorges Corporation – GWH252-16.0MW prototype has been hoisted and connected to the grid. It has the largest single-unit capacity and the largest impeller diameter among the hoisted models in the world. With the localized production of the main shaft bearings, the localisation rate of key components of GWH252-16.0MW has reached 100%, and the localisation rate of the complete unit has reached 98%. In response to the new needs of the domestic offshore northern market, such as site area reduction, the Company has developed and completed the GWHV21 platform GWH230-9.0MW model, which has set a new record of the largest single unit capacity and impeller diameter in the domestic offshore northern market.

Among the awards won by China Wind Power News 2022 "Wind Power Leader", the Company's GWH191-6.7MW onshore wind power unit was awarded the best onshore power unit in the 6-7MW class; the GWH252-16MW offshore wind power unit was awarded the best offshore power unit in the 12MW+ class; and the Goldwind permanent magnet direct-drive low-frequency wind power unit was awarded the best innovation award of the year.

Goldwind, together with Xinjiang Electric Power and North China Electric Power University, won the second prize of the China Meteorological Service Association Science and Technology Award for Innovation in Meteorological Science and Technology and the first prize of the Xinjiang Autonomous Region Science and Technology Progress Award for the year of 2022 for the research result of "Research and Application of Wind and Solar Power Forecasting Key Technology Based on Mode Conductivity and Spatial and Temporal Correlation". The research results have overcome the problem of "difficult wind and solar power prediction" under the unique climate and geomorphology of Xinjiang, and have been popularised and used in power grids and new energy stations in many provinces across the country, effectively enhancing the consumption capacity of new energy in the power system.

b. Product Certificate

In the first half of 2023, Goldwind obtained a total of 82 certificates for complete units, including 69 certificates for the development of complete units and 13 certificates for the bidding of projects, of which 72 are domestic certificates and 10 are international certificates. The Company's complete unit development certificates cover a wide range of models such as V11, V12, V17, V20 and V21. Among them, 58 certificates were obtained for each model of V12 platform, which effectively supported the Company's market bidding work during the Reporting Period; there were also 3 platform certification certificates, and the Company reduced certification cost and effectively enhanced the certification acquisition efficiency through the platform certification strategy.

c. Intellectual Property and Standard-setting

Goldwind always attaches significance to R&D investment, and actively protects its core technologies through intellectual property rights. The number of patent applications at home and abroad has kept increasing, and the patent application structure has been optimized continuously. As at 30 June 2023, the Company had 5,650 patent applications in China, including 3,334 invention patent applications, accounting for 59% of the total. The Company obtained 4,142 patent licenses in China, including 1,912 invention patent, accounting for 46.2%. The Company had 1,108 patent applications and 514 patent licenses abroad.

Meanwhile, the Company actively participated in the formulation and revision of domestic and international standards for wind power technology. As of the end of the Reporting Period, Goldwind participated in the formulation and revision of 31 International Energy Commission (IEC) standards, led the formulation for one standard, and was a participant in 10 International Energy Agency (IEA) projects. The Company also participated in the formulation and revision of 394 domestic standards, including 138 national standards, 152 industrial standards and 104 regional and association standards, among which 321 were already published. Goldwind's "Goldwind GWH191-6.7 V12R03C100 MSPM (Medium speed permanent magnet) WTGs" and "Goldwind GWH171-5.3 V11R01C200 MSPM WTGs" have been listed on the list of "Leaders" of 2022 corporate standards led by China National Institute of Standardisation, and became the only enterprise in the wind power industry to be awarded in 2022, which is also the second consecutive year that Goldwind was awarded a place on the list.

(3) *Quality Management*

Goldwind takes "high-quality development" as its guiding principle, practices the quality concept of "high quality, constant and reliable", implements major risk prevention, focuses on the quality assurance of the whole chain of wind turbine core components, establishes risk prevention and management measures in the whole process, and solidifies the long-term mechanism of risk identification, so as to avoid the occurrence of major quality issues.

During the Reporting Period, the Company has performed quality assurance preparatory work on the R&D side for core components such as blades, gearboxes and generators, it strictly managed the procurement of core components on the supplier side, carried out the process of identifying and early warning of quality hazards on the manufacturing side, formulated the list of quality risks of yard storage during the period of on-site construction, and carried out special solution action on key issues during the period of on-site operation and maintenance. Based on the specific quality risks, relevant business units were organized to set up preventive task forces to tackle the problem from both technology and management aspects.

The Company attaches importance to improving customer experience, and continued to carry out customer visits, technical exchanges and return visits during the Reporting Period, as well as organize quality satisfaction surveys on a regular and phased basis to proactively promote resolutions to customer issues and set up industry benchmarks and enhance customer quality satisfaction.



# Management Discussion and Analysis

## 2. Wind Power Services

Goldwind's service business covers the entire life cycle of wind farms and has been extended to include power trading and power sales services on the power generation side. Meanwhile, the Company continues to focus on digital applications in unit operation and maintenance and wind farm operation and management, helping new energy power generation companies to optimize its asset performance, improve operational efficiency and enhance power generation revenue.

The Company provides customers with intelligent operation and maintenance solutions to maximize the performance of wind farm units. During the Reporting Period, the Company took a certain 200MW wind farm in Xinjiang, Goldwind Unit Wind Farm, as a pilot project, and, on the basis of the basic operation and maintenance work of the wind farm, adopted measures such as intelligent overhauling, early warning scheduling, special inspection and optimization of technological transformation, so as to significantly improve the production and operational indicators of the whole farm and, in terms of the actual on-grid power, the amount of electricity compared with the average value of the same period in the previous three years, the year-on-year growth was 9.7%. The wind farm has 80 units, with 51.2% of the units running fault-free for 100 days or more.

In terms of asset management services, the Company takes safe and reliable operation of assets as the basis, customizes the design of operation strategies and revenue models for customers, and actively participates in power market transactions by relying on Goldwind's trading cloud platform, so as to continuously improve the efficiency of asset operation and revenue. As of the end of the Reporting Period, the scale of the Company's wind farm asset management services had reached 15,881.25MW, of which 9,844.1MW were from external wind farms asset management services. 27 wind farms using the Company's asset management services were awarded the 2022 Winning Wind Farms by the China Electricity Council, and the Company's wholly-owned Zerun wind farm project in Xinxiang City, Henan Province, was awarded the "Top 10 Wind Farms" by the Top 50 Wind Farms of the China Wind Industry in 2023. During the Reporting Period, the Company constructed the Digital Intelligence Centre in Zhengzhou covering new energy field stations across the country, realizing the first nationwide digital intelligence control centre in China, which is centred on data analysis and tightly coupled with new energy asset management business.

In terms of power sales services, the Company has independently developed the alpha algorithm cluster, which effectively connects the power grid with the power market for real-time information and power transmission, meets the multi-dimensional needs of the spot market, such as load forecasting, tariff forecasting, trading and control strategies, etc. It can also help users rationally develop local clean energy, dynamically adjust the proportion of local energy and purchased energy, fully tap and utilize adjustable loads, shift energy consumption, and realise stable, low-carbon and low-cost energy use. The Company owns six electricity sales companies, with a business scope covering more than 10 provinces. Currently, the Company has provided highly reliable, reasonably priced and convenient green energy to more than 3,500 power users through power trading on the generation side and power retailing by power sales companies. During the Reporting Period, the Company's electricity sales business executed approximately 13 billion kWh of electricity.

As at the end of Reporting Period, the Company's post warranty projects under operation at home and abroad totaled 29.6 GW, representing an increase of 16.5% YoY. During the Reporting Period, revenue from the Wind Power Services was RMB2,314.11 million, representing an increase of 19.63% YoY, among which the Post-Warranty Service revenue totaled RMB1,205.73 million, representing an increase of 16.43% YoY.

### 3. Wind Farm Investment and Development

In the first half of 2023, the Company closely followed the new energy development policy, combined the different localisation requirements of each province, and continued to lay out and promote the projects of various modes, such as base type, market-based grid connection, rural revitalisation and wind power storage integration. Promoting onshore and offshore, centralised and decentralized modes at the same time. In the first half of the year, the Company was awarded the project resources in five provinces and cities, including Guizhou, Heilongjiang, Jilin, Hebei and Inner Mongolia, and the newly obtained wind power construction plan index and approved index capacity have achieved significant year-on-year growth.

During the Reporting Period, the Company secured a number of rural distributed wind power projects in Henan and Jilin, helping rural areas realise green energy transformation. The Company has achieved a number of wind power and energy storage integration project targets in Hebei, combining wind power generation with energy storage technology, realising the flexible use and storage of wind energy resources, solving the problem of unstable power supply caused by the volatility of renewable energy, and improving the reliability and stability of clean energy.

During the Reporting Period, the newly added grid-connected attributable installed capacity in wind farms run by Company at home and abroad amounted to 585.24MW, and the Company transferred 741.22MW of grid-connected attributable capacity. As of the end of the Reporting Period, the global cumulative grid-connected attributable installed capacity totaled 6,922.40MW and the attributable capacity in wind farms under construction was 3,202.74MW.

As of the end of the Reporting Period, the Company's wind power assets accounted in the consolidated financial statements covered 25 provinces across China. During the Reporting Period, the average power generation utilization hours of domestic turbines were 1,344 hours, above the country-wide average of 107 hours. The Company's domestic power generation accounted in the consolidated financial statements was 6.451 billion kWh.

During the Reporting Period, power generation revenue from wind farm investment and development business was RMB3,347.16 million. During the Reporting Period, gain on disposal of equity investment in wind farms totaled RMB1,670.11 million.



# Management Discussion and Analysis

In terms of engineering construction, the Company adopted methods such as intelligent engineering design, standardised construction and intelligent library sharing, real-time adjustment and optimisation of project construction cost and delivery cycle, and lean management of the whole process of construction, taking into account the quality and efficiency of project delivery, and the Company's engineering construction and management capability has reached the leading level in the industry. During the Reporting Period, a number of the Company's projects won the National Electric Power Construction Quality Engineering Award, the Power Industry Excellent Engineering Design Award and other awards.

In terms of production management, the Company strengthened safety management and equipment management to ensure the smooth operation of wind farms; and made use of the maintenance work order system, auxiliary monitoring system and other digital intelligent operation and maintenance methods and lean management to improve the power generation efficiency of wind farms. During the Reporting Period, the Company won two awards in provincial and ministerial quality control competitions.

## 4. Water Treatment Business

Relying on its profound accumulation in the field of clean energy, Goldwind focused on municipal wastewater and industrial wastewater treatment business and water plant operation services based on the intelligent water platform system and supported by comprehensive water solutions, and achieved better results during the Reporting Period.

In the field of municipal wastewater treatment business, the Company actively cooperates with local governments to complete the upgrading and renovation as well as the cost reduction and fee reduction work on the basis of good performance in the daily operation of water plants. At present, the water treatment scale of sewage effluent quality reaching "Discharge Standard of Pollutants for Municipal Wastewater" (城鎮污水處理廠污染物排放標準) (GB18918-2002) Class A and above standards accounts for more than 95% of the Company's total sewage treatment scale.

In the field of industrial wastewater treatment business, Goldwind has MBBR (Moving Bed Biofilm Reactor) technology, which has the advantages of high efficiency of decarbonisation and denitrogenation, stable effluent quality, low residual sludge and flexible operation, etc. At present, the Company applies this technology in a number of projects in the fields of pharmaceuticals, coal chemical industry and petroleum refining in China, and has accumulated rich experience in technical consulting, process design, equipment manufacturing and supply, commissioning and after-sales service.

As of the end of the Reporting Period, the Company owned 66 water treatment companies covering 13 provinces in China with water treatment volume of 2,840,000 tons per day under the operating agreements.

During the Reporting Period, the Company's revenue from water operation business totaled RMB456.29 million, representing an increase of 22.19% YoY.

## 5. Outlook for the Future

Continued growth in installed renewable energy since 2023 is driving transformational change in the energy transition on a global scale. The energy crisis in Europe, the “Inflation Reduction Act” in the United States, and the continued strong expansion of green energy installations in China are all expected to lead to the largest increase in renewable energy installations this year.

World Energy Transitions Outlook 2023: 1.5°C Pathway, published by the International Renewable Energy Agency (IRENA), identified a way forward to return to a 1.5°C climate pathway. The report proposed positioning electrification and energy efficiency as key transition drivers, while focusing on the important role of renewable energy, clean hydrogen and sustainable bioenergy. According to the report, progress has been made in the global energy transition, mainly in the power sector, with a record increase of 300GW of installed renewable energy capacity globally in 2022, while to ensure that the 1.5°C climate goal is achievable, the world must add an average of around 1,000GW of installed renewable energy capacity per year by 2030, and significantly scale up the direct utilisation of renewables in the end-use energy sector.

According to the “Renewable Energy Market Update – June 2023” published by the International Energy Agency (IEA), global renewable energy installation is set to accelerate in 2023, with new onshore wind capacity set to break the 2020 installation record. The IEA expects the growth trend in global renewable energy installations to continue in 2024, with cumulative global installed renewable energy capacity rising to 4,500GW.

According to GWEC’s analysis, it is expected that by 2027, global offshore installed wind power generation capacity additions will more than quadruple that of 2022, reaching 35.5 GW. With nearly 130 GW of global offshore wind power generation capacity installed during the 2023-2027 period, offshore wind power could grow at a compound annual growth rate of 14.5% over the next five years.

China’s contribution to the global energy transition is becoming increasingly prominent. Since the issuance of the “double carbon” target, China has implemented its carbon peak and carbon neutral targets, which accelerated the construction of a high proportion of renewable energy sources, and carried out in-depth energy reform and innovation. Promoting green energy development is a systematic project and a long-term task. China’s wind power industry is accelerating its expansion with each new generation, the expansion of the development map brings large-scale unit and system design and development challenges, unit operation scenarios become more complex and other challenges. At the same time, with the continuous breakthrough and exploration of product design standards, the industry needs to establish a new technology system. The Company will always adhere to long-termism, continuous investment in research and development, promote all-round exploration in the wind power industry, focus on the development of cutting-edge technology in the industry through the innovative platforms of new wind turbine system technology, material and advanced manufacturing technology, simulation and experimental technology, and new power system technology, and promote high-quality development of the wind power industry; meanwhile, it will promote the synergistic development of source, network, load, and storage, and help to build a new type of power system. Under the “dual carbon” target, the Company will extend renewable energy from the power supply side to the load side, expand zero-carbon energy application scenarios, promote the integration of wind power and industry, wind power and urban integration, and empower thousands of industries to achieve green development.



# Management Discussion and Analysis

## 6. Major Subsidiaries

As at 30 June 2023, the Group had 800 subsidiaries, among which 50 were directly owned subsidiaries and 750 were indirectly owned subsidiaries. In addition, the Group had 22 joint ventures, 31 associate companies and 22 equity investments. These subsidiaries include WTG R&D and manufacturing companies, wind power investment and development companies, wind power services companies, water treatment and finance lease companies, etc. The following table sets out major financial information of the principal subsidiaries of the Company (reported in accordance with CASBE):

As at 30 June 2023

Unit: RMB

No	Company Name	Registered Capital	Total Assets	Net Assets	Revenue from Operations	Net Profits
1	Beijing Tianrun New Energy Investment Co., Ltd.	5,550,000,000	57,172,018,144.82	18,689,210,286.30	3,164,373,570.51	1,852,168,899.55
2	Goldwind Investment Holding Co., Ltd.	1,000,000,000	3,729,367,374.97	2,555,230,217.75	413,218.66	256,637,494.52
3	Goldwind International Holdings (HK) Limited.	USD635,197,000	16,215,201,520.02	3,675,743,274.90	2,465,041,648.41	501,690,178.58

## IV. OPERATIONS PERFORMANCE AND ANALYSIS

The contents of this section should be read in conjunction with the Financial Statements, including the relevant notes, set out in this report.

