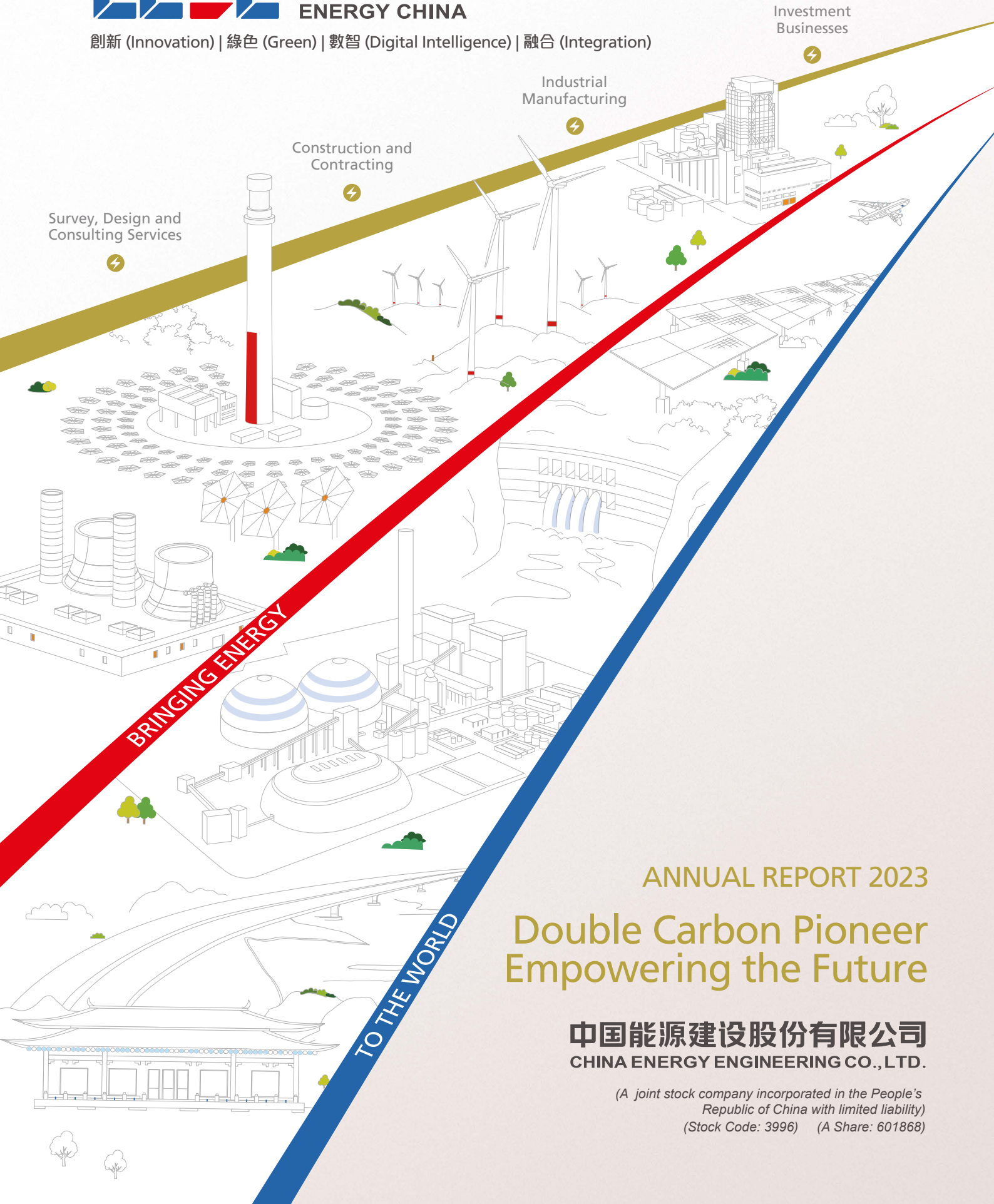




中国能建
ENERGY CHINA

創新 (Innovation) | 綠色 (Green) | 數智 (Digital Intelligence) | 融合 (Integration)



ANNUAL REPORT 2023

Double Carbon Pioneer Empowering the Future

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

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



Jilin Songyuan Green Hydro-aminol Integrated New Technology Demonstration Project

IMPORTANT NOTICE

I. The Board of Directors, the Board of Supervisors, Directors, Supervisors and senior management of the Company guarantee that the contents in this annual report are true, accurate and complete and have no false representations, misleading statements or material omissions, and they will individually and collectively accept legal responsibility for such contents.

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

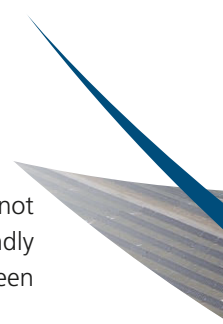
Position of absent Director	Name of absent Director	Reasons for absence	Name of proxy
Chairman	Song Hailiang	Other business arrangement	Zhao Lixin
Director	Ma Mingwei	Other business arrangement	Zhao Lixin
Director	Liu Xueshi	Other business arrangement	Cheng Niangao

III. Pan-China Certified Public Accountants LLP has issued an unqualified audit report to the Company.

IV. Song Hailiang, the person-in-charge of the Company, Li Lai Nar, the person-in-charge of accounting affairs, and Liu Aijun, the head of the accounting institution (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report in this annual report.

V. Profit distribution plan or plan to convert capital reserve into share capital reviewed and approved by the Board during the Reporting Period

Based on the Company’s total share capital of 41,691,163,636 shares, a cash dividend of RMB0.260 for every 10 shares (tax inclusive) will be distributed to all shareholders, a total of cash dividends of RMB1.084 billion will be distributed, and the remaining profits will be carried forward to the next year. During the year, the Company did not implement the conversion of capital reserve into share capital. The above profit distribution plan will take effect after being submitted to the Company’s 2023 annual general meeting for approval.



VI. Risks disclaimer of the forward-looking statements

Applicable Not Applicable

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

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

No

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

No

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

No

X. Material risk alert

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

XI. Others

Applicable Not Applicable

The Audit Committee of the Company has reviewed the annual results announcement for the twelve months ended 31 December 2023, the 2023 annual report and the audited financial statements for the year 2023 prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and the relevant regulations (hereinafter referred to as the “**PRC GAAP Standards**”), and did not raise any objection to the accounting policies and practices adopted by the Company. The reporting currency is RMB, unless otherwise specified. This report is prepared in Chinese and English versions. Should there be any discrepancies between the Chinese and English versions, the Chinese version shall prevail.



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- Documents Available for Inspection
1. Financial statements signed and sealed by the legal representative, chief financial officer and head of the accounting department.
-
2. Original copies of the auditor’s report signed and sealed by the accounting firms and certified accountants.
-
3. Original copies of all documents and announcements of the Company which had been disclosed to the public on China Securities Journal, Shanghai Securities News and Securities Times.
-
4. The 2023 annual results announcement published by the Company on the HKEXnews’s website (www.hkexnews.hk) and the Company’s website (www.ceec.net.cn) and 2023 annual report published by the Company on Shanghai Stock Exchange’s website (www.sse.com.cn).
-

DEFINITIONS

I. DEFINITIONS

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

DEFINITIONS OF THE FREQUENTLY USED TERMS

Company or our Company	refers to China Energy Engineering Corporation Limited (中國能源建設股份有限公司), a joint stock company with limited liability incorporated in the PRC on 19 December 2014
Group or our Group	refers to China Energy Engineering Corporation Limited and its subsidiaries
Energy China Group	refers to China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), the controlling shareholder of the Company
EPPE Company	refers to Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)
CGGC Group	refers to China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司)
Finance Company	refers to China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)
Investment Company	refers to China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)
Gezhouba Explosive	refers to China Gezhouba Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司)
Nanling Industry Explosive, Explosive	refers to Explosive Co., Ltd. (renamed in May 2023, formerly known as Hunan Nanling Industry Explosive Material Co., Ltd. (湖南南嶺民用爆破器材股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002096, abbreviation of stock: Explosive)
CEEGE	refers to China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)
Shanxi No. 2 Electric Power	refers to China Energy Engineering Group Shanxi No. 2 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團山西省電力建設二公司)
Beijing Power Construction	refers to China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)
Jiangsu No. 3 EPCE	refers to China Energy Engineering Group Jiangsu No. 3 Electric Power Construction Engineering Co., Ltd. (中國能源建設集團江蘇省電力建設第三工程有限公司)
Asset Management Company	refers to China Energy Engineering Group Asset Management Co., Ltd. (中國能源建設集團資產管理有限公司)
Cement Company	refers to China Gezhouba Group Cement Co., Ltd. (中國葛洲壩集團水泥有限公司)