### Summary

During the six months ended 30 June 2023, the Group's operating revenue was RMB18,909.12 million, representing an increase of 14.52% compared with RMB16,511.62 million for the corresponding period in 2022. Net profit attributable to Owners of the Company was RMB1,251.33 million, representing a decrease of 34.82% compared with RMB1,919.91 million for the corresponding period in 2022. The Company reported basic earnings per share of RMB0.28 for the Reporting Period.

### Revenue

The Group's revenue were generated mainly from: (i) WTG Manufacturing and Sale; (ii) Wind Power Services; (iii) Wind Farm Investment and Development; and (iv) Others. Revenue from WTG Manufacturing and Sale was mainly generated through sales of WTGs and components. Revenue from Wind Power Services was mainly generated through wind farm construction, post-warranty services, asset management services, finance services etc. Revenue from Wind Farm Investment and Development was mainly generated from the sale of wind power generation service provided by the Group's wind farms. Revenue from other business segments include revenue from water operation business, etc.

# Management Discussion and Analysis

During the six months ended 30 June 2023, the Group's operating revenue was RMB18,909.12 million. Details are set out below:

Unit: RMB thousand

	Six months ended		Amount Change	Percentage Change
	30 June 2023	2022		
WTG Manufacturing and Sale	12,740,915	10,829,380	1,911,535	17.65%
Wind Power Services	2,314,110	1,934,327	379,783	19.63%
Wind Farm Investment and Development	3,347,156	3,294,181	52,975	1.61%
Others	506,934	453,734	53,200	11.72%
<b>Total</b>	<b>18,909,115</b>	<b>16,511,622</b>	<b>2,397,493</b>	<b>14.52%</b>

Revenue increased during the Reporting Period YoY was mainly due to: (i) the increase of Group's sales capacity caused the increased revenue from WTG Manufacturing and Sale YoY; (ii) due to the steady increase in installed capacity of wind farms, the Group's revenue from post-warranty-service increased, leading to increased revenue from Wind Power Services business YoY; (iii) the growing capacity of operational wind farms of the Group led to the increase in the revenue from wind farm investment and development business YoY; and (iv) the revenue from other business increased YoY.

## Cost of Sales

Unit: RMB thousand

	Six months ended		Amount Change	Percentage Change
	30 June 2023	2022		
WTG Manufacturing and Sale	12,293,219	9,483,451	2,809,768	29.63%
Wind Power Services	1,963,559	1,551,153	412,406	26.59%
Wind Farm Investment and Development	1,026,488	1,044,508	(18,020)	-1.73%
Others	423,083	351,552	71,531	20.35%
<b>Total</b>	<b>15,706,349</b>	<b>12,430,664</b>	<b>3,275,685</b>	<b>26.35%</b>

The Group's cost of sales increased mainly due to increased revenue during the Reporting Period.



# Management Discussion and Analysis

## Gross Profit

Unit: RMB thousand

	Six months ended		Amount Change	Percentage Change
	30 June 2023	2022		
WTG Manufacturing and Sale	447,696	1,345,929	(898,233)	-66.74%
Wind Power Services	350,551	383,174	(32,623)	-8.51%
Wind Farm Investment and Development	2,320,668	2,249,673	70,995	3.16%
Others	83,851	102,182	(18,331)	-17.94%
<b>Total</b>	<b>3,202,766</b>	<b>4,080,958</b>	<b>(878,192)</b>	<b>-21.52%</b>

During the Reporting Period, the Group's gross profit decreased mainly due to the decrease in gross profits from WTG Manufacturing and Sale. Gross profits from Wind Farm Investment and Development business increased YoY.

For the six months ended 30 June 2023 and 2022, the Group's overall gross profit margin were 16.94% and 24.72%, respectively. The gross profit margin for WTG Manufacturing and Sales segment were 3.51% and 12.43%, respectively.

Gross Profit Margin	Six months ended		Change (percentage points)
	30 June 2023	2022	
WTG Manufacturing and Sale	3.51%	12.43%	-8.92%
Wind Power Services	15.15%	19.81%	-4.66%
Wind Farm Investment and Development	69.33%	68.29%	1.04%
Others	16.54%	22.52%	-5.98%

During the Reporting Period, the Group's gross profit margins for Wind Farm Investment and Development increased YoY.

## Other Income and Gains, Net

The Group's other income and gains primarily consisted of gains from the disposal of wind farms (including gains from the sale of WTGs installed at the disposed wind farms), gain on disposal of investments in joint ventures and associates, bank interest income, government grants received for R&D projects and upgrades of production facilities, Value-added tax ("VAT") refund, etc.

Other income and gains of the Group for the six months ended 30 June 2023 were RMB2,613.11 million, representing an increase of 64.22% compared with RMB1,591.27 million for the corresponding period in 2022. This was mainly attributed to the increase in gain on disposal of investments in joint ventures and associates, gain on disposal of interests in subsidiaries, fair value gains on listed equity investments, etc. Such increase was offset by the decrease in gain on re-measurement of investments in an associate to financial assets at fair value through profit or loss.

## Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consisted of product warranty provisions, bidding service fees, employee benefit expenses, etc.

Selling and distribution expenses of the Group for the six months ended 30 June 2023 was RMB1,350.78 million, representing a decrease of 6.89% compared with RMB1,450.75 million for the corresponding period in 2022. This was mainly attributable to the decrease in product warranty expenses, etc. Such decrease was offset by the increase in staff costs, bidding service fees, depreciation and amortization, etc.

## Administrative Expenses

The Group's administrative expenses primarily consisted of R&D expenses, employee benefit expenses, depreciation and amortization, consultation fees, travel expenses, etc.

Administrative expenses of the Group for the six months ended 30 June 2023 was RMB1,578.48 million, representing an increase of 6.81% compared with RMB1,477.83 million for the corresponding period in 2022. This was mainly attributed to the increase in depreciation and amortization, materials expenditures, etc. Such increases was offset by the decrease in staff costs, etc.

## Impairment Losses on Financial and Contract Assets, Net

The Group's impairment losses on financial and contract assets primarily consisted of impairment losses on trade receivables, other receivables, contract assets, etc.

Impairment losses on financial and contract assets for the six months ended 30 June 2023 was RMB176.99 million, representing an increase of 244.99% compared with reversal of RMB122.07 million for the corresponding period in 2022. This was mainly attributable to the increase in impairment of trade receivables, other receivables, etc.

## Other Expenses

The Group's other expenses primarily consisted of foreign exchange loss, bank charges and others fees, asset impairment losses, etc.

Other expenses of the Group for the six months ended 30 June 2023 was RMB271.66 million, representing an increase of 114.51% compared with RMB126.64 million for the corresponding period in 2022. This was mainly attributable to the increase in foreign exchange loss, bank charge, etc.



# Management Discussion and Analysis

## Finance Costs

Finance costs of the Group for the six months ended 30 June 2023 was RMB625.33 million, maintaining roughly the same level compared with RMB609.76 million for the corresponding period in 2022.

## Income Tax Expense

Income tax expense of the Group for the six months ended 30 June 2023 was RMB635.77 million, representing an increase of 64.07% compared with RMB387.51 million for the corresponding period in 2022. This was mainly attributable to the increase in taxable profit during the Reporting Period.

## Financial Position

As at 30 June 2023 and 31 December 2022, total assets of the Group were RMB137,777.51 million and RMB136,822.38 million, respectively. Total current assets of the Group were RMB62,911.19 million and RMB62,372.89 million, respectively. The ratio of current assets to total assets of the Group were 45.66% and 45.59%, respectively. The Group's current assets increased mainly due to the increase in inventory, trade and bill receivables, etc. Such increase was offset by the decrease in cash and cash equivalents, assets of disposal groups classified as held for sale, etc.

As at 30 June 2023 and 31 December 2022, total non-current assets of the Group were RMB74,866.32 million and RMB74,449.49 million, respectively. The Group's non-current assets increased mainly due to the increase in deferred tax assets, contract assets, other intangible assets, financial assets at fair value through profit or loss, etc. Such increase was offset by the decrease in financial receivables, interests in joint ventures, etc.

As at 30 June 2023 and 31 December 2022, total liabilities of the Group were RMB96,385.56 million and RMB96,476.08 million, respectively. Current liabilities of the Group were RMB56,911.03 million and RMB59,129.92 million, respectively. The Group's current liabilities decreased mainly due to the decrease in trade and bills payables, interest-bearing bank and other borrowings, etc. Such decrease was offset by the increase in other payables and accruals, provision, etc.

As at 30 June 2023 and 31 December 2022, total non-current liabilities of the Group were RMB39,474.53 million and RMB37,346.16 million, respectively. The Group's non-current liabilities increased mainly due to the increase in interest-bearing bank and other borrowings, deferred tax liabilities, etc. Such increase was offset by the decrease of provisions, etc.

As at 30 June 2023 and 31 December 2022, net current asset of the Group were RMB6,000.16 million and RMB3,242.97 million, respectively. Net assets of the Group were RMB41,391.95 million and RMB40,346.30 million, respectively.

As at 30 June 2023 and 31 December 2022, cash and cash equivalents of the Group were RMB10,508.73 million and RMB15,246.14 million, respectively. Total interest-bearing bank and other borrowings of the Group were RMB39,337.78 million and RMB38,183.31 million, respectively.

## Financial Resources and Liquidity

Unit: RMB thousand

Cash Flow Statements	Six months ended 30 June	
	2023	2022
Net cash flows used in operating activities	(8,071,245)	(3,827,262)
Net cash flows generated from/(used in) investment activities	1,751,715	(3,439,473)
Net cash flows from financing activities	953,731	6,135,390
Net decrease in cash and cash equivalents	(5,365,799)	(1,131,345)
Cash and cash equivalents at beginning of the Reporting Period	14,842,821	8,140,281
Net effect of foreign exchange rate changes	(32,497)	(40,363)
Cash and cash equivalents at end of the Reporting Period	9,444,525	6,968,573

### 1. Net cash flows used in operating activities

Net cash flows of the Group used in operating activities primarily represent profit before tax adjusted for non-cash items, movements in working capital, and other income and gains.

For the six months ended 30 June 2023, the Group reported net cash flows used in operating activities of RMB8,071.25 million. Cash outflows were principally comprised of the decrease in trade and bills payables of RMB6,030.04 million, the increase in inventory of RMB4,946.37 million, the increase in trade and bills receivables of RMB1,075.34 million, the adjustments of decrease for gain on disposal of subsidiaries, including wind farm project companies of RMB924.11 million, gain on disposal of investment in an associate and joint ventures of RMB867.94, income tax paid of RMB777.67 million, etc. Such cash outflows were offset by the profit before tax of RMB1,981.11 million, the increase in other payables and accruals of RMB2,386.95 million, adjustments for the decrease in financial receivables of RMB1,230.72 million, depreciation of property, plant and equipment and investment properties of RMB1,121.94, etc.

For the six months ended 30 June 2022, the Group reported net cash flows used in operating activities of RMB3,827.26 million. Cash outflows were principally comprised of the decrease in trade and bills payables of RMB3,116.41 million, the increase in inventory of RMB3,096.63 million, the increase in contract assets of RMB831.58 million, income tax paid of RMB830.28 million, the increase in prepayments, other receivables and other assets of RMB670.88 million, the gain on re-measurement of investments in an associate to financial assets at fair value through profit or loss of RMB601.99 million, the increase in trade and bills receivables of RMB397.23 million, etc. Such cash outflows were offset by profit before tax of RMB2,359.15 million, adjustments for the increase in other payables and accruals of RMB1,320.16 million, the increase in depreciation of RMB1,053.41 million, the increase in finance costs of RMB609.76 million, the decrease in financial receivables of RMB580.98 million, etc.



# Management Discussion and Analysis

## 2. Net cash flow generated from/(used in) investing activities

The Group's net cash flows used in investing activities primarily consist of the purchases of items of property, plant and equipment, the acquisition of subsidiaries, the purchase of financial assets, investment in joint ventures and associates, other intangible assets, etc.

For the six months ended 30 June 2023, the Group reported net cash flows generated from investing activities of RMB1,751.72 million. Cash inflows were principally comprised of the proceeds from disposal of shareholding in joint ventures and associates of RMB2,466.58 million, disposals of subsidiaries, net of cash disposed of RMB1,509.00 million, disposal of financial assets at fair value through profit or loss of RMB500.00 million, dividends received from joint ventures and associates of RMB269.87, etc. Such cash inflows were offset by the outflows from the purchases of items of property, plant and equipment of RMB2,417.33 million, increase in non-pledged time deposits with original maturity of three months or more when acquired of RMB649.92 million, etc.

For the six months ended 30 June 2022, the Group reported net cash flows used in investing activities of RMB3,439.47 million. Cash outflows were principally comprised of the purchases of items of property, plant and equipment of RMB3,333.13 million, the payment of purchase consideration payable for acquisition of subsidiaries in previous periods of RMB352.21 million, purchases of interests in joint ventures of RMB342.39 million, prepayments for equity investments of RMB338.53 million, etc. Such cash outflows were offset by the inflows from disposal of subsidiaries, net of cash disposed of RMB807.96 million, refund of prepayment for equity investments in previous periods of RMB300.00 million, etc.

## 3. Net cash flows from financing activities

The Group's net cash flows from financing activities primarily consist of repayments of perpetual bonds, bank loans and interests, etc. The Group's net cash flows from financing activities primarily consist of new bank loans, etc.

For the six months ended 30 June 2023, the Group reported net cash flows from financing activities of RMB953.73 million. Cash inflows consist mainly of new bank loans and other borrowings of RMB6,295.43 million, etc. Such cash inflows were offset by the repayment of bank loans and other borrowings of RMB4,893.22 million, interest paid of RMB729.93 million, etc.

For the six months ended 30 June 2022, the Group reported net cash flows from financing activities of RMB6,135.39 million. Cash inflows were principally contributed by the increase in new bank loans and other borrowings of RMB11,508.92 million, etc. Such cash inflows were offset by the repayment of bank loans and other borrowings of RMB4,795.73 million, interest paid of RMB716.60 million, etc.

## Capital Expenditure

Capital expenditure of the Group for the six months ended 30 June 2023 were RMB4,213.13 million, representing a decrease of 17.75% compared with RMB5,122.54 million for the corresponding period in 2022. The Group's primary financing resources for capital expenditure included bank loans and cash flows from operations of the Group.

## Interest-Bearing Bank Loans and Other Borrowings

As at 30 June 2023, the total amount of interest-bearing bank loans of the Group was RMB33,744.00 million, including amounts due within one year of RMB5,303.76 million, in the second year of RMB5,109.12 million, in the third to fifth year of RMB9,193.62 million, and above five years of RMB14,137.50 million. In addition, as at 30 June 2023, the total amount of other borrowings of the Group was RMB5,593.78 million, including amounts due within one year of RMB430.91 million, in the second year of RMB719.60 million, in the third to fifth year of RMB1,329.98 million and above five years of RMB3,113.29 million.

As at 31 December 2022, the Group's interest-bearing bank loans were RMB34,582.78 million, including bank loans repayable within one year of RMB6,216.59 million, in the second year of RMB6,098.51 million, in the third to fifth year of RMB8,931.22 million, and above five years of RMB13,336.46 million. In addition, as at 31 December 2022, the Group's other borrowings were RMB3,600.53 million, including other borrowings repayable within one year of RMB266.93 million, in the second year of RMB306.52 million, in the third to fifth year of RMB870.55 million, and above five year of RMB2,156.53 million.

## Restricted Assets

As at 30 June 2023, the following assets of the Group with a total carrying value of RMB27,128.77 million were restricted as security for certain bank loans, other banking facilities. Such assets included property, plant and equipment of RMB18,505.86 million, trade and bills receivables of RMB5,926.15 million, financial receivables of RMB1,772.19 million, other intangible assets of RMB277.87 million, right-of-use assets of RMB255.58 million, bank deposits of RMB391.12 million.

As at 31 December 2022, certain assets of the Group with a total carrying value of RMB24,807.06 million were pledged as security for certain bank loans, other banking facilities, etc. Such assets include plant and equipment of RMB17,667.63 million, trade and bills receivables of RMB4,688.05 million, financial receivables of RMB1,602.78 million, bank deposits of RMB381.84 million, right-of-use asset of RMB311.39 million, other intangible assets of RMB155.37 million.

## Gearing Ratio

As at 30 June 2023 and 31 December 2022, the Group's gearing ratios, defined as net liabilities divided by total capital, were 63.50% and 63.44%, respectively.

## Exposure to Fluctuations in Exchange Rates and any Related Hedges

The Group primarily operates its businesses in China. Over 84% of the Group's revenue, expenditure, financial assets and liabilities are denominated in RMB. The exchange rate of the RMB against foreign currencies did not have a significant impact on the Group's businesses. For the six months ended 30 June 2023, the Group's foreign exchange exposure associated with such transactions (except for the functional currency of the relevant operating entities) maintained at a relatively low level. The currency exchange difference incurred by the Group in respect of the long-term equity investment by our subsidiaries incorporated outside China was recorded under the exchange reserve.



# Management Discussion and Analysis

## Contingent Liabilities

The Group's contingent liabilities primarily consist of issued letters of credit, letters of guarantee, guarantees provided to associates, third parties, etc.

As at 30 June 2023 and 31 December 2022, contingent liabilities of the Group were RMB19,465.63 million and RMB19,141.59 million, respectively.

## Major Investments

The Group made no major investment during the six months ended 30 June 2023.

## Material Acquisitions and Disposals

Save as disclosed in the section headed "Acquisitions and Disposals of Subsidiaries and Associates" in this report, the Group did not have any material acquisitions and disposals during the six months ended 30 June 2023.

## Future Plans for Material Investments or Capital Assets

The Group had no specific future plans for material investments or capital assets as at 30 June 2023.

## V. POSSIBLE RISKS

### (1) Policy Risk

The development of wind power industry is impacted by national policies and industrial development policies, and the changes of policies will impact the production and sales of the Company's major products.

### (2) Market Competition Risk

Along with the increase of market consolidation and the large-scale and rapid iteration of products, competition among peer companies may intensify due to demands in expanding market share, seizing of advantageous resources.

### (3) Economic Environment and Exchange Rate Fluctuations

At the current stage, the domestic and international economic environment is complex and volatile, high inflation, geopolitical risks, trade protectionism continue to exist, and the mission of global economic recovery is very difficult, all of which bring many uncertainties to the domestic and international macro-economy and may affect the Company's internationalisation strategy and the expansion of international business. As the Company's overseas businesses are mainly denominated in USD, AUD or other local currencies, it is subject to the risk of exchange rate loss arising from exchange rate movements.

Facing with the aforesaid possible risks, the Company will consolidate its manufacturing base, roll out products and solutions of high quality and better performance, with technological innovation and product upgrade as main drivers, and bring into play its advantage in the whole industrial chain competition. Meanwhile, it will continue to strengthen its profitability through diversification, and achieve sustainability. In the face of the ever-changing economic situation at home and abroad, the Company will further tighten risk control, strengthen communication and cooperation with its customers, and achieve the all-round development of domestic and foreign business.

## INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS BY DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

Based on information known to the Directors, as at 30 June 2023, the interests and short positions of the Directors, Supervisors and the Chief Executive in shares of the Company are set out as follows:

### Long position:

Name	Capacity	Share Category	Number of Shares	As a Percentage of A Shares	As a Percentage of Total Shares
Mr. Wu Gang	Beneficial owner	A Shares	62,138,411	1.80%	1.47%
Mr. Cao Zhigang	Beneficial owner	A Shares	12,343,283	0.36%	0.29%

Other than as disclosed above, as at 30 June 2023, to the best knowledge of the Company, none of the Directors, Supervisors or Chief Executive of the Company had any interests or short positions in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## PURCHASE, SALE AND REDEMPTION OF SHARES

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company.

## INTERIM DIVIDENDS

The Company has decided not to distribute interim dividends for the six months ended 30 June 2023 (six months ended 30 June 2022: nil).

## ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

On 20 December 2022, each of Goldwind International Moorabool Limited and Goldwind International Moorabool South Limited (the “Vendors”) entered into the MNS SPAs with MNS Wind Finance Pty Ltd. (the “Purchaser 2”), pursuant to which the Vendor to the corresponding MNS SPA agreed to sell, and Purchaser 2 agreed to acquire, 25% of the issued capital of each of Moorabool North and Moorabool South. For details, please refer to the announcement of the Company dated 20 December 2022. In January 2023, the equity transfer procedures of the 25% equity interests were completed.

On 20 December 2022, each of the Vendors entered into the Call Option Deeds with Purchaser 2, pursuant to which the Vendor to the corresponding Call Option Deed irrevocably granted to Purchaser 2 the Call Options to purchase, and require the respective Vendors to sell, 26% of the issued capital of each of Moorabool North and Moorabool South. For details, please refer to the announcement of the Company dated 20 December 2022. During the Reporting Period, the Vendors received written notices from Purchaser 2 on the exercise of the Call Options and on 3 July 2023, entered into the Sale and Purchase Agreements with Purchaser 2. For details, please refer to the announcement of the Company dated 3 July 2023. In July 2023, the equity transfer procedures of the 26% equity interests were completed.



# Other Information

## SHARE CAPITAL STRUCTURE

The particulars of the issued share capital of the Company as at 30 June 2023 are set out as follows:

Share Category	Number of Shares	As a Percentage of Total Shares
A Shares	3,451,495,248	81.69%
H Shares	773,572,399	18.31%
<b>Total</b>	<b>4,225,067,647</b>	<b>100%</b>

## SUBSTANTIAL SHAREHOLDERS

As at 30 June 2023, to the best knowledge of the Directors, the following persons (not being the Directors, the Supervisors or the Chief Executive) had an interest or short position in shares of the Company which would require disclosure under the provisions of Divisions 2 and 3 of Part XV of the SFO:

### H Shares:

(L) – Long Position, (S) – Short Position, (P) – Lending Pool

Name of Shareholder	Capacity	Number of Shares	As a Percentage of H Shares	As a Percentage of Total Shares
JPMorgan Chase & Co.	Interest of controlled corporation	6,513,151 (L) <sup>1</sup>	0.84%	0.15%
		2,897,772 (S) <sup>1</sup>	0.37%	0.07%
	Person having a security interest in shares	21,183,340 (L) <sup>1</sup>	2.74%	0.50%
	Approved lending agent	48,256,138 (L,P) <sup>1</sup>	6.24%	1.14%
BlackRock, Inc.	Interest of controlled corporation	62,882,770 (L) <sup>2</sup>	8.13%	1.49%
UBS Group AG	Interest of controlled corporation	44,019,022(L) <sup>3</sup>	5.69%	1.04%
		37,879,383(S) <sup>3</sup>	4.90%	0.90%

## A Shares (Long Position):

Name of Shareholder	Capacity	Number of Shares	Total	As a Percentage of A Shares	As a Percentage of Total Shares
Xinjiang Wind Power	Beneficial owner	497,510,186	497,510,186	14.41%	11.78%
Hexie Health Insurance Co., Ltd.	Beneficial owner	486,075,542	486,075,542	14.08%	11.50%
China Three Gorges Energy <sup>4</sup>	Beneficial owner	352,723,945	850,234,131	24.63%	20.12%
	Interest in controlled corporation	497,510,186			
China Three Gorges Corporation <sup>5</sup>	Interest in controlled corporation	850,234,131	850,234,131	24.63%	20.12%

### Notes:

- Among which, 223,800 H Shares (long position) and 2,646,172 H Shares (short position) were held through derivatives, categorised as held through cash settled unlisted derivatives.
- Among which, 2,151,800 H Shares (long position) were held through derivatives, categorised as held through cash settled unlisted derivatives.
- Among which, 368,875 H Shares (short position) were held through derivatives, categorised as held through physically settled unlisted derivatives; 1,932,800 H Shares (long position) and 17,576,928 H Shares (short position) were held through derivatives, categorised as held through cash settled unlisted derivatives.
- China Three Gorges Energy directly holds 352,723,945 A Shares. China Three Gorges Energy holds 43.33% of the issued share capital of Xinjiang Wind Power. Under the SFO, besides directly holding interests in our Company, China Three Gorges Energy is deemed to be interested in the 497,510,186 A Shares held by Xinjiang Wind Power.
- China Three Gorges Corporation is the holding company of China Three Gorges Energy. Under the SFO, the 497,510,186 A Shares held by Xinjiang Wind Power in which China Three Gorges Energy is deemed to be interested, and the 352,723,945 A Shares directly held by China Three Gorges Energy are deemed to be the interests of China Three Gorges Corporation in our Company.

Other than as disclosed above, as at 30 June 2023, to the best knowledge of the Directors, no other persons (excluding Directors, Supervisors, and the Chief Executive) had an interest or short position in shares of the Company which would require disclosure under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## NUMBER OF SHAREHOLDERS

As at 30 June 2023, the total number of the Shareholders was 263,427, among which the numbers of holders of A Shares and H Shares were 262,393 and 1,034, respectively.



## Other Information

### **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE AND THE LISTING RULES**

During the Reporting Period, the Company has complied with all applicable code provisions under the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

Mr. Lu Hailin resigned as a non-executive Director and member of the Audit Committee on 6 April 2023. Ms. Yang Liying was elected as a non-executive Director on 20 June 2023 and elected as a member of the Audit Committee on 30 June 2023. Accordingly, during the short interval between the date of resignation of Mr. Lu Hailin and the date of election of Ms. Yang Liying, the Company did not comply with the relevant requirements under Rule 3.21 of the Listing Rules on the composition and membership of the Audit Committee. The Company is now in full compliance with Rule 3.21 of the Listing Rules following the election of Ms. Yang Liying.

### **COMPLIANCE WITH THE MODEL CODE**

During the Reporting Period, the Company has strictly complied with the restrictions on the trading of the Company's shares by directors, supervisors and relevant employees as set out by the regulatory bodies in Hong Kong and the PRC. Upon specific enquiries by the Company, all Directors, Supervisors and relevant employees have confirmed that they have complied with the provisions of the Model Code during the six months ended 30 June 2023 and up to the Latest Practicable Date.

### **REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

As at the Latest Practicable Date, the Audit Committee consisted of two independent non-executive Directors, namely Ms. Yang Jianping and Mr. Tsang Hin Fun Anthony, and one non-executive Director, namely Ms. Yang Liying. The chairman of the Audit Committee was Ms. Yang Jianping. The Audit Committee and the Company's auditors, Deloitte Touche Tohmatsu, have reviewed the unaudited interim condensed consolidated Financial Statements of the Group for the six months ended 30 June 2023.

### **EVENTS AFTER THE REPORTING PERIOD**

On 17 August 2023, the Company issued the First Tranche of Green Ultra-Short-Term Financing Bonds in 2023 of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (Kechuang Note) (further details of which are set out in the Company's announcement made on 18 August 2023), with the issue amount of RMB750,000,000, the interest rate of 2.29% and the maturity date of 29 December 2023. For details, please refer to the announcement of the Company dated 18 August 2023.

Saved as disclosed above, there are no significant events subsequent to 30 June 2023 which would materially affect the Group's operating and financial performance as at the Latest Practicable Date.

## **CHANGES TO MEMBERS OF THE BOARD AND SUPERVISORY COMMITTEE**

On 6 April 2023, Mr. Lu Hailin resigned as a non-executive Director.

On 17 April 2023, Mr. Wang Haibo resigned as a executive Director.

The Board reviewed the “Proposal on Recommending Company Director Candidates” on 26 April 2023 and recommended Ms. Yang Liying as a non-executive Director. The nomination was presented to the Shareholders for consideration and approval at the 2022 AGM. Please refer to the poll results of the 2022 AGM and election of director of the Company dated 20 June 2023 for details.

## **CHANGES TO INFORMATION ON DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE**

Mr. Luo Jun ceased to server as the executive director of Buerjin Tianpeng New Energy Limited Company and Urumqi Xinfeng Tianxiang New Energy Limited Company in February 2023.

Mr. Wei Wei has been an independent director of China Southern Airlines Logistics Co., Ltd. since February 2023.

Other than as disclosed above, to the best knowledge of the Company, during the six months ended 30 June 2023, there were no changes to information about the Directors, Supervisors and Chief Executive that was required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

## **EMPLOYEES**

As at 30 June 2023, the Group had a total of 10,655 employees. As at 30 June 2022, the Group had a total of 10,994 employees.

During the six months ended 30 June 2023, the remuneration of Group’s employees amounted to RMB1,835,521,000, which comprises of wages and salaries, pension scheme contributions, and welfare and other expenses. During the six months ended 30 June 2022, the remuneration of Group’s employees amounted to RMB1,752,362,000.



## Other Information

### REMUNERATION OF EMPLOYEES

The company takes responsibility, ability and performance as the most important criteria for evaluating the value of employees, and combines the characteristics of the industry to build a competitive salary incentive system, and continuously optimizes it according to the actual business development of the company. The Company enters into individual employment contracts with its employees, terms include, among other things, salaries, benefits, training, workplace health and safety, confidentiality obligations relating to trade secrets, and grounds for termination. Remuneration packages offered to its employees are in line with the prevailing market terms and reviewed on a regular basis. Discretionary bonuses may be rewarded to employees, taking into consideration the Group's performance and performance of individual employees. The Company provides pension to its employees as a certain percentage of their applicable salary in accordance with relevant laws and regulations of the PRC and abroad, as well as other benefits such as medical insurance and rental subsidies.

As at 30 June 2023, the Company had no share option schemes for employees.

### TRAINING FOR EMPLOYEES

The Company follows the principle of “position-related, input-output, division-based management, and collaborative sharing”, and establishes a three-tier training management system comprising of Goldwind Learning & Development Center, Human Resources Departments, and various centres/departments. It takes fully into account the strategic planning and personalized growth needs of employees, and creates diverse learning opportunities and platforms for employees based on different training goals and requirements. It makes full use of internal and external knowledge resources to develop, formulate and introduce training courses suitable for the Company's current and future needs to create a learning-oriented environment and accelerate the personal development of employees.

During the first half of 2023, the Company made full use of online learning platforms to expand the coverage of training, as well as broaden the range of training and enrich learning content; focusing on leadership and management capability development, transferable skill development and talent cultivation at key posts, the Company carried out training activities such as new managers, new employees, Goldwind Lectures and precise empowerment for key talents. During the six months ended 30 June 2023, the average training hours per capita reached 20.13 hours.

### SUFFICIENCY OF PUBLIC FLOAT

From publicly available information and to the best knowledge of the Directors, the Company had maintained a sufficient public float as required under the Listing Rules throughout the six months ended 30 June 2023 and up to the Latest Practicable Date.

The percentage of public float was 86.46%, based on information that was publicly available and within the knowledge of the Directors as at the Latest Practicable Date.

## **AMENDMENT OF ARTICLES**

On 26 April 2023, the Board approved the proposal in relation to the revision of the Articles, for details please refer to the announcement dated 26 April 2023 of the Company. At the 2022 AGM, the Shareholders approved the amendments to the Articles, for details please refer to the announcement dated 20 June 2023 of the Company.

## **INVESTOR RELATIONS**

The Company is committed to protecting the interests of its investors. The Company adheres to strict disclosure principles and strives to ensure that the information disclosed in its announcements, circulars and periodic reports is true, accurate and complete, and disclosures are made in a timely manner. In addition, the Company encourages regular communication and interaction with its investors and potential investors in order to allow them to better understand the wind power industry, the status of the Company's operation, and its long-term development strategies. The Company had established the Investor Relations division within its Office of Secretary of the Board which is responsible for organizing investor visits and conferences, responding to queries from the Investor Relations Hotline, attending to the Investor Relations email inbox and SZSE's investor interactive platform, analyzing information contained in the Company's disclosure documents and assisting investors with related queries, and updating the "Investor Relations" section on the Company's website in a timely manner.