Definitions

Eco-environment Company	refers to China Gezhouba Group Eco-environment Co., Ltd. (中國葛洲壩集團生態環保有限公司)
Guangdong Thermal Power	refers to China Energy Engineering Group Guangdong Thermal Power Engineering Co., Ltd. (中國能源建設集團廣東火電工程有限公司)
Zhejiang Thermal Power	refers to China Energy Engineering Group Zhejiang Thermal Power Construction Co., Ltd. (中國能源建設集團浙江火電建設有限公司)
Financial Leasing Company	refers to China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)
Fund Company	refers to Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)
Factoring Company	refers to Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)
Ping An Fund	refers to Zhongnengjian Ping An (Tianjin) Equity Investment Fund Management Co., Ltd. (中能建平安(天津)股權投資基金管理有限公司)
Board or Board of Directors	refers to the board of directors of China Energy Engineering Corporation Limited
Director(s)	refers to the director(s) of China Energy Engineering Corporation Limited
Board of Supervisors or Supervisory Committee	refers to the board of supervisors of China Energy Engineering Corporation Limited
Supervisor(s)	refers to the supervisor(s) of China Energy Engineering Corporation Limited
Reporting Period	refers to the period starting on 1 January 2023 and ended 31 December 2023
year-on-year	refers to comparison with the same period of the previous year
SSE Listing Rules	refers to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
Code of Corporate Governance for Listed Companies	refers to the Code of Corporate Governance for Listed Companies issued by the CSRC
Hong Kong Listing Rules	refers to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Model Code	refers to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
Corporate Governance Code	refers to the Corporate Governance Code as contained in Appendix C1 to the Hong Kong Listing Rules

Definitions

SFO	refers to the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
PRC or China	refers to the People's Republic of China
SASAC of the State Council	refers to the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)
CSRC	refers to the China Securities Regulatory Commission
Hong Kong Stock Exchange	refers to The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"One Belt and One Road"	refers to the initiative proposed by the People's Republic of China that focuses on connection and cooperation among countries primarily in Eurasia, which consists of two main components, the land-based "Silk Road Economic Belt" and ocean-going "Maritime Silk Road"
MW	refers to the measurement of electric power which equals to 1,000,000 watts. Alternatively, 1 MW equals to 1,000 kW
PPP	refers to Public-Private Partnership, which represents the benefit sharing, risk sharing and long-term cooperative relationship established by the government and social capital through franchising, service procurement, equity cooperation and others, in order to enhance the supply capacity of public products and services and improve the supply efficiency
PV	refers to the abbreviation of solar photovoltaic system, a technology that directly converts solar energy into electrical energy by making use of the photovoltaic effect of semiconductor materials
EPC	refers to a common form of contracting arrangement whereby the contractor is commissioned by the project owner to carry out project work such as design, procurement, construction and trial operations, or any combination of the above, either through the contractor's own labor or by subcontracting part or all of the project work, and is responsible for the quality, safety, timely delivery and cost of the project
BOT	refers to the build-operate-transfer mode. It is a model in which the government grants the concession rights of an infrastructure project to a contractor, where the contractor is responsible for the design, financing, construction and operation of the project during the concession period to recover its costs, repay debts and earn profits. Upon expiration of the concession period, the ownership of the project will be transferred back to the government
GIL	refers to Gas Insulated Metal Sealed Transmission Lines
CCUS	refers to Carbon Capture, the process of capturing carbon dioxide from industrial production by various means and then storing or utilizing it

Definitions

CMBS	refers to Commercial Mortgage Backed Securities, i.e. commercial real estate mortgage backed securities, which are issued by creditor banks using original commercial mortgage loans as capital
“1466” Strategy	refers to “one strategic vision” of being an industry-leading and world-class company; “four leading positions” in implementing national strategies, promoting the energy revolution, speeding up high-quality development and building a better life; and “six first-class” in building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment management provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment; and “six major breakthroughs” in promoting energy revolution and energy transformation development, accelerating high-quality development, deepening system reform, comprehensively strengthening scientific management, comprehensively improving the core competitiveness and organizational capacity of enterprises, and strengthening the party’s overall leadership and party building
Certain Opinions	refers to the Certain Opinions on Comprehensively Strengthening the Leadership of the Party, Accelerating High-quality Development, Deepening System Reform and Strengthening Scientific Management (《關於全面加強黨的領導、加快高質量發展、深化系統改革和加強科學管理的若干意見》)(CEEC Gu Fa [2020] No. 110)
“three-new” Energy Engineering	refers to the new energy, new infrastructure and new industry
“one innovation, three transformations”	refers to green and low carbon transformation, digital intelligence transformation, integration transformation guided by innovation
“seven networks”	refers to energy network, transportation network, digital network, water network, ecology network, industrial network and cultural network
“12 in place”	refers to safety awareness in place, risk identification and control in place, institutional system construction in place, safety measures in place, effective rigid training in place, resource allocation in place, safety management organization and capacity in place, dynamic supervision and inspection in place, reward and punishment mechanism in place, emergency management and emergency response in place, experience and lessons learning, absorption and sharing in place, safety culture construction in place
“two funds”	refers to accounts receivable and inventories

CHAIRMAN'S STATEMENT



Song Hailiang
Chairman

Dear Shareholders,

Time flies while we ring in the new year. We start another journey jauntily. Looking back on 2023, full of struggle and glory, we sincerely worked hand in hand and walked together an extraordinary road of enterprise boost and development. On behalf of the Board of Directors of the Company, I would like to express my sincere gratitude to the shareholders for their care and support for the reform and development of the Company in the past year!

Over the past year, we have been closely focusing on the new era, new journey, new mission and new tasks of central enterprises, vigorously implementing the Certain Opinions, "1466" and "three-new" Energy Engineering strategies, conscientiously carrying out the core development concepts of "innovation, green, digital intelligence and integration", comprehensively enhancing the core competitiveness of enterprise, enhancing core functions, and vigorously cultivating strategic emerging industries and future industries. The Company presented a favorable trend of accelerated gathering of new momentum, continuous amplification of new advantages, continuous burst of new vitality and rapid enhancement of influence of new brands as a whole.

We keep the big picture in mind and shoulder the responsibility bravely by firmly grasping the absolute principle of high-quality development in the new era, scientifically constructing the strategic system, and jointly building the "One Belt and One Road" in depth. The amount of newly-signed contracts, operating income, total profit and net profit increased by 22.4%, 10.82%, 2.44% and 8.00% year-on-year respectively. In particular, the amount of newly-signed contracts has achieved rapid growth for three consecutive years, reaching a new high on the basis of the stable RMB-trillion level. The operation quality and efficiency of the Company continued to improve, and the ranking of the Fortune Global 500 continued to rise. The Baihetan Hydropower Station selected as one of the "Top Ten Global Engineering Achievements" represents the highest level of hydroelectric technology development in the world today, and the comprehensive strength and brand influence of the Company have been significantly enhanced.

Chairman's Statement



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

We are determined to promote development through transformation by adhering to the focus on value creation, aiming at new tracks, researching and developing new technologies, planning for new industries, comprehensively promoting the “four transformations” of innovation, green, digital intelligence and integration, and vigorously cultivating new quality productive forces. The “key technology and equipment for new high-altitude wind power generation” was successfully approved as a national key research and development plan, and achieved significant breakthroughs in original technology. The amount of new energy contracts increased by 26.3% year-on-year. Historical breakthroughs have been made in demonstration projects such as Hubei Yingcheng Compressed Air Energy Storage Project, Anhui Jixi High-altitude Wind Energy Project and Shandong Zaohe Expressway Transportation and Energy Integration Project. The “seven networks integration” and industrial “four integrations” of a number of urban products and models have achieved new results, and the momentum of transformation and upgrading has been significantly enhanced.

We seek truth and pragmatism, and focus on reform by highlighting the pain points, bottlenecks and difficulties that constrain high-quality development as well as making practical moves, devising practical strategies and seeking practical results. The Company's three-year actions of reform and reform of three systems have received the highest grade in the assessment and evaluation by the SASAC of the State Council, and we successfully built Explosive into a professional listed company with leading comprehensive strength in China's civil explosive industry. We deeply promoted the “3+2” medium and long-term incentive mechanism, with a coverage of 100% in terms of tenure system and contractual assessment, and the reform vitality of the Company has been significantly enhanced.

Chairman's Statement

We strive for excellence in management by adhering to the comprehensive integration of new concepts, new ideas and new strategies into the system and processes, constantly upgrading modes and means, constantly consolidating the grassroots foundation, and collaborating to promote standardization and systematization of management in various fields such as finance, investment, production and safety, which has resulted in the formation of a number of new benchmarks and models of scientific management. Over the past year, the comprehensive budget management system and standard that penetrate all levels and formats have continuously improved. The amount of total investment increased by 37% year-on-year. Newly-commenced projects achieved “zero operating loss”, and there have been no major or higher production safety accidents. The effectiveness of scientific management has significantly improved.

These achievements have strengthened our ambition, confidence and prowess in work and entrepreneurship, and have gathered a magnificent force to strive for a new journey and create a new glory! Embarking on a new journey, we will deeply grasp the new situation, new tasks, new features, new values, new responsibilities and new inspirations, and strive to open up a new situation of high-quality development of the “three-new” Energy Engineering!

In the new year, we will do our best to deepen the reform of the system. We will further promote the action of deepening and upgrading reforms, research and establish high-end, specialized and intensive strategic research platforms and a support service platform for the “three-new (i.e. new energy, new infrastructure and new industry)” businesses, accelerate the establishment of and give full play to specialized research institutes on digitalization, hydrogen energy, marine energy, new power equipment, nuclear power construction, “seven networks” integration and water environment governance, and focus on strengthening the professional integration of strategic emerging industries and future industries. We will pilot the transformation of the management team from tenure system and contractual management to professional manager management, improve the mechanism for sharing excess profits, promote the “ice-breaking” of project dividends and equity incentives, and continuously release greater reform dividends.