During the Reporting Period, the Company strictly complied with its disclosure obligations, improved its communications with investors, and strived to provide investors with a fair and transparent investment environment. During the Reporting Period, the Company's Investor Relations division organized two results announcement telephone conferences, accommodating a total of 606 investors in such events, organized two online Q&A investor interactive session, and answered 95 questions from investors. In addition, the Company organized two performance roadshows, communicated with 341 institutional investors, and hosted 14 investor calls, 18 investor visits and 1 reverse roadshow.

# Report on Review of Condensed Consolidated Financial Statements

**Deloitte.**  
**德勤**

德勤•關黃陳方會計師行  
香港金鐘道88號  
太古廣場一座35樓

Deloitte Touche Tohmatsu  
35/F One Pacific Place  
88 Queensway  
Hong Kong

To the shareholders of **GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.**  
(Established in the People's Republic of China with limited liability)

## INTRODUCTION

We have reviewed the condensed consolidated financial statement of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 37 to 102, which comprise the condensed consolidated statement of financial position as of 30 June 2023 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 Interim Financial Reporting ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
21 August 2023



# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>REVENUE</b>	4	<b>18,909,115</b>	16,511,622
Cost of sales		<b>(15,706,349)</b>	(12,430,664)
Gross profit		<b>3,202,766</b>	4,080,958
Other income and gains, net	5	<b>2,613,109</b>	1,591,268
Selling and distribution expenses		<b>(1,350,783)</b>	(1,450,748)
Administrative expenses		<b>(1,578,484)</b>	(1,477,830)
Impairment losses on financial and contract assets, net		<b>(176,991)</b>	122,073
Other expenses		<b>(271,664)</b>	(126,639)
Finance costs	7	<b>(625,327)</b>	(609,755)
Share of profits of:			
Joint ventures		<b>146,297</b>	141,698
Associates		<b>22,182</b>	88,123
<b>PROFIT BEFORE TAX</b>	6	<b>1,981,105</b>	2,359,148
Income tax expense	8	<b>(635,770)</b>	(387,507)
<b>PROFIT FOR THE PERIOD</b>		<b>1,345,335</b>	1,971,641
Profit attributable to:			
Owners of the Company		<b>1,251,328</b>	1,919,914
Non-controlling interests		<b>94,007</b>	51,727
		<b>1,345,335</b>	1,971,641

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2023

For the six months ended 30 June  
2023  
(Unaudited)  
RMB'000

2022  
(Unaudited)  
RMB'000

Notes	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<i>Other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Changes in fair value of equity investments designated at fair value through other comprehensive income	37,056	(81,525)
<i>Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Exchange differences on translation of foreign operations	175,506	(44,698)
Changes in fair value of debt instruments measured at fair value through other comprehensive income	(1,600)	12,110
Cash flow hedges	(195,783)	(3,018)
Hedges of net investment in foreign operations	(81,455)	42,571
Cost of fair value hedges	(8,662)	49,278
Share of other comprehensive (expenses)/income of associates	(174,501)	118,403
Net other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods, net of tax	(286,495)	174,646
<b>OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE PERIOD, NET OF TAX</b>	<b>(249,439)</b>	<b>93,121</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>1,095,896</b>	<b>2,064,762</b>
Total comprehensive income attributable to:		
Owners of the Company	1,001,049	2,013,399
Non-controlling interests	94,847	51,363
	<b>1,095,896</b>	<b>2,064,762</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>		
Basic and diluted (expressed in RMB per share)	10 <b>0.28</b>	<b>0.44</b>

# Condensed Consolidated Statement of Financial Position

At 30 June 2023

	Notes	30 June 2023 (Unaudited) RMB'000	31 December 2022 (Audited) RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	37,417,331	37,461,032
Investment properties		9,391	9,529
Right-of-use assets	12	3,045,123	2,925,924
Goodwill		178,390	178,228
Other intangible assets		6,942,989	6,469,891
Interests in joint ventures		3,613,439	3,890,595
Interests in associates		1,530,332	1,509,933
Equity investments designated at fair value through other comprehensive income	13	226,381	157,316
Financial assets at fair value through profit or loss	14	1,815,970	1,581,427
Other non-current financial assets	15	443,478	388,849
Deferred tax assets	16	3,894,308	3,262,327
Financial receivables	18	7,696,376	8,922,837
Prepayments, other receivables and other assets	19	3,188,351	3,380,478
Contract assets	23	4,864,457	4,297,565
Derivative financial instruments	20	–	13,558
<b>Total non-current assets</b>		<b>74,866,316</b>	<b>74,449,489</b>
<b>CURRENT ASSETS</b>			
Inventories	21	14,779,057	9,847,658
Trade and bills receivables	17	27,586,068	26,141,390
Contract assets	23	2,536,022	2,665,484
Prepayments, other receivables and other assets	19	6,227,374	5,310,374
Financial receivables	18	388,604	392,859
Derivative financial instruments	20	73,572	184,702
Financial assets at fair value through profit or loss	14	–	500,000
Other non-current financial assets	15	4,071	3,576
Pledged deposits	22	391,120	381,838
Cash and cash equivalents	22	10,508,728	15,246,143
		<b>62,494,616</b>	<b>60,674,024</b>
Assets of disposal groups classified as held for sale	24	416,578	1,698,865
<b>Total current assets</b>		<b>62,911,194</b>	<b>62,372,889</b>



# Condensed Consolidated Statement of Financial Position

At 30 June 2023

	Notes	30 June 2023 (Unaudited) RMB'000	31 December 2022 (Audited) RMB'000
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	25	33,526,418	39,533,030
Other payables and accruals	26	13,640,500	9,905,056
Derivative financial instruments	20	308,609	66,437
Interest-bearing bank and other borrowings	27	5,734,667	6,483,525
Tax payable		657,743	572,061
Provision		3,043,091	2,569,811
<b>Total current liabilities</b>		<b>56,911,028</b>	<b>59,129,920</b>
<b>NET CURRENT ASSETS</b>		<b>6,000,166</b>	<b>3,242,969</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>80,866,482</b>	<b>77,692,458</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade payables	25	1,125,458	1,091,028
Other payables and accruals	26	134,279	171,340
Interest-bearing bank and other borrowings	27	33,603,113	31,699,785
Deferred tax liabilities	16	1,482,326	991,713
Provision		2,882,586	3,167,427
Government grants		233,629	224,870
Derivative financial instruments	20	13,137	–
<b>Total non-current liabilities</b>		<b>39,474,528</b>	<b>37,346,163</b>
<b>Net assets</b>		<b>41,391,954</b>	<b>40,346,295</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	28	4,225,068	4,225,068
Reserves		34,623,795	33,870,011
		<b>38,848,863</b>	<b>38,095,079</b>
<b>Non-controlling interests</b>		<b>2,543,091</b>	<b>2,251,216</b>
<b>Total equity</b>		<b>41,391,954</b>	<b>40,346,295</b>

Wu Gang  
Director

Cao Zhigang  
Director

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

Attributable to owners of the Company

	Share capital (Unaudited) RMB'000	Capital reserve (Unaudited) RMB'000	Special reserve (Unaudited) RMB'000	Statutory surplus reserve (Unaudited) RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income (Unaudited) RMB'000	Exchange fluctuation reserve (Unaudited) RMB'000	Other equity instruments (Unaudited) RMB'000	Hedging reserve (Unaudited) RMB'000	Retained profits (Unaudited) RMB'000	Total (Unaudited) RMB'000	Non-controlling interests (Unaudited) RMB'000	Total equity (Unaudited) RMB'000
As at 1 January 2023	4,225,068	12,341,769	-	1,723,378	(32,526)	(108,306)	2,995,875	13,762	16,936,059	38,095,079	2,251,216	40,346,295
Profit for the period	-	-	-	-	-	-	-	-	1,251,328	1,251,328	94,007	1,345,335
Other comprehensive (expenses)/income for the period:												
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	37,056	-	-	-	-	37,056	-	37,056
Changes in fair value of debt instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	(1,590)	-	-	-	-	(1,590)	(10)	(1,600)
Cash flow hedges, net of tax	-	-	-	-	-	-	-	(195,783)	-	(195,783)	-	(195,783)
Hedges of net investment in foreign operations, net of tax	-	-	-	-	-	-	-	(81,455)	-	(81,455)	-	(81,455)
Cost of fair value hedges, net of tax	-	-	-	-	-	-	-	(8,662)	-	(8,662)	-	(8,662)
Share of other comprehensive expense of associates	-	(174,501)	-	-	-	-	-	-	-	(174,501)	-	(174,501)
Exchange differences on translation of foreign operations	-	-	-	-	-	174,656	-	-	-	174,656	850	175,506
Total comprehensive income/(expenses) for the period	-	(174,501)	-	-	35,466	174,656	-	(285,900)	1,251,328	1,001,049	94,847	1,095,896
Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	156,137	156,137
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	121,154	121,154
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(5,307)	(5,307)
Acquisition of non-controlling interests	-	12,712	-	-	-	-	-	-	-	12,712	(18,712)	(6,000)
Final 2022 dividend declared	-	-	-	-	-	-	-	-	(507,008)	(507,008)	(56,244)	(563,252)
Transfer to special reserve	-	-	70,355	-	-	-	-	-	(70,355)	-	-	-
Utilisation of special reserve	-	-	(70,355)	-	-	-	-	-	70,355	-	-	-
Capital contributions from other equity instruments holders	-	-	-	-	-	-	300,000	-	-	300,000	-	300,000
Distribution of other equity instruments	-	-	-	-	-	-	-	-	(52,969)	(52,969)	-	(52,969)
Disposal of equity investment designated at fair value through other comprehensive income	-	-	-	-	(3,599)	-	-	-	3,599	-	-	-
At 30 June 2023	4,225,068	*12,179,980	*-	*1,723,378	*(659)	*66,350	*3,295,875	*(272,138)	*17,631,009	38,848,863	2,543,091	41,391,954

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

	Attributable to owners of the Company											
	Share capital	Capital reserve	Special reserve	Statutory surplus reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation reserve	Other equity instruments	Hedging reserve	Retained profits	Total	Non-controlling interests	Total equity
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2022	4,225,068	12,174,120	-	1,646,282	83,644	(157,981)	1,997,000	16,895	15,846,562	35,831,590	896,811	36,728,401
Profit for the period	-	-	-	-	-	-	-	-	1,919,914	1,919,914	51,727	1,971,641
Other comprehensive (expenses)/income for the period:												
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	-	-	-	-	(81,525)	-	-	-	-	(81,525)	-	(81,525)
Changes in fair value of debt instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	12,135	-	-	-	-	12,135	(25)	12,110
Cash flow hedges, net of tax	-	-	-	-	-	-	-	(3,018)	-	(3,018)	-	(3,018)
Hedges of net investment in foreign operations, net of tax	-	-	-	-	-	-	-	42,571	-	42,571	-	42,571
Cost of fair value hedges, net of tax	-	-	-	-	-	-	-	49,278	-	49,278	-	49,278
Share of other comprehensive income of associates	-	118,403	-	-	-	-	-	-	-	118,403	-	118,403
Exchange differences on translation of foreign operations	-	-	-	-	-	(44,359)	-	-	-	(44,359)	(339)	(44,698)
Total comprehensive income/(expenses) for the period	-	118,403	-	-	(69,390)	(44,359)	-	88,831	1,919,914	2,013,399	51,363	2,064,762
Capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	67,667	67,667
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	3,413	3,413
Final 2021 dividend declared	-	-	-	-	-	-	-	-	(1,056,267)	(1,056,267)	(15,791)	(1,072,058)
Transfer to special reserve	-	-	44,801	-	-	-	-	-	(44,801)	-	-	-
Utilisation of special reserve	-	-	(44,801)	-	-	-	-	-	44,801	-	-	-
Capital contributions from other equity instruments holders	-	-	-	-	-	-	498,875	-	-	498,875	-	498,875
Distribution of other equity instruments	-	-	-	-	-	-	-	-	(80,665)	(80,665)	-	(80,665)
At 30 June 2022	4,225,068	*12,292,523	*-	*1,646,282	*14,254	*(202,340)	*2,495,875	*105,726	*16,629,544	37,206,932	1,003,463	38,210,395

\* As at 30 June 2023, these reserve accounts comprised the consolidated reserves of RMB34,623,795,000 (30 June 2022: RMB32,981,864,000) (unaudited) in the condensed consolidated statement of financial position.



# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2023

For the six months ended 30 June  
2023  
(Unaudited)  
RMB'000

2022  
(Unaudited)  
RMB'000

Notes

## CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		<b>1,981,105</b>	2,359,148
Adjustments for:			
Finance costs	7	<b>625,327</b>	609,755
Bank interest income	5	<b>(306,496)</b>	(192,399)
Share of profits of joint ventures		<b>(146,297)</b>	(141,698)
Share of profits of associates		<b>(22,182)</b>	(88,123)
Depreciation of property, plant and equipment and investment properties	6	<b>1,121,936</b>	962,398
Depreciation of right-of-use assets	6	<b>106,642</b>	91,010
Amortisation of other intangible assets	6	<b>229,034</b>	184,317
Loss on disposal of items of property, plant and equipment and other intangible assets		<b>15,023</b>	9,148
Gain on disposal of subsidiaries, including wind farm project companies	5	<b>(924,109)</b>	(460,557)
Gain on cancellation and liquidation of subsidiaries		<b>–</b>	(27,418)
Gain on re-measurement of the remaining equity interests in investees at the date of losing control	5	<b>–</b>	(136,502)
Gain on hold of financial assets at fair value through profit or loss	5	<b>(9,044)</b>	(7,380)
Dividend income from equity investments designated at fair value through other comprehensive income	5	<b>(10,000)</b>	(14,733)
Dividend income from other non-current financial assets	5	<b>(15,443)</b>	(6,297)
Gain on disposal of investment in an associate and joint ventures	5	<b>(867,943)</b>	(10,445)
Gain on re-measurement of investments in an associate to financial assets at fair value through profit or loss	5	<b>–</b>	(601,987)
Gain on disposal of other non-current financial assets	5	<b>–</b>	(34,382)
Fair value (gains)/losses, net:			
Derivative financial instruments	5	<b>(32,209)</b>	124,749
Unlisted equity investments	5	<b>(32,410)</b>	(13,646)
Listed equity investments	5	<b>(160,075)</b>	126,290
Impairment of trade and other receivables	6	<b>176,106</b>	(119,411)
Impairment of contract assets	6	<b>(1,329)</b>	107
Impairment of financial receivables	6	<b>2,213</b>	(2,769)
Impairment of write-down of inventories to net realisable value	6	<b>15,906</b>	17,644
Impairment of property, plant and equipment	6	<b>–</b>	343
		<b>1,745,755</b>	2,627,162

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2023

For the six months ended 30 June  
2023  
(Unaudited)  
RMB'000

	Notes	2022 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Increase in inventories		(3,096,629)	(4,946,367)
Increase in contract assets		(831,582)	(436,101)
Increase in trade and bills receivables		(397,229)	(1,075,335)
Increase in prepayments, other receivables and other assets		(670,879)	(575,370)
Decrease in financial receivables		580,982	1,230,716
Decrease in trade and bills payables		(3,116,414)	(6,030,043)
Increase in other payables and accruals		1,326,452	2,386,954
Increase in provision		495,300	188,439
Increase in government grants and deferred revenue		2,577	8,759
Cash used in operations		(3,080,260)	(7,502,593)
Interest received		83,278	209,020
Income tax paid		(830,280)	(777,672)
Net cash flows used in operating activities		(3,827,262)	(8,071,245)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		(3,333,129)	(2,417,330)
Purchases of other intangible assets		(322,220)	(335,312)
Purchases of right-of-use assets		(133,464)	(62,283)
Acquisition of subsidiaries, net of cash acquired	29	(144,505)	(22,436)
Payment of purchase consideration payable for acquisition of subsidiaries in previous periods		(352,206)	–
Purchases of interests in joint ventures		(342,390)	(55,293)
Purchases of interests in associates		(79,390)	(66,750)
Purchases of financial assets at fair value through profit or loss		–	(37,750)
Purchases of other non-current financial assets		(51,020)	(115,875)
Prepayment for equity investments		(338,525)	–
Proceeds from disposal of items of property, plant and equipment and other intangible assets		213,432	8,592
Disposal of subsidiaries, net of cash disposed of	30	807,956	1,508,999
Cash received on sales consideration receivable from disposal of subsidiaries in previous periods		3,370	80,900
Increase in non-pledged time deposits with original maturity of three months or more when acquired		–	(649,923)
Increase in pledged time deposits		(3,083)	–
Dividends received from joint ventures and associates		18,603	269,866
Dividend received from equity investments at fair value through other comprehensive income	5	14,733	10,000
Dividend received from financial assets at fair value through profit or loss	5	7,380	9,044
Dividend received from other non-current financial assets	5	6,297	15,443
Dividend received from disposed subsidiaries		–	87,342
Proceeds from disposal of shareholding in joint ventures and associates		214,502	2,466,576
Disposal of equity investment designated at fair value through other comprehensive income		–	5,226
Disposal of financial assets at fair value through profit or loss		–	500,000
Proceeds from disposal of other non-current financial assets		109,381	62,000
Refund of prepayment for equity investments in previous periods		300,000	–
Loan repayment from the related parties		–	492,979
Payments for other investments		(35,195)	(2,300)
Net cash flows generated from/(used in) investing activities		(3,439,473)	1,751,715

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2023

	Notes	For the six months ended 30 June	
		2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans and other borrowings		6,295,429	11,508,921
Repayment of bank loans and other borrowings		(4,893,215)	(4,795,727)
Interest paid		(729,934)	(716,595)
Capital contributions from non-controlling shareholders		156,137	67,667
Capital contributions from other equity instruments holders		300,000	498,875
Principal portion of lease liabilities payments		(123,559)	(46,645)
Fees for financing consulting		(2,700)	–
Dividends paid		(48,427)	(43,597)
Repayment of loans to pre-shareholders		–	(9,025)
Cash repayment on sale of bills as collateral on securities lending		–	(328,484)
Net cash flows generated from financing activities		953,731	6,135,390
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of the period		14,842,821	8,140,281
Effect of foreign exchange rate changes, net		(32,497)	(40,363)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	22	9,444,525	6,968,573



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 1. CORPORATE AND GROUP INFORMATION

GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (original name “Xinjiang Goldwind Science & Technology Co., Ltd.”, the “Company”) is a joint stock company with limited liability registered in Xinjiang in the People’s Republic of China (the “PRC”), which was established on 26 March 2001. The Company’s shares have been listed on the Shenzhen Stock Exchange from 26 December 2007 and the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) from 8 October 2010. The registered office of the Company is located at 107 Shanghai Road, Economic & Technology Development District, Urumqi, Xinjiang, the PRC.

During the current interim period, the Group was involved in the following principal activities:

- Research and development, manufacture and sale of wind turbine generators and spare parts;
- Wind farm construction, post-warranty service and asset management services;
- Development and operation of wind farms, consisting of wind power generation service provided by the Group’s wind farms as well as the sale of wind farms; and
- Development and operation of water treatment plants.

In the opinion of the directors of the Company (the “Directors”), the Company has no controlling shareholders.

## 2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES

### 2.1 Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”).

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2022.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES (continued)

### 2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new and amendments effective as of 1 January 2023 set out below. The Group has not early applied the new and amendments to International Financial Reporting Standards ("IFRSs") that have been issued but are not yet effective.

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	Insurance Contracts
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform-Pillar Two model Rules
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### 2.3 Impacts and changes in accounting policies on application of Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

#### 2.3.1 Accounting policies

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES (continued)

### 2.3 Impacts and changes in accounting policies on application of Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (continued)

#### 2.3.2 Transition and summary of effects

As disclosed in the Group's annual financial statements for the year ended 31 December 2022, the Group previously applied the IAS 12 requirements to assets and liabilities arising from a single transaction as a whole and temporary differences relating to the relevant assets and liabilities were assessed on a net basis. Upon the application of the amendments, the Group assessed the relevant assets and liabilities separately. In accordance with the transition provision:

- (i) the Group has applied the new accounting policy retrospectively to leasing transactions that occurred on or after 1 January 2022;
- (ii) the Group also, as at 1 January 2022, recognised a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary difference associated with right-of-use-assets and lease liabilities.

The application of the amendments has had no material impact on the Group's financial position and performance, except that the Group recognised the related deferred tax assets and deferred tax liabilities on a gross basis but it has no material impact on the retained earnings at the earliest period presented.



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 3. OPERATING SEGMENT INFORMATION

The following tables present revenue and profit information about the Group's operating segments for the six months ended 30 June 2023 and 2022:

### For the six months ended 30 June 2023

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Others (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>Segment revenue:</b>						
Revenue from external customers	12,740,915	3,347,156	2,314,110	506,934	–	18,909,115
Intersegment sales	1,230,035	13,891	961,028	128,795	(2,333,749)	–
Total revenue	13,970,950	3,361,047	3,275,138	635,729	(2,333,749)	18,909,115
<b>Segment results:</b>						
Interest income	342,140	105,857	16,632	165,056	(323,189)	306,496
Finance costs	(250,740)	(601,095)	(13,318)	(99,442)	339,268	(625,327)
(Loss)/profit before tax	(1,460,981)	3,159,770	37,381	566,674	(321,739)	1,981,105
<b>Other segment information:</b>						
Share of profits and losses of:						
Associates	6,673	17,846	775	(3,112)	–	22,182
Joint ventures	(472)	146,283	–	486	–	146,297
Depreciation and amortisation <sup>(1)</sup>	347,429	1,074,523	50,225	86,163	(77,230)	1,481,110
Impairment of inventories, net	14,151	–	1,755	–	–	15,906
Impairment of trade and other receivables, net	139,484	623	58,487	(7,657)	(14,831)	176,106
Impairment of contract assets, net	427	–	(1,756)	–	–	(1,329)
Impairment of financial receivables, net	–	–	–	2,213	–	2,213
Product warranty provision	787,704	–	–	–	–	787,704
Capital expenditure <sup>(2)</sup>	583,533	3,635,197	52,655	134,392	(192,644)	4,213,133

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 3. OPERATING SEGMENT INFORMATION (continued)

For the six months ended 30 June 2022

	Wind turbine generator manufacturing and sale (Unaudited) RMB'000	Wind farm development (Unaudited) RMB'000	Wind power services (Unaudited) RMB'000	Others (Unaudited) RMB'000	Eliminations (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>Segment revenue:</b>						
Revenue from external customers	10,829,380	3,294,181	1,934,327	453,734	–	16,511,622
Intersegment sales	2,486,164	13,887	82,481	146,715	(2,729,247)	–
Total revenue	13,315,544	3,308,068	2,016,808	600,449	(2,729,247)	16,511,622
<b>Segment results:</b>						
Interest income	(346,375)	2,728,016	125,477	710,251	(440,865)	2,776,504
Finance costs	312,300	73,756	2,139	139,863	(335,659)	192,399
	(250,000)	(588,778)	(15,997)	(98,442)	343,462	(609,755)
(Loss)/profit before tax	(284,075)	2,212,994	111,619	751,672	(433,062)	2,359,148
<b>Other segment information:</b>						
Share of profits and losses of:						
Associates	10,827	54,766	(294)	22,824	–	88,123
Joint ventures	–	141,109	–	589	–	141,698
Depreciation and amortisation <sup>(1)</sup>	347,097	868,610	65,010	74,569	(91,136)	1,264,150
Impairment of inventories, net	17,644	–	–	–	–	17,644
Impairment of trade and other receivables, net	(108,412)	200	(3,535)	(426)	(7,238)	(119,411)
Impairment of contract assets, net	107	–	–	–	–	107
Impairment of financial receivables, net	–	–	–	(2,769)	–	(2,769)
Impairment of property, plant and equipment	–	343	–	–	–	343
Product warranty provision	1,149,222	–	–	–	(9,867)	1,139,355
Capital expenditure <sup>(2)</sup>	526,560	4,760,573	48,954	126,236	(339,787)	5,122,536

<sup>(1)</sup> Depreciation and amortisation mainly consists of depreciation and amortisation of property, plant and equipment, other intangible assets, investment properties, leasehold improvement and right-of-use assets.

<sup>(2)</sup> Capital expenditure mainly consists of additions to property, plant and equipment, other intangible assets and right-of-use assets, including assets from the acquisition of subsidiaries.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 3. OPERATING SEGMENT INFORMATION (continued)

The following table presents segment assets and liabilities of the Group's operating segments as at 30 June 2023 and 31 December 2022:

	Wind turbine generator manufacturing and sale RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Unallocations and eliminations RMB'000	Total RMB'000
<b>Segment assets</b>						
30 June 2023 (Unaudited)	98,773,287	55,505,200	23,190,916	22,870,040	(62,561,933)	137,777,510
31 December 2022 (Audited)	96,155,525	63,965,149	19,765,543	27,232,811	(70,296,650)	136,822,378
<b>Segment liabilities</b>						
30 June 2023 (Unaudited)	66,474,730	35,617,162	19,097,541	13,930,522	(38,734,399)	96,385,556
31 December 2022 (Audited)	62,670,466	46,519,180	15,703,685	18,266,270	(46,683,518)	96,476,083
<b>Investments in joint ventures</b>						
30 June 2023 (Unaudited)	310,417	3,055,256	-	247,766	-	3,613,439
31 December 2022 (Audited)	285,384	3,105,402	-	499,809	-	3,890,595
<b>Investments in associates</b>						
30 June 2023 (Unaudited)	318,140	612,149	10,835	589,208	-	1,530,332
31 December 2022 (Audited)	248,164	626,691	10,060	625,018	-	1,509,933



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 3. OPERATING SEGMENT INFORMATION (continued)

### Geographical information

#### (a) Revenue from external customers

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
China	16,310,361	15,295,841
Other countries	2,598,754	1,215,781
	<b>18,909,115</b>	<b>16,511,622</b>

The revenue information above is based on the locations of the customers.

#### (b) Non-current assets

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
	China	54,679,888
Argentina	3,646,206	3,582,073
Australia	869,462	814,327
Germany	227,337	217,292
United States of America	97,482	98,345
Other countries	16,351	10,312
	<b>59,536,726</b>	<b>60,226,139</b>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 3. OPERATING SEGMENT INFORMATION (continued)

### Information about major customers

For the six months ended 30 June 2023, revenues of approximately RMB3,044,015,000 were derived from sales by the wind turbine generator manufacturing and sale to a single customer, including sales to a group of entities which are known to be under common control with that customer, which individually accounted for over 10% of the Group's total revenue.

For the six months ended 30 June 2022, revenues of approximately RMB2,763,008,000 were derived from sales by the wind farm investment and development to a single customer, including sales to a group of entities which are known to be under common control with that customer, which individually accounted for over 10% of the Group's total revenue.

## 4. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
<b>Revenue from contracts with customers</b>		
Sale of wind turbine generators and wind power components	12,740,915	10,829,380
Wind farm development	3,347,156	3,294,181
Wind power services	2,166,152	1,740,990
Others	506,934	453,734
	<b>18,761,157</b>	<b>16,318,285</b>
<b>Revenue from other sources</b>		
Gross rental income	147,958	193,337
	<b>18,909,115</b>	<b>16,511,622</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. REVENUE (continued)

### Revenue from contracts with customers

#### (i) Disaggregated revenue information

For the six months ended 30 June 2023 (Unaudited)

Segments	Sale of wind turbine generators and wind power components RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Total RMB'000
<b>Type of goods or services</b>					
Sale of wind turbine generators and wind power components	12,740,915	–	–	–	12,740,915
Wind farm investment and development	–	3,347,156	–	–	3,347,156
Wind power services	–	–	2,166,152	–	2,166,152
Others	–	–	–	506,934	506,934
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157
<b>Geographical markets</b>					
China	10,835,856	2,896,227	1,965,658	464,662	16,162,403
Other countries	1,905,059	450,929	200,494	42,272	2,598,754
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	12,740,915	3,347,156	–	195,310	16,283,381
Services transferred over time	–	–	2,166,152	311,624	2,477,776
Total revenue from contracts with customers	12,740,915	3,347,156	2,166,152	506,934	18,761,157



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. REVENUE (continued)

### Revenue from contracts with customers (continued)

#### (i) Disaggregated revenue information (continued)

For the six months ended 30 June 2022 (Unaudited)

Segments	Sale of wind turbine generators and wind power components RMB'000	Wind farm development RMB'000	Wind power services RMB'000	Others RMB'000	Total RMB'000
<b>Type of goods or services</b>					
Sale of wind turbine generators and wind power components	10,829,380	–	–	–	10,829,380
Wind farm investment and development	–	3,294,181	–	–	3,294,181
Wind power services	–	–	1,740,990	–	1,740,990
Others	–	–	–	453,734	453,734
Total revenue from contracts with customers	10,829,380	3,294,181	1,740,990	453,734	16,318,285
<b>Geographical markets</b>					
China	10,303,334	2,794,401	1,551,035	453,734	15,102,504
Other countries	526,046	499,780	189,955	–	1,215,781
Total revenue from contracts with customers	10,829,380	3,294,181	1,740,990	453,734	16,318,285
<b>Timing of revenue recognition</b>					
Goods transferred at a point in time	10,829,380	3,294,181	–	250,399	14,373,960
Services transferred over time	–	–	1,740,990	203,335	1,944,325
Total revenue from contracts with customers	10,829,380	3,294,181	1,740,990	453,734	16,318,285

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 4. REVENUE (continued)

### Revenue from contracts with customers (continued)

#### (i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Wind turbine generator manufacturing and sale	2,560,793	2,899,909
Construction services	169,611	281,977
Others	62,654	58,794
	<b>2,793,058</b>	<b>3,240,680</b>

#### (ii) Performance obligation

Information about the Group's performance obligations is summarised below:

##### *Sale of wind turbine generators and spare parts and sales of power station project products*

The contracts with customers for the sales of wind turbine or the sales of power station project products are standalone performance obligation, which is satisfied upon delivery of the control rights of goods.

##### *Sale of electricity*

The performance obligations are satisfied upon power transmission, and measured based on the volume of wind power transmitted and the applicable fixed tariff rates.

##### *Wind power services*

Wind power services include service-type warranties and construction services. Performance obligation of service-type warranties will be satisfied over the period during which the services are provided. The construction contracts between the Group and its customers usually include performance obligations for wind farm construction. The performance obligations are satisfied over time in accordance with the progress of construction.