In the new year, we will do our best to cultivate the momentum of development. We will strive to seize the “spring” of innovative development, and deeply implement the “three special actions” of creating original technology sources, tackling key core technologies and deeply integrating industry, academia, research and application, so as to systematically build a high ground for innovation. We will accelerate the green and low-carbon transformation, strengthen and expand the new energy, integrated energy storage, integrated hydrogen energy, green new materials and eco-environmental protection industries, and make every effort to polish the green base. We will accelerate the transformation of digital intelligence, comprehensively build the “digital brain” of the headquarters, develop a series of digital twin products, build several big data platforms, and promote further breakthroughs in the landmark projects of “Eastern Data, Western Computing (東數西算)”, so as to continuously consolidate the foundation of digital intelligence. We will accelerate the transformation of sharing and integration, plan and promote a number of landmark projects of “energy+” integration with strong integration effects and great demonstration significance, and comprehensively establish the “major integration” business brand.

Chairman's Statement

In the new year, we will do our best to improve the quality and efficiency of operations. We will take various measures and systematically promote the increase of cash, cost reduction, pressure on "two funds", and control of liabilities, to promote the increase of profits and efficiency to a new level. We will insist on comprehensive policies implementation and source control to further promote cost reduction and efficiency increase, and achieve greater breakthroughs in revenue enhancement. We will comprehensively strengthen resource allocation and overall coordination, adhere to refining resource allocation standards, strengthening centralized resource coordination and optimizing centralized material procurement, continuously improve resource allocation efficiency, and strengthen efficient linkage between the headquarters and key subsidiaries with more scientific and mature institutional mechanisms, so as to constantly build greater collaborative forces and create greater collaborative value.

In the new year, we will do our best to build a solid foundation for development. We will effectively strengthen the foundation of market operation, adhere to the integration of domestic and international efforts with same direction, continuously enhance the analysis and judgement capabilities, market development capabilities, integrated planning capabilities, secondary operation capabilities and bidding capabilities, continuously strengthen market competitiveness, stickiness and resilience, create key core markets, and promote the fulfilment of major projects. We will effectively strengthen the foundation of project management by focusing on the "strong performance" of system implementation, "strong implementation" of key projects, "strong support" of key measures and "strong synergy" of project supervision, so as to continuously improve the level of value creation. We will effectively strengthen the foundation of risk prevention and control, firmly and effectively build safety production defense lines, prevent and control risks in key areas, and improve the long-term mechanism for compliance management, so as to ensure that various types of risks are controllable, under control and able to control.

The road is bright, and the journey is forward. In the new year, we will orientate ourselves in the big picture, position ourselves in the big situation and set our strength in the big test. We will do our best to focus on implementation vigorously and speedily with truth-seeking and pragmatic principles and scientifically effective approaches. We will continue to work hard to create a brand-new situation of establishing high-quality development of "three-new" Energy Engineering, and give back to the Shareholders and the whole society with even better results.

Song Hailiang *Chairman*

Beijing, China

28 March 2024

CORPORATE INFORMATION AND KEY FINANCIAL INDICATORS

Founded on 19 December 2014, the Company is a joint stock company with limited liability established and cosponsored by China Energy Engineering Group Co., Ltd. (a central enterprise supervised and administered by the SASAC of the State Council), and its wholly-owned subsidiary, Electric Power Planning Engineering Institute Co., Ltd. The Company issued H shares under the initial public offering on 10 December 2015 and got listed on the main board of the Hong Kong Stock Exchange (Stock Code: 03996.HK), and got listed on the main board of the Shanghai Stock Exchange (stock code: 601868.SH) on 28 September 2021.

The Company is an ultra large comprehensive group company that provides systematic, integrated, full life cycle and package of development solutions and services to industries such as energy and power, infrastructure in the PRC as well as over the world. Its businesses cover traditional energy, new energy and comprehensive smart energy, water conservancy and water affairs, eco-environmental protection, comprehensive transportation, municipal administration, housing construction, real estate (new urbanization), building materials (cement, sand and gravel aggregate, etc.), civil explosive, equipment manufacturing, capital (finance) and other businesses, with a complete industrial chain integrating planning and consulting, evaluations and review, survey and design, construction and contracting and management, operational maintenance and investment operation, technical services, equipment manufacturing, and building materials. The Company successfully entered Global 500 for ten consecutive years and obtained front-row rankings in ENR Top 150 Global Engineering Design Firms, Top 225 International Design Firms, Top 250 Global Contractors and Top 250 International Contractors. The Company has set up over 200 overseas branch offices in more than 90 countries and regions with its businesses extending to over 140 countries and regions outside China.

The Company serves the national strategies and leads industry development by virtue of its leading technological levels and superb innovation capabilities. As of the end of 2023, the Company had 4 academician expert workstations, 14 workstations of postdoctoral scientific researchers, 6 national research institutions and 65 provincial research institutions and 142 high-tech enterprises. It obtained 48 National Science and Technology Progress Awards, more than 2,700 major scientific and technological achievements and 13,177 patents in force. It formulated and revised over 1,500 national and industry standards. As the leader and main force in the fields of energy power and infrastructure construction, the Company successively undertook a series of major projects related to the national economy and people's livelihood, such as the Three Gorges Project, South-to-North Water Diversion, West-East Gas Transmission, West-East Power Transmission and Third-Generation Nuclear Power, built a number of domestic backbone projects with global recognition such as projects of Wudongde, Baihetan, Hualong No.1, created notable results in the fields such as large-scale wind-photovoltaic-storage-transportation project, UHV multi-terminal hybrid direct current project, high altitude transmission and transformation project, 1,240 MW high-efficiency ultra-supercritical coal-fired power project, and constructed a number of China-made dams, China-made power, China-made networks, China-made towns, China-made highways and China-made bridges with energy engineering characteristics, presenting the advance and mature Chinese technology, Chinese equipment, Chinese quality, Chinese management and Chinese operation service to the world constantly.

Corporate Information and Key Financial Indicators

Adhering to a strategic vision of being an “industry-leading and world-class” company, the Company always adheres to being at the forefront of implementing national strategies, promoting the energy revolution, speeding up high-quality development and building a better life. The Company is committed to building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment management provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment. The Company is committed to obtaining breakthrough progress in promoting the energy revolution and energy transformation development, speeding up high-quality development, deepening systematic reforms, comprehensively enhancing scientific management, comprehensively improving the Company’s core competitiveness and organization ability, and strengthening the Party’s comprehensive leadership and the Party’s construction. The Company also accelerates the promotion of integration in depth among “seven networks”, i.e. the energy network, transportation network, digital network, water network, ecology network, industrial network and cultural network, makes every effort to build the “three-new” Energy Engineering platform, i.e. the new energy, new infrastructure and new industry, systematically builds the Company into the one with high quality development, accelerates the establishment of a world-class enterprise, and continuously creates more value for the customers, shareholders, employees and the society.

I. COMPANY INFORMATION

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

II. CONTACT PERSONS AND CONTACT METHODS

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

Corporate Information and Key Financial Indicators

III. BASIC COMPANY INFORMATION

Registered address	Room 01-2706, 1-24/F, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Historical change of registered address	N/A
Business address	Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC
Postal code of business address	100022
Business address in Hong Kong	31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
Company website	www.ceec.net.cn
Email	zgnj3996@ceec.net.cn

IV. INFORMATION DISCLOSURE AND PLACE FOR INSPECTION

Media name and website for disclosure of annual reports by the Company	China Securities Journal, Securities Times, Shanghai Securities News
Website of the stock exchange for disclosure of annual reports by the Company	Shanghai Stock Exchange website: www.sse.com.cn Website of HKExnews of the Hong Kong Stock Exchange: www.hkexnews.hk
Company website	www.ceec.net.cn
Place where the annual reports of the Company are available	Board Office, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing, the PRC

V. STOCK INFORMATION OF THE COMPANY

Class of shares	Stock exchange on which shares are listed	Stock abbreviation	Stock code	Stock abbreviation before the change
A Shares	Shanghai Stock Exchange	中國能建	601868.SH	/
H Shares	Hong Kong Stock Exchange	CH ENERGY ENG	03996.HK	/

Corporate Information and Key Financial Indicators

VI. OTHER RELATED INFORMATION

Board of the Company	Executive Directors	Song Hailiang, Ma Mingwei
	Non-executive Directors	Li Shulei, Liu Xueshi, Si Xinbo
	Independent non-executive Directors	Zhao Lixin, Cheng Niangao, Ngai Wai Fung
Board of Supervisors of the Company	Supervisors	He Jiansheng, Wu Daozhuan (employee representative Supervisor), Kan Zhen (employee representative Supervisor), Mao Fengfu, Lv Shisen
Strategy Committee	Members	Song Hailiang (Chairperson), Li Shulei, Si Xinbo
Nomination Committee	Members	Song Hailiang (Chairperson), Zhao Lixin, Cheng Niangao
Remuneration and Assessment Committee	Members	Cheng Niangao (Chairperson), Liu Xueshi, Ngai Wai Fung
Audit Committee	Members	Zhao Lixin (Chairperson), Li Shulei, Ngai Wai Fung
Supervisory Committee	Members	Zhao Lixin (Chairperson), Li Shulei, Ngai Wai Fung
Accounting firm appointed by the Company	Name	Pan-China Certified Public Accountants LLP
	Office address	6th Floor, No. 128, Xixi Road, Xihu District, Hangzhou City, Zhejiang Province, the PRC
	Signing accountants	Wang Wenfeng, An Changhai
The sponsor to perform continuous supervision duties during the Reporting Period	Name	China International Capital Corporation Limited
	Office address	27th and 28th Floor, China World Tower 2, No. 1 Jianguomen Wai Avenue, Chaoyang District, Beijing
	Signing representative of sponsor	Zhang Xuekong, Dang Yi
	Period of continuous supervision	28 September 2021 to 7 May 2023
The sponsor to perform continuous supervision duties during the Reporting Period	Name	Huatai United Securities Company Limited
	Office address	Room 401, Building B7, Qianhai Shenzhen-Hong Kong Fund Town, No. 128, Guiwan 5th Road, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen
	Signing officers of financial advisors	Luo Yiping, Huang Tao
	Period of continuous supervision	28 September 2021 to 7 May 2023
The sponsor to perform continuous supervision duties during the Reporting Period	Name	CITIC Securities Company Limited
	Office address	CITIC Securities Building, No. 48 Liangmaqiao Road, Chaoyang District, Beijing
	Signing representative of sponsor	Zhang Yang, Zhao Wei
	Period of continuous supervision	8 May 2023 to 31 December 2023

Corporate Information and Key Financial Indicators

Legal advisors engaged by the Company (as to PRC law) in 2023	Name	Beijing Tian Yuan Law Firm
	Office address	Suite 509, Tower A, Corporation Square, 35 Financial Street, Xicheng District, Beijing
Legal advisors engaged by the Company (as to Hong Kong law) in 2023	Name	Clifford Chance
	Office address	27/F, Jardine House, One Connaught Place, Central, Hong Kong
Legal advisors engaged by the Company (as to PRC law) in 2024	Name	DeHeng Law Offices
	Office address	12/F, Tower B, Focus Place, 19 Finance Street, Xicheng District, Beijing
Legal advisors engaged by the Company (as to Hong Kong law) in 2024	Name	King & Wood Mallesons
	Office address	13/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong
A Share registrar of the Company	Name	China Securities Depository and Clearing Company Limited Shanghai Branch
	Office address	188 South Yanggao Road, Pudong New Area, Shanghai
H Share registrar of the Company	Name	Computershare Hong Kong Investor Services Limited
	Office address	Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

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

(I) Key Accounting Data

Unit: '000 Currency: RMB

Key accounting data	2023	2022		Change over the corresponding period last year (%)	2021
		After adjustment	Before adjustment		
Operating income	406,031,848	366,395,814	366,393,301	10.82	322,318,565
Net profit attributable to shareholders of listed company	7,986,116	7,824,139	7,809,343	2.07	6,504,102
Net profit excluding non-recurring profit or loss attributable to shareholders of listed company	7,162,814	5,721,581	5,706,785	25.19	5,071,829
Net cash flows from operating activities	9,486,032	7,936,761	7,934,299	19.52	8,844,178

Corporate Information and Key Financial Indicators

	End of 2023	End of 2022		Change over the end of the corresponding period last year (%)	End of 2021
		After adjustment	Before adjustment		
Net assets attributable to shareholders of listed company	110,464,737	101,871,452	101,893,661	8.44	94,198,680
Total assets	783,156,193	664,552,152	664,351,125	17.85	528,862,588

(II) Key Financial Indicators

Key financial indicators	2023	2022		Change over the corresponding period last year (%)	2021
		After adjustment	Before adjustment		
Basic earnings per share (RMB per share)	0.18	0.18	0.18		0.19
Diluted earnings per share (RMB per share)	0.18	0.18	0.18		0.19
Basic earnings per share excluding non-recurring profit or loss (RMB per share)	0.16	0.13	0.13	23.08	0.14
Weighted average return on net assets (%)	7.88	8.48	8.46	Decreased by 0.60 percentage point	8.55
Weighted average return on net assets excluding non-recurring profit or loss (%)	7.03	6.10	6.09	Increased by 0.93 percentage point	6.55

As there were no dilutive potential ordinary shares, diluted earnings per share equals to basic earnings per share.

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

Applicable Not Applicable

Corporate Information and Key Financial Indicators

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

(I) Differences between Net Profit and Net Assets Attributable to Shareholders of Listed Company in Financial Reports Disclosed in accordance with International Accounting Standards and PRC GAAP Standards

Applicable Not Applicable

(II) Differences in Net Profit and Net Assets Attributable to Shareholders of Listed Company in Financial Reports Disclosed in accordance with Foreign Accounting Standards and PRC GAAP Standards

Applicable Not Applicable

(III) Differences between Domestic and Foreign Accounting Standards

Applicable Not Applicable

IX. KEY FINANCIAL DATA BY QUARTER IN 2023

Unit: '000 Currency: RMB

	Q1 (January to March)	Q2 (April to June)	Q3 (July to September)	Q4 (October to December)
Operating income	88,515,555	103,604,083	93,193,325	120,718,885
Net profit attributable to equity holders of listed company	1,131,371	1,526,176	415,752	4,912,817
Net profit excluding non-recurring profit or loss attributable to equity holders of listed company	1,022,782	1,325,472	536,778	4,277,782
Net cash flows from operating activities	-15,450,431	1,818,682	-1,115,285	24,233,066

Differences between quarterly information and disclosed periodic report

Applicable Not Applicable

Corporate Information and Key Financial Indicators

X. NON-RECURRING PROFIT AND LOSS ITEMS AND AMOUNTS

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Non-recurring profit and loss items	Amount in 2023	Amount in 2022	Amount in 2021
Gain or loss from disposal of non-current assets, including the offset part provided for asset impairment	305,289	1,781,687	1,027,612
Government grants included in current profit or loss (other than government grants which are closely related to the Company's normal operations, granted based on fixed standards according to the state policies and have continuous impact on the Company's profit or loss)	410,165	1,131,096	901,198
Gain or loss on changes in fair value from financial assets and financial liabilities held by non-financial enterprises and gain or loss from disposal of financial assets and financial liabilities, except for effective hedging transactions that are related to the Company's normal operation	276,939	2,917	2,309
Capital occupation fee charged to non-financial enterprises included in current profits and losses	22,288	92,561	56,899
Current net profit or loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the period to the date of merger	1,064		
Gain or loss on debt restructuring	56,948	19,490	28,896
Anticipated litigations	-22,549	-134,271	-1,399,800
Other non-operating income and expenses other than the above	-48,644	35,093	302,188
Less: Effect of income tax	166,120	821,726	366,248
Effect of minority interest (after tax)	12,078	4,289	-879,219
Total	823,302	2,102,558	1,432,273

Largest Wind-Photovoltaic-Storage Integration Demonstration Project in China - Ulaanchabu Green Power Plant



Corporate Information and Key Financial Indicators

XI. ITEMS MEASURED AT FAIR VALUE

Applicable Not Applicable

Unit: '000 Currency: RMB

Name of item	Opening balance	Closing balance	Change in the period	Amount of impact on current profit
Financial assets held for trading	3,080,541	421,629	-2,658,912	110,861
Other non-current financial assets	8,699,355	10,726,518	2,027,163	304,336
Receivables financing	849,501	980,144	130,643	
Investment in other equity instruments	2,185,285	2,371,845	186,560	89,459
Total	14,814,682	14,500,136	-314,546	504,656

XII. OTHERS

Applicable Not Applicable

MANAGEMENT DISCUSSION AND ANALYSIS (REPORT OF THE BOARD)

I. DISCUSSION AND ANALYSIS ON OPERATIONS

The year 2023 was an extremely challenging and extraordinary year in the course of the Company's reform and development. Over the past year, the Company has always firmly adhered to General Secretary Xi Jinping's series of important speeches and important instructions, resolutely implemented the deployment and requirements of the SASAC of the State Council, vigorously practiced the Certain Opinions, "1466" and "three-new" Energy Engineering strategies, accurately grasped the overall situation and momentum, effectively harnessed complex changes, and comprehensively played a unique advantage. The Company in general demonstrated a favorable trend of accelerated gathering of new driven force, continuous amplification of new advantages, continuous burst of new vitality and rapid enhancement of the influence of new brands. During the year, the Company completed newly-signed contracts amounting to RMB1,283.73 billion, representing a year-on-year increase of 22.4%; achieved operating revenue of RMB406.032 billion, representing a year-on-year increase of 10.82%; realized total profit of RMB14.011 billion, representing a year-on-year increase of 2.44%; and realized net profit of RMB11.256 billion, representing a year-on-year increase of 8.00%.

(I) Deeply Promoted Energy Transformation and Strategically Led Upgrading and Advancement.