##### *Others*

For revenue generated from the operation of water treatment plants under the service concession arrangements, the performance obligations of which are satisfied over time in accordance with progress of service provided.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 5. OTHER INCOME AND GAINS, NET

An analysis of the Group's other income and gains is as follows:

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Bank interest income	306,496	192,399
Dividend income from equity investments designated at fair value through other comprehensive income	10,000	14,733
Dividend income from other non-current financial assets	15,443	6,297
Gross rental income from investment properties and equipment	5,450	15,871
Government grants and deferred revenue	57,936	86,588
Value-added tax ("VAT") refund	110,572	87,304
Provision of technical service	11,148	12,365
Gain on disposal of investment in an associate and joint ventures	867,943	10,445
Gain on disposal of interests in subsidiaries (Note 30)	924,109	460,557
Gain on disposal of other non-current financial assets	–	34,382
Gain on re-measurement of the remaining equity interests in investees at the date of losing control	–	136,502
Gain on hold of financial assets at fair value through profit or loss	9,044	7,380
Gain on re-measurement of investments in an associate to financial assets at fair value through profit or loss	–	601,987
Loss on disposal of items of property, plant and equipment	(15,023)	(564)
Fair value gains/(losses), net:		
Derivative financial instruments	32,209	(124,749)
Unlisted equity investments	32,410	13,646
Listed equity investments	160,075	(126,290)
Others	85,297	162,415
	<b>2,613,109</b>	<b>1,591,268</b>



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	For the six months ended 30 June	
		2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Cost of inventories sold		12,293,219	9,483,451
Cost of wind power generation		1,026,488	1,044,508
Cost of wind power services		1,963,559	1,551,153
Cost of others		423,083	351,552
		<b>15,706,349</b>	<b>12,430,664</b>
Depreciation provided for:			
Property, plant and equipment	11	1,121,798	962,260
Right-of-use assets	12	106,642	91,010
Investment properties		138	138
		<b>1,228,578</b>	<b>1,053,408</b>
Amortisation of other intangible assets		<b>229,034</b>	<b>184,317</b>
Impairment of trade receivables	17	253,641	196,810
Reversal of impairment of trade receivables	17	(121,559)	(288,355)
		<b>132,082</b>	<b>(91,545)</b>
Impairment of other receivables	19	53,573	33,109
Reversal of impairment of other receivables	19	(9,549)	(60,975)
		<b>44,024</b>	<b>(27,866)</b>
Impairment of financial receivables	18	4,211	791
Reversal of impairment of financial receivables	18	(1,998)	(3,560)
		<b>2,213</b>	<b>(2,769)</b>
Impairment of contract assets	23	2,539	1,271
Reversal of impairment of contract assets	23	(3,868)	(1,164)
		<b>(1,329)</b>	<b>107</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 6. PROFIT BEFORE TAX (continued)

The Group's profit before tax is arrived at after charging/(crediting): (continued)

	Note	For the six months ended 30 June	
		2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Impairment of property, plant and equipment	11	–	343
Impairment of inventories		15,906	20,403
Reversal of impairment of inventories		–	(2,759)
		<b>15,906</b>	<b>17,644</b>
Auditor's remuneration		<b>2,100</b>	2,100
Employee benefit expenses (including directors', supervisors' and the chief executive's remuneration):			
Wages and salaries		1,468,280	1,435,852
Pension scheme contributions (defined contribution scheme)		194,471	147,556
Welfare and other expenses		172,770	168,954
		<b>1,835,521</b>	<b>1,752,362</b>
Research and development costs:			
Staff costs		319,100	291,403
Amortisation and depreciation		133,390	60,824
Materials expenditure and others		185,186	150,206
		<b>637,676</b>	<b>502,433</b>
Product warranty provision:			
Additional provision		903,134	1,283,029
Reversals of unutilised provision		(115,430)	(143,674)
		<b>787,704</b>	<b>1,139,355</b>

## 7. FINANCE COSTS

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Interest on bank loans and other borrowings	650,245	668,599
Interest on lease liabilities	66,351	47,455
Less: Interest capitalised	(91,269)	(106,299)
	<b>625,327</b>	<b>609,755</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 8. INCOME TAX EXPENSE

The Company and nine subsidiaries of the Company (31 December 2022: the Company and ten subsidiaries of the Company) have been identified as “high and new technology enterprises” and were entitled to preferential income tax at a rate of 15% for the six months ended 30 June 2023 in accordance with the PRC Corporate Income Tax Law.

Certain subsidiaries of the Company in China, which were established after 1 January 2008 and are engaged in public infrastructure projects including wind farm and urban water treatment projects, are each entitled to a tax holiday of a three-year full exemption followed by a three-year 50% exemption commencing from the respective years when operating income is generated for the first time.

Certain subsidiaries of the Company in China were taxed at a preferential rate of 15% primarily due to their status as entities engaging in development projects supported by the government in the western region of the PRC.

Certain subsidiaries of the Company in China which are small and micro-sized enterprises, the following tax policy applies: For annual income amount of RMB1 million or below, the taxable income amount should be computed at 25% of the annual income and subject to a tax rate of 20%. The preferential period is from 1 January 2023 to 31 December 2024. For annual income amount of over RMB1 million but does not exceed RMB3 million, the taxable income amount should be computed at 25% of the annual income and subject to a tax rate of 20%. The preferential period is from 1 January 2022 to 31 December 2024.

Except for certain preferential treatment available to certain subsidiaries of the Company and the Company as mentioned above, the entities within the Group in China were subject to corporate income tax at a rate of 25%.

Certain subsidiaries of the Company in overseas countries are subject to corporate income tax at a rate varying from 10 % to 35 % (for the six months ended 30 June 2022: 10% to 35%).

Hong Kong profits tax has been provided at the rate of 16.5% (for the six months ended 30 June 2022: 16.5%) on the estimated assessable profits arising in Hong Kong, China during the period.

Taxes on profits assessable elsewhere have been calculated at the rate of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		For the six months ended 30 June	
		2023	2022
		(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000
Current		863,354	414,239
Deferred	16	(227,584)	(26,732)
Tax charge for the period		635,770	387,507



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 9. DIVIDENDS

The proposed final cash dividends of RMB1.2 (tax included) per each 10 shares, which amounted to RMB507,008,000 of cash dividends for the year ended 31 December 2022, were approved by the Company's shareholders on 20 June 2023.

The board of directors of the Company does not recommend the payment of any interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

For those financial instruments classified as equity, if the distributions are cumulative, the undeclared amounts of the cumulative distributions were deducted in arriving at earnings for the purposes of the basic earnings per share calculation. On the other hand, if the distributions are non-cumulative, only the amount of dividends declared in respect of the year should be deducted in arriving at the profit attributable to ordinary equity holders.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2023 and 2022.

The calculation of basic and diluted earnings per share is based on:

	For the six months ended 30 June	
	2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Profit attributable to ordinary equity holders of the Company	1,251,328	1,919,914
Less: distribution relating to the perpetual medium-term note (i)	(52,969)	(80,665)
Profit used to determine basic earnings per share	1,198,359	1,839,249
Weighted average number of ordinary shares in issue ('000)	4,225,068	4,225,068
Basic and diluted earnings per shares (expressed in RMB per share)	0.28	0.44

- (i) The long-term option-embedded medium-term notes (the "Perpetual Medium-term Notes") issued by the Company in August 2020, November 2021, June 2022, September 2022 and June 2023 were classified as other equity instruments with deferrable cumulative interest distribution and payment. The interest from Perpetual Medium-term Notes which has been generated but not yet declared, from 1 January 2023 to 30 June 2023 and from 1 January 2022 to 30 June 2022, was deducted from earnings when calculating the earnings per share for the six months ended 30 June 2023 and 2022.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 11. PROPERTY, PLANT AND EQUIPMENT

	Notes	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year		37,461,032	37,262,589
Additions		3,061,085	7,467,933
Disposals		(66,517)	(162,809)
Depreciation provided for the period/year	6	(1,121,798)	(2,123,738)
Acquisition of subsidiaries		–	434,713
Disposal of subsidiaries	30	(2,066,389)	(5,627,003)
Decrease on dissolving of subsidiaries		(3,036)	(26)
Impairment	6	–	(134,420)
Exchange realignment		152,954	343,793
At end of the period/year		37,417,331	37,461,032

## 12. LEASES

### (a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

	Notes	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year		2,925,924	2,706,771
New leases		327,821	604,515
Depreciation provided during the period/year	6	(106,642)	(216,882)
Acquisition of a subsidiary		–	5,960
Disposals of subsidiaries	30	(75,073)	(130,607)
Others		(35,112)	(43,364)
Impairment		–	(17,488)
Exchange realignment		8,205	17,019
At end of the period/year		3,045,123	2,925,924

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 12. LEASES (continued)

### (b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the period are as follows:

	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year	2,764,077	2,149,164
New leases	1,703,802	773,574
Accretion of interest recognised during the period/year	66,351	105,739
Acquisition of a subsidiaries	–	5,530
Disposals of a subsidiaries	–	(101,273)
Payments	(123,558)	(185,750)
Exchange realignment	11,324	17,093
At end of the period/year	4,421,996	2,764,077
Analysed into:		
Current portion	311,267	165,661
Non-current portion	4,110,729	2,598,416

## 13. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Unlisted equity investments	226,381	157,316



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Investment in limited partnership	120,000	120,000
Listed equity investments, at fair value	484,825	131,632
Unlisted equity investments, at fair value	1,184,395	1,314,795
Wealth management products, at fair value	–	500,000
Others	26,750	15,000
	<b>1,815,970</b>	<b>2,081,427</b>
Portion classified as non-current portion	<b>(1,815,970)</b>	<b>(1,581,427)</b>
Current portion	–	500,000

The above equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

The above wealth management products issued by banks in Mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

## 15. OTHER NON-CURRENT FINANCIAL ASSETS

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Debt investments	447,597	392,473
Provision for other non-current financial assets	(48)	(48)
	<b>447,549</b>	<b>392,425</b>
Portion classified as non-current assets	<b>(443,478)</b>	<b>(388,849)</b>
Current portion	4,071	3,576

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 15. OTHER NON-CURRENT FINANCIAL ASSETS (continued)

The movements in the provision for other non-current financial assets are as follows:

	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year	48	47
Exchange realignment	–	1
At end of the period/year	48	48

## 16. DEFERRED TAX

The movements in deferred tax assets and liabilities during the period are as follows:

### For the six months ended 30 June 2023

#### Deferred tax assets

	Provision for impairment of assets (Unaudited) RMB'000	Tax losses (Unaudited) RMB'000	Provisions and accruals (Unaudited) RMB'000	Government grants received not yet recognised as income (Unaudited) RMB'000	Unrealised gains arising from intra-group sales (Unaudited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2023 (restated)	523,500	747,815	1,371,154	29,968	566,647	41,525	537,773	3,818,382
Deferred tax credited/(charged) to profit or loss during the period (Note 8)	17,961	383,039	(12,366)	2,293	(42,083)	14,493	(38,076)	325,261
Deferred tax credited to other comprehensive income during the period	–	–	–	–	–	1,552	–	1,552
Disposal of subsidiaries (Note 30)	(495)	–	–	–	–	–	–	(495)
Exchange realignment	–	–	–	–	–	–	(23,196)	(23,196)
At 30 June 2023	540,966	1,130,854	1,358,788	32,261	524,564	57,570	476,501	4,121,504

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the six months ended 30 June 2023 (continued)

### Deferred tax liabilities

	Excess of fair values of identifiable assets over carrying values arising from acquisition of subsidiaries (Unaudited) RMB'000	Depreciation of assets (Unaudited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Unaudited) RMB'000	Service concession arrangements (Unaudited) RMB'000	Discount of long-term payables (Unaudited) RMB'000	Others (Unaudited) RMB'000	Total (Unaudited) RMB'000
At 1 January 2023 (restated)	794,520	455	206,852	309,643	25,252	211,046	1,547,768
Deferred tax charged to profit or loss during the period (Note 8)	2,144	28	70,676	7,700	8,552	8,577	97,677
Deferred tax credited to other comprehensive income during the period	-	-	(56,909)	-	-	-	(56,909)
Deferred tax liability arising from acquisition of subsidiaries (Note 29)	136,975	-	-	-	-	-	136,975
Exchange realignment	(14,849)	-	-	-	-	(1,140)	(15,989)
At 30 June 2023	918,790	483	220,619	317,343	33,804	218,483	1,709,522

As at 30 June 2023 and 31 December 2022, the deferred tax assets and deferred tax liabilities of the Group after offset amount was as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Deferred tax assets	3,894,308	3,262,327
Deferred tax liabilities	(1,482,326)	(991,713)



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the year ended 31 December 2022

Deferred tax assets

	Provision for impairment of assets (Audited) RMB'000	Tax losses (Audited) RMB'000	Provisions and accruals (Audited) RMB'000	Government grants received not yet recognized as income (Audited) RMB'000	Unrealised gains arising from intra-group sales (Audited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Audited) RMB'000	Others (Audited) RMB'000	Total (Audited) RMB'000
At 31 December 2021	540,620	531,053	1,197,718	24,620	456,803	35,427	37,125	2,823,366
Changes in accounting policies	-	-	-	-	-	-	19,143	19,143
At 1 January 2022 (restated)	540,620	531,053	1,197,718	24,620	456,803	35,427	56,268	2,842,509
Deferred tax (charged)/credited to profit or loss during the year (restated)	(17,119)	218,728	173,436	5,348	109,844	42,220	484,301	1,016,758
Deferred tax charged to other comprehensive income during the year	-	-	-	-	-	(36,122)	-	(36,122)
Deferred tax asset arised from acquisition of subsidiaries	-	-	-	-	-	-	-	-
Deferred tax asset generated from disposal of subsidiaries	(1)	(1,966)	-	-	-	-	-	(1,967)
Exchange realignment	-	-	-	-	-	-	(2,796)	(2,796)
At 31 December 2022 (restated)	523,500	747,815	1,371,154	29,968	566,647	41,525	537,773	3,818,382

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 16. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities during the period are as follows: (continued)

For the year ended 31 December 2022 (continued)

Deferred tax liabilities

	Excess of fair values of identifiable assets over carrying values arising from acquisition of subsidiaries (Audited) RMB'000	Depreciation of assets (Audited) RMB'000	Fair value adjustments of equity investments at fair value through other comprehensive income/profit or loss (Audited) RMB'000	Service concession arrangements (Audited) RMB'000	Discount of long-term payables (Audited) RMB'000	Others (Audited) RMB'000	Total (Audited) RMB'000
At 31 December 2021	690,124	2,383	134,536	277,783	43,684	11,505	1,160,015
Changes in accounting policies	-	-	-	-	-	19,143	19,143
At 1 January 2022 (restated)	690,124	2,383	134,536	277,783	43,684	30,648	1,179,158
Deferred tax (credited)/charged to profit or loss during the year (restated)	(38,295)	(1,928)	86,080	31,860	(18,432)	233,836	293,121
Deferred tax credited to other comprehensive income during the year	-	-	(13,764)	-	-	-	(13,764)
Deferred tax liability arised from acquisition of subsidiaries	144,732	-	-	-	-	-	144,732
Deferred tax liability decreased upon disposal of subsidiaries	(65,560)	-	-	-	-	-	(65,560)
Exchange realignment	63,519	-	-	-	-	(53,438)	10,081
At 31 December 2022 (restated)	794,520	455	206,852	309,643	25,252	211,046	1,547,768

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 17. TRADE AND BILLS RECEIVABLES

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Trade receivables	28,324,706	25,746,211
Bills receivable	864,646	1,855,034
	<b>29,189,352</b>	27,601,245
Provision for impairment	<b>(1,603,284)</b>	(1,459,855)
	<b>27,586,068</b>	26,141,390

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

As part of its normal business, the Group endorsed or discounted bills receivable accepted by banks, bills receivable are held within a business model whose objective is achieved by both collecting contractual cash flows and selling bills receivable. Therefore, the Group has classified bills receivable presented in trade and bills receivable as at 30 June 2023 amounting to RMB864,646,000 (31 December 2022: RMB1,855,034,000) as debt investments measured at fair value through other comprehensive income, but still listed as trade and bills receivables.