As the main force and leader in the field of energy, power and infrastructure construction, the Company resolutely practiced and served the national strategy, and actively promoted the energy revolution and energy transformation development. In 2023, the Blue Book on the Development of the New Electric Power System which the Company participated in preparation has been released; the Baihetan Hydropower Station constructed by the Company has been selected as one of the "Top Ten Global Engineering Achievements"; the Yalongjiang Photovoltaic Power Station, which is the world's first megawatt-scale hydropower-photovoltaic complementary project, and the Gansu Changle Power Plant, which is the largest megawatt-sized installed unit in China, both designed and constructed by the Company, were put into operation; and the Ulaanchabu Green Power Plant invested and constructed by the Company, which is the largest wind-photovoltaic-storage integration demonstration project in China, was successfully connected to the grid, further consolidated the Company's position as a leading player in the field of energy construction. The Company has systematically drawn and continuously optimized a new blueprint for building a world-class enterprise, and further clarified a clear "strategic map" which takes strategic emerging industries and future industries with energy engineering characteristics as its core focus, building the "three-new" Energy Engineering of new energy, new



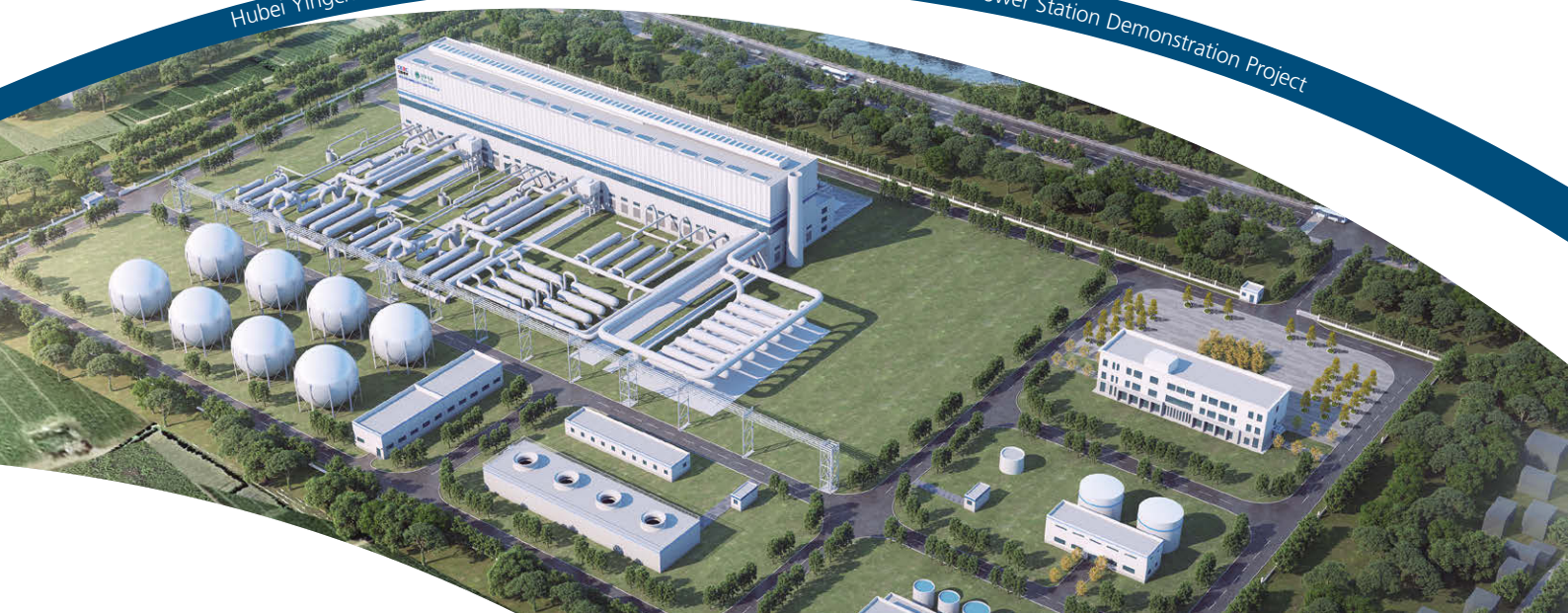
Management Discussion and Analysis (Report of the Board)

infrastructure and new industry as core pillars, and promoting innovation, green, digital intelligence and integration as its core path. Relying on the Company's unique advantages in the field of energy and electricity, the Company has focused on the industries including new energy, energy storage, hydrogen energy, assembled buildings, green building materials, green and environmental protection and high-end equipment, and has actively built a highland of originality and creativity, strived to become the head of a modern industrial chain, and made every effort to cultivate a new quality productive forces.

(II) Vigorously Implemented the High-end Marketing and Comprehensively Demonstrated the Brand Image.

In 2023, the Company launched more than 120 high-end docking activities; deeply participated in more than 40 events, including Bo'ao Asia Forum, the Sixth Session of China International Import Expo, the First Session of China International Supply Chain Promotion Expo, the Third Session of "One Belt and One Road" Forum for International Cooperation and other series of high-end forums; organized 13 thematic forums of the "Four Alliances", which include the "three-new" Alliance, the New Energy Storage Industry Innovation Alliance, the Supply Chain Alliance and the New Energy International Investment Alliance; led the planning of the "Energy China's Middle Asia – Middle East Tour" and launched a series of exchanges on building the "One Belt and One Road" in Central Asia, the Middle East and other areas, which effectively attracted a number of major overseas projects. The Company's newly signed contract amount achieved rapid growth for three consecutive years, reaching a new high on the basis of the RMB trillion platform. During the year, the Company's newly signed domestic contracts amounted to RMB1,003.00 billion, representing a year-on-year increase of 23.9%, while the newly signed overseas contracts amounted to RMB280.73 billion, representing a year-on-year increase of 17.1%, of which, the newly signed contracts in the markets along the "One Belt and One Road" amounted to RMB267.38 billion, representing a year-on-year increase of 62.0%, ranking first among central enterprises in terms of contract amount. The ranking of the Company among the Fortune Global 500 continued to rise. The Company ranked 192nd among the Top 500 Global Brands, ranked 2nd among the Top 150 Global Engineering Design Enterprises, ranked 20th in the Top 225 International Engineering Design Enterprises, and ranked 10th among the Top 250 Global Engineering Contractors, which has significantly increased the awareness, reputation and influence of the corporate brand of the Company.

Hubei Yingcheng 300MW Natural Salt Cavern Compressed Air Energy Storage Power Station Demonstration Project



Management Discussion and Analysis (Report of the Board)

(III) Accelerated the Transformation and Upgrading of Development and Realized the “Three-New” Energy Engineering on a New Stage.

The Company built a “three-new” Energy Engineering pattern by closely focusing on the core development concepts of “innovation, green, digital intelligence and integration”. **The new energy business accelerated leading position.** During the year, the Company realized a year-on-year increase of 14.5% in newly signed contract amount and a year-on-year increase of 38.41% in operating income, with both accounting for more than 30% of the total; newly gained wind and photovoltaic power new energy development indicator of 20.097 million kW; acquired more than 50 new-type energy storage and hydrogen projects, with a total installed scale of more than 5.5 million kW; signed contracts for pumped storage projects of more than 16.00 million kW installed scale, which were included in the planning of the “14th Five-Year Plan”; our pumped storage project in Pingchuan, Gansu Province created the fastest speed in the industry from survey and design to approval and commencement of construction; and a number of large base projects, including the wind-photovoltaic-thermal-storage integrated energy project in Chongzuo City, Guangxi, which is invested and constructed by the Company, realized grid-connected power generation. As at the end of 2023, the controlled installed capacity of new energy by the Company amounted to 9.511 million kW, nearly doubling its installed capacity as compared with that at the end of 2022, and the development of the new energy business had strong momentum. **New infrastructure business continued to make breakthroughs.** The Company successfully created a first mover advantage in the integration of “energy +” development, giving rise to a new mode of new business; the first transportation and energy integrated demonstration project for the integration of photovoltaic, energy storage and charging in the entire highway area in China, which is invested and constructed by the Company, realized grid-connected power generation, and gained wide attention from the society; the Gansu Qingyang “Eastern Data, Western Computing (東數西算)” source-network-load-storage integrated smart zero carbon big data industrial park demonstration project, which is planned and implemented by the Company, successfully connected the computing power network and the power grid, created a new model, and was included in the list of the first batch of source-network-load-storage integrated pilot projects under the “14th Five-Year Plan” of Gansu Province; and the Energy China Building phase II zero-carbon smart park project, which is invested and constructed by the Company, was selected as a national science and technology demonstration project under the “14th Five-Year Plan”, becoming a model for near-zero-carbon buildings. The Company successfully obtained a number of RMB10 billion integration demonstration projects, including the Jiangsu Wuxi Xiyan Lake ecological science and technology city, and the urban renewal project of the Shimei’an area in Lichang District in Qingdao, Shandong and continued to explore and create a new benchmark for the integrated development of the industry. **Accelerated the deployment and development of new industries.** The Company focused on building a value symbiosis system, and vigorously developed new green materials and ecological and environmental protection industries around new energy and new infrastructure. The “innovative technology to regenerate soil based on industrial and agricultural solid waste” developed by the Company won the “Zero Carbon China” Top Ten Innovative Technologies, and the “new photovoltaic building materials” developed by the Company won the “China Top Ten BIPV (Photovoltaic Building Integration) Brand” at the 15th Session of China (Wuxi) International New Energy Conference and Exhibition. The Company gave full play to the advantages of the “assembled + coal gangue” model, signed the Datong Coal Gangue Project, the first 10 million-ton coal gangue resources integrated utilization project in China; and obtained a number of green mine projects, such as Liaoning Jianping project, Henan Nanzhao project and Hainan Ding’an project, its influence in the industrial building materials industry continued to increase. In 2023, the Company increased its investment in strategic new industries, with the investment in new energy, “energy+”, “green+” and other strategic emerging industries increasing by 64%.