An ageing analysis of trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Within 3 months	9,889,579	11,791,254
3 to 6 months	3,970,146	3,197,366
6 months to 1 year	5,154,990	4,145,013
1 to 2 years	5,021,997	4,317,733
2 to 3 years	2,592,150	2,153,800
Over 3 years	957,206	536,224
	<b>27,586,068</b>	26,141,390



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 17. TRADE AND BILLS RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	Note	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year		1,459,855	1,765,515
Impairment losses recognised	6	253,641	420,621
Impairment losses reversed	6	(121,559)	(707,979)
Amounts written off as uncollectible		(7,197)	(30,455)
Disposal of subsidiaries		–	(2,025)
Exchange realignment		18,544	14,178
At end of the period/year		1,603,284	1,459,855

The amount due from beneficial shareholder, Xinjiang Wind Power Company Limited (“Xinjiang Wind Power”) (新疆風能有限責任公司) and the amounts due from the Group’s joint ventures and associates included in the Group’s trade and bills receivables are as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Beneficial shareholder of the Company	60,666	405
Joint ventures	25,286	242,715
Associates	12,520	18,601
	98,472	261,721

The above balances are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the independent customers of the Group.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 18. FINANCIAL RECEIVABLES

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Receivables for service concession agreements	4,323,343	4,769,218
Receivables for finance lease services	3,708,305	4,430,379
Accrued VAT on finance lease receivables	108,538	164,968
Loans to joint ventures	56,486	60,610
Provision for impairment	(111,692)	(109,479)
	<b>8,084,980</b>	9,315,696
Portion classified as non-current assets	<b>(7,696,376)</b>	(8,922,837)
	<b>388,604</b>	392,859

Receivables for service concession agreements arose from service concession contracts to build and operate water treatment plants and were recognised to the extent that the Group has an unconditional right to receive cash from grantor.

Receivables for finance lease services arose from finance lease contracts to lease equipment to customers.

The movements in the loss allowance for impairment of financial receivables based on 12-month ECL are as follows:

	Note	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year		109,479	80,461
Impairment losses recognised	6	4,211	36,107
Impairment losses reversed	6	(1,998)	(7,089)
		<b>111,692</b>	109,479

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	Note	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Advances to suppliers		2,862,554	1,836,308
Prepayments		666,290	834,560
Deductible VAT		3,383,160	2,974,480
Deposits and other receivables		2,780,022	3,276,657
		<b>9,692,026</b>	<b>8,922,005</b>
Impairment allowance		(276,301)	(231,153)
		<b>9,415,725</b>	<b>8,690,852</b>
Portion classified as non-current assets	(i)	(3,188,351)	(3,380,478)
Current portion		<b>6,227,374</b>	<b>5,310,374</b>

(i) The non-current portion of deposits and other receivables mainly represented advances to suppliers and non-current deductible input VAT at 30 June 2023 and 31 December 2022.

Movements in the provision for impairment of other receivables are as follows:

	Note	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of the period/year		231,153	246,873
Impairment losses recognised	6	53,573	77,632
Impairment losses reversed	6	(9,549)	(94,596)
Amounts written off as uncollectible		–	(2,438)
Disposal of a subsidiary		–	(6)
Exchange realignment		1,124	3,688
		<b>276,301</b>	<b>231,153</b>
At end of the period/year			



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (continued)

The amounts due from the Group's joint ventures and associates included in prepayments, other receivables and other assets are as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Joint ventures	847,113	1,377,277
Associates	73,308	65,769
	<b>920,421</b>	<b>1,443,046</b>

The above amounts are unsecured, non-interest-bearing and repayable on credit terms similar to those offered to the independent third parties.

## 20. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2023 Assets (Unaudited) RMB'000	As at 31 December 2022 Assets (Audited) RMB'000
Forward currency contracts – not designated for hedge purposes	–	15,417
Forward currency contracts – designated for hedge purposes	73,572	182,843
	<b>73,572</b>	<b>198,260</b>
Portion classified as non-current:		
Forward currency contracts – designated for hedge purposes	–	(13,558)
	–	(13,558)
Current portion	<b>73,572</b>	<b>184,702</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 20. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

	As at 30 June 2023 Liabilities (Unaudited) RMB'000	As at 31 December 2022 Liabilities (Audited) RMB'000
Forward currency contracts – not designated for hedge purposes	–	13,459
Forward currency contracts – designated for hedge purposes	321,746	52,978
	<b>321,746</b>	66,437
Portion classified as non-current:		
Forward currency contracts – designated for hedge purposes	(13,137)	–
	<b>(13,137)</b>	–
Current portion	<b>308,609</b>	66,437

## 21. INVENTORIES

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Raw materials	5,174,294	3,996,218
Work in progress, finished and semi-finished goods	4,919,987	3,626,819
Low-value consumables and others	24,266	18,112
Development cost of power station	4,660,510	2,206,509
	<b>14,779,057</b>	9,847,658

The capitalisation amount of interest included in the development cost of power station was RMB12,418,000 (as at 31 December 2022: RMB15,933,000). The capitalization rate of interest was 3.52% to 4.31% (2022: 3.95% to 4.31%).

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 22. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Cash and bank balances	9,818,604	14,903,941
Time deposits	1,081,244	724,040
	<b>10,899,848</b>	<b>15,627,981</b>
Less: Pledged for:		
– Bank loans, letters of credit, bills issued and others	(7,713)	(7,046)
– Provision for risk and mandatory reserve deposits	(383,407)	(374,792)
	<b>(391,120)</b>	<b>(381,838)</b>
Cash and cash equivalents in the condensed consolidated statement of financial position	<b>10,508,728</b>	15,246,143
Less: Non-pledged time deposits with original maturity of more than three months when acquired	<b>(1,064,203)</b>	(403,322)
Cash and cash equivalents in the condensed consolidated statement of cash flows	<b>9,444,525</b>	14,842,821
Pledged deposits	<b>391,120</b>	381,838
Cash and cash equivalents and pledged deposits denominated in:		
– RMB	9,168,725	13,027,956
– Australian dollar	360,406	666,908
– United States dollar	729,153	1,342,065
– Argentine peso	273,737	331,806
– Euro	101,844	137,053
– Hong Kong dollar	17,923	19,053
– Other currencies	248,060	103,140
	<b>10,899,848</b>	<b>15,627,981</b>



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 23. CONTRACT ASSETS

	Notes	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Contract assets arising from:			
Retention receivables on the sale of wind turbines	(i)	5,150,629	4,658,907
Construction services	(ii)	2,085,424	2,180,416
Services concession arrangement		178,459	139,088
		<b>7,414,512</b>	6,978,411
Impairment		<b>(14,033)</b>	(15,362)
		<b>7,400,479</b>	6,963,049
Portion classified as non-current assets		<b>(4,864,457)</b>	(4,297,565)
		<b>2,536,022</b>	2,665,484

- (i) For retention money receivables, the due dates usually range from two to five years after the completion of commissioning for wind turbines.
- (ii) Contract assets are initially recognised for revenue earned from the provision of construction services. Upon billing of construction and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 23. CONTRACT ASSETS (continued)

The movements in the loss allowance for impairment of contract assets are as follows:

	Note	For the six months ended 30 June 2023 (Unaudited) RMB'000	Year ended 31 December 2022 (Audited) RMB'000
At beginning of period/year		15,362	10,951
Impairment losses recognised	6	2,539	6,464
Impairment losses reversed	6	(3,868)	(1,040)
Exchange realignment		–	(1,013)
At end of period/year		14,033	15,362

## 24. ASSETS OF DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

On 20 December 2022, the Group entered into the equity transfer agreements with MNS Wind Finance Pty Ltd (“MNS”) in relation to the transfer of the 25% equity interests and 26% call option in Moorabool Wind Farm Pty Ltd (“Moorabool WF”) and Moorabool South Wind Farm Pty Ltd (“Moorabool South WF”) respectively. On 31 December 2022, the above equity transfer and settlement procedures have not been completed, but the above transactions were expected to be completed within one year, so the interests in Moorabool WF and Moorabool South WF were classified as assets held for sale.

In January 2023, the transfer procedures of the 25% equity interests were completed. On 27 April 2023, MNS notified the Group on exercising the call option. On 30 June 2023, the transfer of the 26% equity interests have not been completed. Therefore, the interests in Moorabool WF and Moorabool South WF were still classified as assets held for sale. In July 2023, the equity transfer procedures of which were completed.

On 21 December 2022, the Group entered into the equity transfer agreement with Cheetah Bid Co Pty Ltd in relation to the transfer of the 49% equity interests in Stockyard Hill Wind Farm (Holding) Pty Ltd. In January 2023, the equity transfer procedures of which were completed.

The specific details of the disposal groups held for sale by the Group are as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Interests in joint ventures	416,578	1,698,865
Assets classified as held for sale	416,578	1,698,865

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. TRADE AND BILLS PAYABLES

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Trade payables	25,738,445	27,071,984
Bills payable	8,913,431	13,552,074
	<b>34,651,876</b>	40,624,058
Portion classified as non-current liabilities	<b>(1,125,458)</b>	(1,091,028)
Current portion	<b>33,526,418</b>	39,533,030

Trade and bills payables are non-interest-bearing and are normally settled in 180 days. For the retention payables in respect of warranties granted by the suppliers, the due dates usually range from three to five years after the completion of the preliminary acceptance of goods.

An ageing analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Within 3 months	20,081,651	22,534,009
3 to 6 months	4,880,869	9,290,990
6 months to 1 year	3,829,999	2,958,580
1 to 2 years	3,127,835	3,340,072
2 to 3 years	1,910,271	1,610,190
Over 3 years	821,251	890,217
	<b>34,651,876</b>	40,624,058



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 25. TRADE AND BILLS PAYABLES (continued)

The amounts due to the Group's beneficial shareholder of the Company, joint ventures and associates included in the trade and bills payables are as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Beneficial shareholder of the Company	30	16,811
Joint ventures	13,111	16,719
Associates	343,753	413,942
	<b>356,894</b>	447,472

The above amounts are unsecured, non-interest-bearing and have no fixed terms of settlement.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 26. OTHER PAYABLES AND ACCRUALS

	Note	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Receipt in advance		20,567	21,554
Contract liabilities		9,627,036	6,274,703
Accrued salaries, wages and benefits		713,976	1,032,520
Other taxes payable		234,568	435,899
Interest payable		2,388	1,930
Dividends payable		626,609	115,059
Others		2,549,635	2,194,731
		<b>13,774,779</b>	10,076,396
Portion classified as non-current liabilities	(i)	<b>(134,279)</b>	(171,340)
Current portion		<b>13,640,500</b>	9,905,056

- (i) The non-current portion of other payables mainly represented output VAT to be recognized and guaranteed deposit as at 30 June 2023 (31 December 2022: output VAT to be recognized and guaranteed deposit).

The amounts due to the Group's beneficial shareholder of the Company, joint ventures and associates included in other payables and accruals are as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Beneficial shareholder of the Company	–	11,018
Joint ventures	16,611	215,551
Associates	141	2,820
	<b>16,752</b>	229,389

The above balances are unsecured, non-interest-bearing and have no fixed terms of settlement.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 27. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
<b>Current</b>		
Short-term bank loans:		
– Unsecured	675,312	1,171,770
– Secured	500,600	–
Current portion of long-term bank loans:		
– Unsecured	942,686	973,556
– Secured	3,185,157	4,071,266
Lease liabilities:		
– Secured	311,267	165,661
Sale and leaseback payables	119,645	101,272
	<b>5,734,667</b>	<b>6,483,525</b>
<b>Non-current</b>		
Long-term bank loans:		
– Unsecured	6,568,559	5,837,900
– Secured	21,871,688	22,528,288
Sale and leaseback payables	1,052,137	735,181
Lease liabilities:		
– Secured	4,110,729	2,598,416
	<b>33,603,113</b>	<b>31,699,785</b>
	<b>39,337,780</b>	<b>38,183,310</b>
Interest-bearing bank and other borrowings are denominated in:		
– RMB	37,885,504	36,483,774
– United States dollar	1,405,974	1,653,634
– Euro	46,302	45,902
	<b>39,337,780</b>	<b>38,183,310</b>



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 28. SHARE CAPITAL

	As at 30 June 2023 (Unaudited)		As at 31 December 2022 (Audited)	
	Number of shares '000	Value RMB'000	Number of shares '000	Value RMB'000
<b>Shares</b>				
Issued and fully paid:				
A shares of RMB1.00 each	3,451,496	3,451,496	3,451,496	3,451,496
H shares of RMB1.00 each	773,572	773,572	773,572	773,572
	<b>4,225,068</b>	<b>4,225,068</b>	4,225,068	4,225,068

## 29. ACQUISITION OF SUBSIDIARIES

During the period from 1 January 2023 to 30 June 2023, the following entities were acquired from independent third parties for the purpose of expanding business. Acquisitions of equity interests in these entities have been accounted for using the acquisition method of accounting effective from the dates when the entities were controlled by the Group. Details are as follows:

Company name	Acquisition date	Percentage of equity interests acquired	Cash consideration (Unaudited) RMB'000	Revenue from the purchase date to the end of the period (Unaudited) RMB'000	Net loss from the purchase date to the end of the period (Unaudited) RMB'000
Qitaihe Runhe New Energy Co., LTD ("Qitaihe Runhe")	January 2023	100%	66,450	–	(1)
Shandong Runzheng New Energy Co., LTD ("Shandong Runzheng")	January 2023	65%	225,000	–	–
Zhanjiang Zhongke Rongbiao Technology Co., LTD ("Zhanjiang Zhongke")	January 2023	100%	773	–	(2)
			292,223	–	(3)

As of 30 June 2023, the fair value of the identifiable assets and liabilities of Qitaihe Runhe, Shandong Runzheng and Zhanjiang Zhongke obtained in the acquisitions can only be determined provisionally. Therefore, the Group recognizes and measures the acquisitions based on the determined temporary value. Adjustments to the provisional values of the above identifiable assets and liabilities, including any additional depreciation, amortisation and other gain or loss effects, if any, will be made within 12 months after the purchase date.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 29. ACQUISITION OF SUBSIDIARIES (continued)

The fair values of the identifiable assets and liabilities of the above companies as at the dates of acquisition were as follows:

	Note	Fair value recognized on acquisition date (Unaudited) RMB'000
Other intangible assets		1,030
Prepayments, other receivables and other assets		1,539
Cash and cash equivalents		21,264
Inventories		552,889
Trade and bills payables		(1,174)
Other payables and accruals		(25,196)
Deferred tax liabilities	16	(136,975)
Non-controlling interests		(121,154)
Total identifiable net assets at fair value		292,223
Total consideration		292,223

An analysis of the cash flows in respect of the acquisitions of subsidiaries is as follows:

	RMB'000
Cash consideration	292,223
Cash and cash equivalents paid during the current period	43,700
Cash and cash equivalents acquired	(21,264)
Net outflow of cash and cash equivalents included in the condensed consolidated statement of cash flows for the six months ended 30 June 2023	22,436

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 29. ACQUISITION OF SUBSIDIARIES (continued)

Included in the loss for the current interim period is RMB3,000 attributable to the additional business generated by Qitaihe Runhe, Shandong Runzheng and Zhanjiang Zhongke. Revenue for the current interim period generated by above entities were Nil. Had the acquisition of Qitaihe Runhe, Shandong Runzheng, and Zhanjiang Zhongke been completed on 1 January 2023, revenue for the current interim period of the Group would have been RMB18,909,115,000 and the profit for the current interim period would have been RMB1,345,335,000. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2023, nor is it intended to be a projection of future results.

## 30. DISPOSAL OF SUBSIDIARIES

In the current period, the following entities were disposed from the Group. Details are as follows:

Company name	Disposal date	Equity interests disposed	Cash consideration (Unaudited) RMB'000	Equity interests retained
Zhangbei Tianrun Wind Power Co., Ltd.	January 2023	100%	301,565	–
Zhangbei Tianhui Wind Power Co., Ltd.	January 2023	100%	131,626	–
Xiaxian Tianrun Wind Power Co., Ltd.	February 2023	100%	1,097,301	–
Shanghai Runhanbai New Energy Co., Ltd.	April 2023	51%	200	–
Kazuo Xiangyi New Energy Development Co., Ltd.	June 2023	80%	12,640	–
Lufeng Tianrun Photovoltaic Power Co., Ltd.	June 2023	100%	4,854	–
			<u>1,548,186</u>	



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 30. DISPOSAL OF SUBSIDIARIES (continued)

The net assets/liabilities of the subsidiaries disposed of during the period ended 30 June 2023 were as follows:

	Notes	(Unaudited) RMB'000
Net assets disposed of:		
Property, plant and equipment	11	2,066,389
Right-of-use assets	12(a)	75,073
Inventories		335
Trade and bills receivables		369,343
Cash and cash equivalents		39,187
Deferred tax assets	16	495
Prepayments, other receivables and other assets		151,042
Trade and bills payables		(59,035)
Other payables and accruals		(197,787)
Interest-bearing bank and other borrowings		(1,815,657)
Non-controlling interests		(5,308)
		<u>624,077</u>
		<b>624,077</b>
	Note	(Unaudited) RMB'000
Net assets disposed of		624,077
Gain on disposal of subsidiaries	5	924,109
		<u>1,548,186</u>
		<b>1,548,186</b>
Total consideration		
		<u>1,548,186</u>
		<b>1,548,186</b>
Satisfied by:		
Cash		<u>1,548,186</u>
		<b>1,548,186</b>
Net cash inflow arising on disposal:		
Total cash consideration received		1,548,186
Bank balances and cash disposed of		(39,187)
		<u>1,508,999</u>
		<b>1,508,999</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 31. CONTINGENT LIABILITIES

As at 30 June 2023 and 31 December 2022, contingent liabilities were as follows:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Letters of guarantee issued	18,964,295	18,642,662
Guarantees given to banks in connection with bank loans granted to:		
Associates	331,972	328,205
A third party	169,358	170,727
	<b>19,465,625</b>	<b>19,141,594</b>

In 2015, Beijing Tianrun New Energy Investment Co., Ltd (“Beijing Tianrun”) entered into an agreement with the creditor bank, Chifeng Jinneng New Energy Investment Co., Ltd. (“Chifeng Jinneng”) and Chifeng Xinneng New Energy Investment Co., Ltd. (“Chifeng Xinneng”). According to the agreement, in the case where Chifeng Xinneng fails to repay the bank loans on schedule, Beijing Tianrun shall repurchase the entire share interest in Chifeng Xinneng, and the consideration equals a certain percentage of the net assets of Chifeng Xinneng at that time. As at 30 June 2023, Chifeng Xinneng made profit and the Directors are of the view that it could pay the principal and interest of relevant loans on schedule. Therefore, the risk exposure from above repurchase clause is insignificant.

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account the legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

As at 30 June 2023, the amount of the subject matter of the pending litigation formed by the Group as the defendant was RMB2,792,120,000 (as at 31 December 2022: RMB2,717,326,000).

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 32. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

	As at 30 June 2023 (Unaudited) RMB'000	As at 31 December 2022 (Audited) RMB'000
Contracted, but not provided for property, plant and equipment and land use rights	12,557,331	9,114,477

## 33. RELATED PARTY TRANSACTIONS

(a) The Group had the following significant transactions with related parties during the period:

	For the six months ended 30 June 2023 (Unaudited) RMB'000	2022 (Unaudited) RMB'000
Beneficial connected shareholders of the Company:		
Sales of wind turbine generators and spare parts	97,636	40
Provision of technical services	30	127
	97,666	167
Beneficial shareholders of the Company:		
Purchases of spare parts	-	8,745
	-	8,745





# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 33. RELATED PARTY TRANSACTIONS (continued)

### (b) Commitments with related parties

The amount of total transactions with related parties for the period is included in Note 33(a) to the condensed consolidated financial statements. The Group expects the total transactions with related parties as follows:

	<b>The second half of 2023 (Unaudited) RMB'000</b>
Associates:	
Purchases of spare parts	511
Joint ventures:	
Provision of technical services	84,456
Purchases of processing services	962
	<b>85,929</b>

### (c) Outstanding balances with related parties

Details of the outstanding balances with related parties are set out in Notes 17, 19, 25 and 26 to these condensed consolidated financial statements.

### (d) Compensation of key management personnel of the Group

	<b>For the six months ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Short term employee benefits	13,204	12,366
Pension scheme contributions	383	294
Total compensation paid to key management personnel	<b>13,587</b>	12,660

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 33. RELATED PARTY TRANSACTIONS (continued)

### (e) Guarantee for related parties

Guarantee	As at 30 June 2023 (Unaudited) RMB'000	Guarantee period
An associate	233,241	From 28 May 2018 to 21 July 2023
An associate	98,731	From 28 March 2019 to 28 March 2024
	<b>331,972</b>	

  

Guarantee	As at 31 December 2022 (Audited) RMB'000	Guarantee period
An associate	229,091	From 28 May 2018 to 21 July 2023
An associate	99,114	From 28 March 2019 to 28 March 2024
	<b>328,205</b>	

The related party transactions with beneficial shareholders of the Company above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### (a) Financial risk factors

The main risks arising from the Group's financial instruments are fair value and cash flow interest rate risks, foreign currency risk, credit risk and liquidity risk.

As at 30 June 2023, the Group's net current assets amounted to approximately RMB6,000 million, its net cash outflows used in operating activities was approximately RMB8,071 million, and its net cash inflows from investing activities and net cash inflows from financing activities amounted to approximately RMB1,752 million and RMB954 million for the current period. The Group recorded a decrease in cash and cash equivalents (not including effect of foreign exchange rate changes) of approximately RMB5,366 million for the period.

The Group is dependent on its ability to maintain adequate cash inflow from operations, its ability to maintain existing external financing, and its ability to obtain new external financing to meet its debt obligations as they fall due and to meet its committed future capital expenditures. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. As at 30 June 2023, the Group had banking facilities with several banks and financial institutions for providing sufficient financing.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest bearing bank and other borrowings. The Group's policy is that not more than 70% of borrowings should mature in any 12-month period.

Under these circumstances, the Directors are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next 12-month and therefore have prepared these condensed consolidated financial statements on a going concern basis.

These condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2022 annual financial statements. There has not been any change in the risk management department or risk management policies since the year end of 2022.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (b) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

#### Financial assets

	As at 30 June 2023			Total (Unaudited) RMB'000
	Financial assets at fair value through profit or loss (Unaudited) RMB'000	Financial assets at fair value through other comprehensive income (Unaudited) RMB'000	Financial assets at amortised cost (Unaudited) RMB'000	
Equity investments designated at fair value through other comprehensive income	–	226,381	–	226,381
Financial assets at fair value through profit or loss	1,815,970	–	–	1,815,970
Other non-current financial assets	–	–	447,549	447,549
Trade and bills receivables	–	864,646	26,721,422	27,586,068
Financial receivables	–	–	4,284,178	4,284,178
Financial assets included in prepayments, other receivables and other assets	–	–	2,534,068	2,534,068
Derivative financial instruments	32,525	41,047	–	73,572
Contract assets	–	–	5,144,779	5,144,779
Pledged deposits	–	–	391,120	391,120
Cash and cash equivalents	–	–	10,508,673	10,508,673
	1,848,495	1,132,074	50,031,789	53,012,358

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (b) Financial instruments by category (continued)

#### Financial assets (continued)

	As at 31 December 2022			Total (Audited) RMB'000
	Financial assets at fair value through profit or loss (Audited) RMB'000	Financial assets at fair value through other comprehensive income (Audited) RMB'000	Financial assets at amortised cost (Audited) RMB'000	
Equity investments designated at fair value through other comprehensive income	–	157,316	–	157,316
Financial assets at fair value through profit or loss	2,081,427	–	–	2,081,427
Other non-current financial assets	–	–	392,425	392,425
Trade and bills receivables	–	1,855,034	24,286,356	26,141,390
Financial receivables	–	–	4,733,938	4,733,938
Financial assets included in prepayments, other receivables and other assets	–	–	3,067,901	3,067,901
Derivative financial instruments	92,716	105,544	–	198,260
Contract assets	–	–	4,653,485	4,653,485
Pledged deposits	–	–	381,838	381,838
Cash and cash equivalents	–	–	15,246,091	15,246,091
	2,174,143	2,117,894	52,762,034	57,054,071



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (b) Financial instruments by category (continued)

#### Financial liabilities

	As at 30 June 2023			
	Financial liabilities at fair value through profit or loss (Unaudited) RMB'000	Financial liabilities at fair value through other comprehensive income (Unaudited) RMB'000	Financial liabilities at amortised cost (Unaudited) RMB'000	Total (Unaudited) RMB'000
Trade and bills payables	–	–	34,651,876	34,651,876
Financial liabilities included in other payables and accruals	–	–	3,045,858	3,045,858
Derivative financial instruments	158,770	162,976	–	321,746
Interest-bearing bank and other borrowings	–	–	34,915,784	34,915,784
	<b>158,770</b>	<b>162,976</b>	<b>72,613,518</b>	<b>72,935,264</b>

	As at 31 December 2022			
	Financial liabilities at fair value through profit or loss (Audited) RMB'000	Financial liabilities at fair value through other comprehensive income (Audited) RMB'000	Financial liabilities at amortised cost (Audited) RMB'000	Total (Audited) RMB'000
Trade and bills payables	–	–	40,624,058	40,624,058
Financial liabilities included in other payables and accruals	–	–	2,144,870	2,144,870
Derivative financial instruments	52,206	14,231	–	66,437
Interest-bearing bank and other borrowings	–	–	35,419,233	35,419,233
	<b>52,206</b>	<b>14,231</b>	<b>78,188,161</b>	<b>78,254,598</b>

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (c) Fair value of financial instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	As at 30 June 2023		As at 31 December 2022	
	Carrying amounts (Unaudited) RMB'000	Fair values (Unaudited) RMB'000	Carrying amounts (Audited) RMB'000	Fair values (Audited) RMB'000
<b>Financial liabilities</b>				
Interest-bearing bank and other borrowings, non-current portion	28,440,247	28,426,815	28,366,188	28,351,172

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, contract assets, trade and bills receivables, financial receivables, financial assets included in prepayments, other receivables and other assets, other non-current financial assets, trade and bills payables, financial liabilities included in other payables and accruals, the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts.

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of pledged deposits, trade and bills receivables, financial receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the non-current portion of interest-bearing bank and other borrowings as at 30 June 2023 was assessed to be insignificant.

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (c) Fair value of financial instruments (continued)

The fair values of listed equity investments are based on quoted market prices. The Group has estimated the fair value of the restricted listed equity investment by using an Asian Option valuation model based on the quoted market prices and liquidity discount. The fair value of unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the Directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and calculates an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation (“EV/EBITDA”) multiple and price to earnings (“P/E”) multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The Directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group invests in unlisted investments, which represent wealth management products issued by banks in China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The Group enters into derivative financial instruments with the financial institutions with AAA credit ratings. Derivative financial instruments, including forward currency contracts, interest rate swaps and power price swaps contracts, are measured using valuation techniques similar to forward currency and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rate, interest rate curves and power price trend. The carrying amounts of the derivative financial instruments are the same as their fair values.

As at 30 June 2023, the mark-to-market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

	As at 30 June 2023			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Fair value measurement using Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Equity investments designated at fair value through other comprehensive income:				
Unlisted equity investments	–	–	226,381	226,381
Trade and bills receivables	–	864,646	–	864,646
	–	864,646	226,381	1,091,027
Financial assets at fair value through profit or loss:				
Limited partnership investments	–	–	120,000	120,000
Restricted listed equity investment	–	346,749	–	346,749
Listed equity investments	138,076	–	–	138,076
Unlisted equity investments	–	–	1,184,395	1,184,395
Others	–	–	26,750	26,750
	138,076	346,749	1,331,145	1,815,970
Derivative financial instruments:				
Forward currency contracts	–	73,572	–	73,572
	–	73,572	–	73,572
	138,076	1,284,967	1,557,526	2,980,569

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments (continued)

Assets measured at fair value: (continued)

	As at 31 December 2022			Total (Audited) RMB'000
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	
Equity investments designated at fair value through other comprehensive income:				
Unlisted equity investments	–	–	157,316	157,316
Trade and bills receivables	–	1,855,034	–	1,855,034
	–	1,855,034	157,316	2,012,350
Financial assets at fair value through profit or loss:				
Limited partnership investments	–	–	120,000	120,000
Listed equity investments	131,632	–	–	131,632
Unlisted equity investments	–	–	1,314,795	1,314,795
Wealth management products	–	500,000	–	500,000
Others	–	–	15,000	15,000
	131,632	500,000	1,449,795	2,081,427
Derivative financial instruments:				
Foreign exchange forward contracts	–	198,260	–	198,260
	–	198,260	–	198,260
	131,632	2,553,294	1,607,111	4,292,037

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments (continued)

Liabilities measured at fair value:

	As at 30 June 2023			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Derivative financial instruments:				
Forward currency contracts	–	321,746	–	321,746
	–	321,746	–	321,746
	As at 31 December 2022			
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	Total (Audited) RMB'000
Derivative financial instruments:				
Foreign exchange forward contracts	–	66,437	–	66,437
	–	66,437	–	66,437

During the six months ended 30 June 2023, an unlisted equity investment changed to restricted listed equity investment, therefore the fair value measurement of the equity investment transfers to Level 2 from Level 3. There were no transfers of fair value measurement between Level 1 and Level 2.



# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments (continued)

Liabilities for which fair values are disclosed:

	As at 30 June 2023			Total (Unaudited) RMB'000
	Quoted prices in active markets (Level 1) (Unaudited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Unaudited) RMB'000	Significant unobservable inputs (Level 3) (Unaudited) RMB'000	
Interest-bearing bank and other borrowings, non-current portion	–	28,440,247	–	28,440,247

  

	As at 31 December 2022			Total (Audited) RMB'000
	Quoted prices in active markets (Level 1) (Audited) RMB'000	Fair value measurement using Significant observable inputs (Level 2) (Audited) RMB'000	Significant unobservable inputs (Level 3) (Audited) RMB'000	
Interest-bearing bank and other borrowings, non-current portion	–	28,366,188	–	28,366,188

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments (continued)

#### Reconciliation of level 3 fair value measurements

	Financial assets at fair value through profit or loss RMB'000	Equity investments designated at fair value through other comprehensive income RMB'000	Derivative financial instruments RMB'000
At 1 January 2023 (Audited)	1,449,795	157,316	–
Transfers of fair value measurement	(188,811)	–	–
Total gains:	32,411	34,931	–
– in profit or loss	32,411	–	–
– in other comprehensive expenses	–	34,931	–
Purchased	37,750	37,255	–
Disposals	–	(5,226)	–
Exchange realignment	–	2,105	–
At 30 June 2023 (Unaudited)	1,331,145	226,381	–

# Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2023

## 34. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

### (d) Fair value hierarchy of financial instruments (continued)

#### Reconciliation of level 3 fair value measurements (continued)

	Financial assets at fair value through profit or loss RMB'000	Equity investments designated at fair value through other comprehensive income RMB'000	Derivative financial instruments RMB'000
At 1 January 2022(Audited)	1,000,830	282,942	85,937
Total gains/(losses):	64,210	(111,444)	–
– in profit or loss	64,210	–	–
– in other comprehensive expenses	–	(111,444)	–
Purchased	863,565	–	–
Disposals	(478,810)	(28,728)	(90,435)
Exchange realignment	–	14,546	4,498
At 31 December 2022 (Audited)	1,449,795	157,316	–

## 35. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 17 August 2023, the Company issued the First Tranche of Green Ultra-Short-Term Financing Bonds in 2023 of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.(Kechuang Note) (further details of which are set out in the Company's announcement made on 18 August 2023), with the issue amount of RMB750,000,000, the interest rate of 2.29% and the maturity date of 29 December 2023.

## 36. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved and authorised for issue by the board of directors on 21 August 2023.