Management Discussion and Analysis (Report of the Board)

(IV) Strengthened Core Technology Tackling and Accelerated Breakthroughs in Scientific and Technological Innovation.

We focused on strategic emerging industries and future industries. With focus on the “one center” of “30•60” system solutions and the “two support points” of energy storage and hydrogen energy, the Company has made precise efforts to vigorously promote the development of key core technologies and the industrialization and application of new technologies. In 2023, the Company’s R&D expenses amounted to RMB12.98 billion, representing a year-on-year increase of 24.31%. **In the field of new energy**, the Company researched and mastered new power system planning key technologies to adapt to large-scale and high proportion of new energy, and comprehensively tackled high-voltage and large-capacity flexible DC transmission key technologies, effectively solved the problems of large-scale access to new energy and large-scale interconnection of power grids; carried out the pilot demonstration of source-grid-load-storage integration, and innovatively created new-generation green power plant demonstration projects in Ulaanchabu, Inner Mongolia and Chongzuo, Guangxi, and created a new mode of new energy supply and consumption. **In the field of energy storage**, the Company opened up two key technology routes for compressed air energy storage in natural salt caverns and artificial cavities, formed the “300MW compressed air energy storage system solution” with characteristics of China Energy, and implemented new technology demonstration projects in the integration of “research, investment, construction and operation” such as Hubei Yingcheng 300MW natural salt cavern compressed air energy storage project and Gansu Jiuquan 300MW artificial cavity compressed air energy storage project, which have led the energy storage technology to reach the leading level in the international arena. Among which, the Hubei Yingcheng new technology demonstration project, which is the world’s first unit (set) 300MW non-supplemental combustion compressed air energy storage power station, fully entered the commissioning stage, which created a new route for large capacity compressed air energy storage that is green, zero-carbon, efficient and economical; and the Gansu Jiuquan 300MW energy storage power station project, which is the first artificial cavity compressed air energy storage new technology demonstration project, realized the orderly construction and cracked the worldwide problem of compressed air energy storage restricted by geographical conditions. The Company completed the delivery of the first batch of cell products for electrochemical energy storage batteries, passed a third-party inspection for the self-developed 280Ah cell products, and vigorously promoted the operation of production lines in Xiamen and Wuxi. The Company strengthened the scientific research and development of gravity energy storage and accelerated the implementation of the 60MW/360MWh gravity energy storage demonstration project in Zhangjiakou, Hebei. **In the field of hydrogen energy**, the Company focused on the core fields of hydrogen energy, such as green power to green hydrogen, green hydrogen to green ammonia and seawater desalination, and seized the industrial highland. The Company has successfully developed 1,500Nm³/h alkaline electrolytic water hydrogen production equipment, built China’s first 8MW-class large-scale alkaline electrolytic water hydrogen production unit testing platform; designed and constructed the world’s largest green hydrogen-ammonia-alcohol integration new technology demonstration project in Songyuan, Jilin, the construction of which is underway, and upon completion, it will promote the large-scale development of hydrogen production from renewable energy and green hydrogen-based chemistry. In addition, the Company **continued to promote digital industrialization**, systematically built digital technologies, digital products, digital services and digital solutions, innovated and iterated products such as smart power plants, smart grids, smart energy, smart construction sites, smart parks, smart equipment, etc., improved big data platforms for electric power planning, offshore wind power and new type of energy storage, created an “incubator” of enterprise digitalization capability and formed a “force” for digital industrial development.

Management Discussion and Analysis (Report of the Board)

(V) Paid Close Attention to Quality Enhancement, Efficiency Enhancement and Empowerment, and Significantly Improved Scientific Management.

The Company continued to deepen reform, scientifically formulated the “three implementation plans” of the actions for deepening and improving reform, building a world-class enterprise and benchmarking value creation actions. The Company implemented a total of 160 specific reform measures, increased five “double-hundred” and “science and reform” enterprises, deepened the promotion of the “3+2” medium and long-term incentive mechanism and achieved 100% coverage of the tenure system and contractual assessment. In 2023, the three-year action and three systems reform of the Company received the highest grade in the assessment and evaluation by the SASAC of the State Council. **The Company solidly carried out revenue enhancement and cost reduction**, and deepened headquarter to headquarter financial cooperation, with the average financing interest rate lowering by 32 basic points compared to the beginning of the year. The Company flexibly utilized various methods such as asset disposal and equity transfer to effectively revitalise existing assets. The centralized insurance management facilitated a decrease in average rates. **The Company innovated the capital operation model**, and completed the major asset restructuring of Explosive, its controlling listed company, as well as ancillary fund raising, raising a total proceeds of RMB1.339 billion, which was the first “professional integration and integrated restructuring + ‘A + H’ spin-off + shell listing + central-local docking + ancillary fund raising” model in the domestic capital market, provided a new model for listing through spin-off and restructuring for central and local cooperation and domestic capital market, and further consolidated the leading position of “Civil Explosives of Energy China” in the civil explosives industry. The Company actively promoted the initial refinancing of A-shares and made phased progress. The Company successfully issued technological innovation bonds and other bonds amounting to RMB7 billion, and Gezhouba Group, a subsidiary of the Company, successfully obtained the first R&D loans of RMB600 million in the construction industry from the China Development Bank, which provided strong financial support for the Company’s technological innovation. City Development Company, a subsidiary of the Company, successfully issued CMBS of Capella Hotel, raising proceeds of RMB2.1 billion, which opened up medium and long-term financing channels for the Company’s real estate sector. **The Company continued to improve “one profit and five ratios (一利五率)”**. In 2023, the assessment indicators of the Company such as total profit, gearing ratio, operating cash ratio, labor productivity of all employees and R&D investment intensity continued to be optimized, and the quality and efficiency of the Company’s operations were steadily enhanced. **The Company continued to strengthen project management**, systematically carried out the special action of “Project Performance Improvement Year”, and strengthened the management of major projects. In 2023, the Company won 23 national quality engineering awards and 1,186 provincial and ministerial quality awards. **The Company continuously improved the “Large Risk Control” system** and vigorously promoted the “three special actions” of legal compliance control. The Company carried out a series of actions and initiatives such as the actions of the year of strengthening safety management and special investigations and rectification of major accident and potential hazards, and no major or more severe production safety accidents occurred throughout the year.

Management Discussion and Analysis (Report of the Board)

II. INDUSTRY SITUATION OF THE COMPANY DURING THE REPORTING PERIOD

(I) Power Industry

1. *New energy and comprehensive smart energy*

In 2023, the domestic new energy industry maintained a strong development trend. The development and construction have been accelerated. The first batch of large wind power bases has been completed and connected to the grid with an installed capacity of 45.16 million kilowatts, and the second and third batches have been approved with an installed capacity of more than 50 million kilowatts. The cumulative installed capacity of power generation in China was growing rapidly. The installed capacity of solar power generation was approximately 610 million kilowatts, representing a year-on-year increase of 55.2%, and the installed capacity of wind power was approximately 440 million kilowatts, representing a year-on-year increase of 20.7%. The wind and photovoltaic power generation capacity exceeded the domestic electricity consumption of urban and rural residents during the same period, accounting for over 15% of the total electricity consumption of the whole society. Over the past decade, the average cost per kilowatt hour of wind and photovoltaic power generation projects worldwide cumulatively decreased by over 60% and 80%, respectively. The new energy storage was developing rapidly. The cumulative installed scale of new energy storage projects that have been completed and put into operation in China reached 31.39 million kilowatts. In 2023, the new installed scale was approximately 22.6 million kilowatts, representing an increase of over 260% compared with 2022, which is nearly ten times of the installed scale at the end of the “13th Five-Year Plan” period. The industry, provincial and municipal carbon peak action plans, renewable energy development plans, medium- and long-term plans for hydrogen energy industry development and other policies have been released successively, providing protection for the high-quality development of new energy in the new era.

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

Management Discussion and Analysis (Report of the Board)

2. Traditional energy

In 2023, the overall development of domestic traditional energy was stable. The cumulative average utilization time of power generation equipment at power plants with a capacity of 6,000 kilowatts and above in China was 3,592 hours, representing a decrease of 101 hours compared with the same period last year. The major power generation enterprises completed investment in power engineering amounting to RMB967.5 billion, representing a year-on-year increase of 30.1%. The completed investment in power grid construction projects amounted to RMB527.5 billion, representing a year-on-year increase of 5.4%. The cumulative installed capacity of thermal power was approximately 1.39 billion kilowatts, representing a year-on-year increase of 4.1%; the cumulative installed capacity of nuclear power was approximately 56.91 million kilowatts, representing a year-on-year increase of 2.4%; the installed capacity of hydropower was approximately 420 million kilowatts, representing a year-on-year increase of 1.8%.

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

(II) Water Conservancy and Environmental Industries

1. Water conservancy

2023 was the year we began to implement the Outline of National Water Network Construction Plan. The construction of the main backbone and arteries of the national water network has been accelerating, the construction of provincial-level water network pilot zones continued to be promoted, and municipal and county-level water network pilot zones were launched one after another. 44 major water conservancy projects, such as Jilin water network backbone project, major water conservancy project for upgrading grain production capacity in Heilongjiang, Xiong'an main canal and Guangxi water resource allocation of Beibu Gulf Rim, have commenced construction. The investment in water conservancy construction completed throughout the year was RMB1,199.6 billion, reaching a new record high on the basis of the RMB-trillion level for the first time in 2022. A number of major water conservancy projects achieved key milestone goals. The mainbody project of the Xijiang Datang Gorge Water Conservancy Hub was completed. The preliminary water diversion of the Hanjiang to Weihe River Water Transport Project and the trial water diversion of the Yangtze River to Huaihe River Water Transport Project were completed. The Guangdong Pearl River Delta Water Resources Allocation Project has been ready for full-scale water supply. The construction of the Yangtze River to Hanjiang River Water Transport Project and the Dianzhong Water Diversion Project was accelerated, and the water impoundment of Heihe Huangzang Temple Water Conservancy Hub was completed.

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

Management Discussion and Analysis (Report of the Board)

2. *Eco-friendly*

In 2023, the practice of the beautiful China construction was actively promoted in China, with solid promotion of green and low-carbon high-quality development, active promotion of carbon reduction and synergy, and the development of multi-level and multi-field collaborative innovation in pollution reduction and carbon reduction. The Management Measures for Voluntary Emission Reduction Transaction of Greenhouse Gases (Trial), the Administrative Penalty Measures for Ecological Environment, the Action Plan for Methane Emission Control and the Technical Guidelines for On-site Supervision and Inspection of Domestic Waste Incineration Power Plants, etc. were released.

The Company regarded the eco-environmental protection industry as a key development direction, and committed to carrying out key technology research and actively seizing the ecological and environmental protection market.

(III) **Transportation Industry**

In 2023, China accelerated the construction of a strong transportation country and expanded investment in transportation infrastructure. The development of railway construction remained relatively high level, with fixed asset investment of RMB764.5 billion completed on national railway, and 3,637 kilometers of new lines put into operation, including 2,776 kilometers of high-speed railways; rural road network construction and upgrading continued to advance, with all 3,461 natural villages along the border in China accessible by postal communication; highway construction sped up, with more than 8,000 kilometers of newly constructed and renovation and expansion highways; urban rail construction reached a new level, adding 581.7 kilometers of urban rail transit lines throughout the year, with the mileage in operation reached 10,165.7 kilometers. The construction of major projects such as the Sichuan-Tibet Railway and its supporting highways, the Western Land-Sea New Corridor (Pinglu) Canal Project and the container terminal of Xiaoyangshan North Operation Area were accelerated.

The Company is a new force in transportation, especially in the field of highways. The Company participated in the investment and construction of highways with a total mileage of more than 3,000 kilometers, and has created a number of exemplary projects in the industry.

Management Discussion and Analysis (Report of the Board)

(IV) Construction Industry

In 2023, under the impact of the downward fall of the domestic real estate industry and the contraction of the demand side, the domestic construction industry achieved a total annual output value of RMB31.6 trillion, representing an increase of 5.8% year-on-year, and the construction area of properties in the construction industry was 15.1 billion square meters, representing a year-on-year decrease of 1.5%. The pace of transformation and upgrading of the construction industry accelerated. The construction of good properties was promoted through changes in the construction methods, and the pilot of smart cities construction was promoted, so as to create a model of good properties. The energy-saving renovation of existing buildings and the treatment of black and odorous water bodies in county-level cities were promoted, and the construction of urban garden greening was strengthened. In terms of urban construction, urban renewal was carried out in an orderly manner, and urban review was launched comprehensively. Urban renewal was implemented with a focus on the problems identified during the urban review, and the pilot of complete community construction was carried out. The added value of the construction industry during the year was RMB8,569.1 billion, representing an increase of 7.1% over the previous year. The profit of general contracting and professional contracting construction enterprises with qualification grades nationwide was RMB832.6 billion, representing an increase of 0.2% over the previous year, of which the profit of state-owned controlling enterprises was RMB401.9 billion, representing an increase of 4.3%.

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

(V) Manufacturing

1. Cement

In 2023, cement demand across the country experienced a fall due to continuous adjustments of the real estate market. The annual cement production was 2.02 billion tonnes, decreased by 0.7% year-on-year. Cement production hit a new low in nearly 13 years. Although the pivot of coal prices moved downwards, the cement prices fell sharply, and industry profits shrunk significantly.

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

2. Civil explosives

In 2023, the main economic indicators of civil explosive enterprises continued to grow. The gross production and sales completed by civil explosive production enterprises increased by 10.9% and 11.7% year-on-year, respectively. The total production and sales of industrial explosives increased by 4.3% and 4.6% year-on-year, respectively.

The Company has integrated services for mixed explosives and independent research and development capabilities, and its market coverage, profitability and integrated service capabilities are at the forefront of the industry.

Management Discussion and Analysis (Report of the Board)

3. *Equipment manufacturing*

In 2023, China continued to promote the construction of a green manufacturing system and intensify the cultivation of advanced models. As of the end of 2023, a total of 5,095 green factories have been established at the national level with output value accounting for over 17% of the total output value of manufacturing industry. The 16 MW offshore wind turbine with the world's largest single capacity has been successfully grid-connected and generated power, and the production of major section in the photovoltaic industry chain has remained the world's largest for many consecutive years. The green and intelligent development of coastal inland river vessels was accelerating; the first 10,000-ton green hydrogen industrialization demonstration project has been completed and put into production; the total output value of the environmental protection equipment manufacturing industry for the year is expected to exceed RMB970.0 billion; the industrial added value of the manufacturing industry above designated size increased by 5.0% year-on-year.

The Company has been cultivating the power Industry for many years and has achieved a number of domestic and even international leading technological achievements in the field of energy and power equipment manufacturing. The core products such as UHV dry smoothing reactor, seawater filtration and cathodic protection, nuclear electric actuator and key equipment of fourth generation solar thermal power generation developed by the Company have leading technology and market advantages.

III. BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

(1) *Survey, Design and Consulting Services Business*

The survey, design and consulting services business of the Company mainly includes businesses such as planning and research, consulting, evaluation, engineering survey, design, supervision, project management, preparation of industry standard and specification in the field of energy and infrastructure. The Company commits to be an "industry-leading and world-class" energy integration solution provider. The Company is in a leading position in the survey and design technology of energy and power, and also has international leading advantages in the fields including research on industrial policies and development plans in the field of energy and power; the survey and design technology of million kilowatt-class ultra-supercritical units, third-generation nuclear power conventional island, clean coal-fired power generation, UHV AC and DC and GIL integrated pipe gallery power transmission and transformation, flexible AC and DC power transmission, offshore wind power and solar thermal power generation. The Company has continuously expanded and improved its cross-industry comprehensive design capabilities, actively entered into non-power businesses such as water conservancy, ecological environmental protection, comprehensive transportation, municipal administration, housing construction, etc. The Company has strengthened the traction role of design and consulting, and created higher value for customers with a full-process and high-quality design and consulting service model. The amount of newly signed contracts for the survey, design and consulting services business of the Company in 2023 was RMB21.47 billion, representing a year-on-year increase of 50%.

Management Discussion and Analysis (Report of the Board)

(II) Construction and Contracting Business

The construction and contracting business of the Company mainly includes domestic and overseas new energy and comprehensive smart energy, traditional energy, urban construction, comprehensive transportation and other construction and contracting business. The amount of newly signed contracts for the construction and contracting business of the Company in 2023 amounted to RMB1,198.21 billion, representing a year-on-year increase of 20.9%, in which:

1. *New energy and comprehensive smart energy*

The Company made new energy development a top priority during the year, actively seized the new energy market and vigorously developed new energy and comprehensive smart energy engineering business. Domestically, the Company signed a number of new energy projects, including Xinjiang Turpan Shanshan Qiketai 1GW “Solar Thermal Storage + Photovoltaic” Integrated Demonstration Project, Liaoning Huludao Economic Development Zone 1GW Distributed Photovoltaic Power Generation Project, Inner Mongolia Ulanqab Jingneng Power 1.5 Million Kilowatt Large Wind Power and Photovoltaic Base Project of “Integration of Wind, Photovoltaic, Thermal and Hydrogen Storage” and Sichuan Jinwu Highway 300MW/600MWh Energy Storage Power Station Project. We accelerated the deployment of hydrogen energy business and signed a number of representative projects, including Xinjiang Junrui Shaya New Energy Large-scale Hydrogen Production Project and Jilin Songyuan Hydrogen Energy Industrial Park General Contracting Project. The amount of newly signed contracts of our pumped energy storage business was RMB124.92 billion, representing a year-on-year increase of 88.1%. We signed a number of representative projects, including Gansu Province Baiyin City Pingchuan Pumped Energy Storage Power Station Project and Shaanxi Yulin Jia County Pumped Energy Storage Power Station Project. Overseas, we signed a number of new energy projects, including Vietnam Thanh Hoa Province Mangle Wind Power Phase III Project, the Saudi Arabia PIF2.6GW Photovoltaic Project, Mongolia 80MW/200MWh Energy Storage Project and South Australia Templers Energy Storage Offshore Project in Australia. From the third quarter of 2023, the pumped energy storage of the construction project was adjusted from traditional energy to new and comprehensive smart energy, and the cumulative and year-on-year figures were retrospectively adjusted. In 2023, the amount of newly signed contracts of our new energy and comprehensive smart energy engineering and construction business was RMB529.17 billion, representing a year-on-year increase of 26.1% and accounting for 41.2% of the total.

Management Discussion and Analysis (Report of the Board)

2. *Traditional energy*

With the advantages of the headquarters in coordination, planning and market layout, the Company achieved relatively good results in the traditional markets of thermal power, hydropower, nuclear power and power transmission and transformation. Domestically, we signed a number of traditional energy representative projects, including Anhui Huainan Pingxu Power Plant Phase IV 2×1000MW Ultra-supercritical Coal-fired Power Generation Project, Xinjiang Qira County Qira River Kunlun Water Conservancy Hub Project, the Conventional Island and BOP Installation Project for Units 5 and 6 of Guandong Lufeng Nuclear Power Plant and New Construction Project of Sichuan-Chongqing UHV AC Tongliang 1,000kV Substation. Overseas, we signed a number of traditional energy representative projects, including Saudi Al-Qassim 1,800MW Gas Combined Cycle Independent Power Generation Project, Congo (Bu) Inyanga Hydroelectric Power Station and Supporting Transmission and Transformation Line Project and Western Philippines Luzon 500kV Backbone Power Grid Construction Project. In 2023, the amount of newly signed contracts of our traditional energy engineering and construction business was RMB198.57 billion, representing a year-on-year increase of 7.5% and accounting for 15.5% of the total.

3. *Urban construction*

The Company actively participated in integrated urban development, urban renewal, new urbanization and industrial park development, explored municipal and housing construction markets, coordinated the regional development, insisted on strategic, integrated and group marketing of major and mega projects, continuously innovated business models, increased investment and financing traction, and achieved rapid growth in the urban construction field. We signed a number of urban construction projects, including Hainan Haikou City Xiuying District Tianluo Xinmin Area Urban Renewal Project, Shandong Qingdao Licang District Shimei'an Area Urban Renewal Project, Jiangsu Xiyianhu Eco-Technology City Launch Zone Project, Beijing Urban Sub-center International Digital Port Project, Hebei Xiong'an New Area Zangang Hub Area No.1 Land Project and Fujian Pingtan Zero Carbon Intelligent Industrial Park Project. Overseas, we successfully signed a number of urban construction projects, including Kuwait Saad Abdullah New City Infrastructure Project, Saudi Arabia Medina Province Aria Residential Area Project and Ethiopia Hayk Multifunctional Industrial Park Project. In 2023, the amount of newly signed contracts of our urban construction business was RMB278.19 billion, representing a year-on-year increase of 31.1%.

4. *Comprehensive transportation*

The Company coordinated multiple resources with elaborate organization and scientific planning, and successfully entered into the package project of Henan Anyang Neihuang-Lin Zhou Expressway and Neihuang-Hebi Expressway, G1015 Tiede Expressway Tieli-Fengyang Section Project, Chengde Danxi Expressway Keshiketeng-Chengde Connection Line (G1611) Hebei-Mongolia Border-Weichang Section Project and Anhui Shou County G328 First-class Highway Project. The Company innovatively proposed and actively promoted the energy engineering solution of integration of transportation and energy, focused on the development needs of the highway industry to accelerate the formation of green and low-carbon transportation methods, and proposed the integration of four dimensions including energy, facilities, information and industry. The Company launched the expressway pilot project for integration of transportation and energy, and formed integrated solutions and core technologies with characteristics of energy engineering.

Management Discussion and Analysis (Report of the Board)

(III) Industrial Manufacturing Business

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

1. *Building materials*

The building materials business of the Company fully implements the “environmental protection, relevance, high-end” strategy, and is equipped with a complete industrial chain covering research and development and manufacturing, new construction materials, environmental engineering, gravel aggregates, commercial concrete services, logistics and distribution as well as technology consulting services. The subsidiary Cement Company is one of the 60 large-scale cement enterprises (groups) supported by the state and the first batch of pilot and demonstration companies of integration of informatization and industrialization for promoting energy-saving and emission reduction in China, and won the title of “Excellent Demonstration Enterprise in Green Development of China”. In 2023, the cement production was 22.979 million tonnes, representing a year-on-year decrease of 2.6%; the clinker production was 18.08 million tonnes, representing a year-on-year decrease of 10.7%; the production and sales of commercial concrete was 1.957 million cubic meters, representing a year-on-year increase of 24.5%; the production of gravel aggregates was 3.09 million tonnes, representing a year-on-year decrease of 24.1%.

2. *Civil explosives*

The civil explosives business of the Company has a strong strength that integrates a complete industrial chain of R&D, production, sales of civil explosive products, explosive services, general contracting of mining exploitation and construction, continuously promotes integrated civil explosive service mode to national key energy projects including large-scale water conservancy and hydropower, nuclear power, thermal power, national key infrastructure project including ports, wharves and airports and large-scale mine exploitation and other projects, has leading advantages in provision of systematic and customized services in terms of technical skill, equipment technology, explosive technology, construction management and operation mode. The Company owns leading integrated application technologies of on-site mixed explosives in the industry. The Company established the civil explosive institute, the first industrial explosive scientific research and experimental platform in China, built the core technology cluster centering on mixed explosives, electronic detonators, intelligent blasting and green mines. In 2023, the Company proactively promoted the green mine construction, advanced the clean and low carbon development of civil explosive industry, maintained industry leadership in terms of development scale and continuously consolidated the industry position. The revenue was RMB8.405 billion, representing a year-on-year increase of 51.1%.

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3. *Equipment manufacturing*

As for equipment manufacturing business, the Company focused on the “Made-in-China 2025” strategies, strengthened the connection with international well-known peers, closely followed the strategic emerging industries, relied on the technical background of the whole industrial chain, took the manufacturing of high-end professional products and R&D of proprietary technologies as the direction, cultivated the design and R&D of high-end professional product, system integration and processing and manufacturing capacities, seized and deployed in new industries and new fields such as hydrogen energy, realized transformation and formed new economic growth points. The Company has a number of traditional products of power station pavers and power grids with certain technical and market advantages. In 2023, the amount of newly signed contracts of equipment manufacturing was RMB14.59 billion, representing a year-on-year increase of 33.7%.

(IV) Investment and Operation Business

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

1. *New energy and comprehensive smart energy*

Closely following the “30•60” carbon peaking and carbon neutrality goal, the Company intensified the market development and resource investment in the new energy investment business, vigorously promoted the integration of “investment, construction and operation”, optimized and strengthened the new energy industry sector. In 2023, the Company obtained new energy investment indicators of 20.097 million kilowatts, additional on-grid wind and photovoltaic new energy controlled installed capacity of 4.749 million kilowatts. The Company vigorously promoted the development of pumped energy storage business, and successively obtained investment and development rights for twelve national “14th Five-Year Plan” projects such as Taizi River, Benxi, Liaoning Province and Pingchuan, Baiyin, Gansu Province, with a total installed capacity of 15.9 million kilowatts. As of the end of 2023, the new energy on-grid totaled 9.511 million kilowatts, including: wind power of 2.742 million kilowatts, solar power of 6.67 million kilowatts and new energy storage of 100,000 kilowatts.

2. *Traditional energy*

The Company fully exerted the whole industry chain advantages of power construction. As of the end of 2023, the controlled installed capacity of traditional energy business was 2.0868 million kilowatts, including: thermal power of 1.3042 million kilowatts and hydropower of 782,600 kilowatts.

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3. *Environmental protection and water affairs*

During the Reporting Period, the Company actively practiced five development concepts, focused on water supply, sewage treatment, water environment treatment and other business fields. The Company has mastered a number of key technologies such as advanced sewage treatment, water environment restoration and smart water affairs. The Company has the ability to provide comprehensive solutions for eco-environment treatment and one-stop service, and is responsible for operating nearly 100 water plants in more than ten provinces, municipalities and autonomous regions in China, with the designed water treatment scale of 4.5 million tonnes/day and water treatment capacity of 1.6 million tonnes/day.

4. *Comprehensive transportation*

During the Reporting Period, the Company firmly adhered to the “four major investment” concepts, i.e. value investment, full life cycle investment, rational investment and high-quality investment, continued to specialize in “four platforms”, i.e. investment decision support, construction management, operation management and capital operation, strengthened the “three main bodies”, i.e. investment, construction and operation, comprehensively created “three major values”, i.e. investment-driven contracting to obtain project income, increase income and efficiency with operation to ensure investment income as well as promote investment rolling development and asset preservation and appreciation with capital operation, and fully leveraged the outstanding advantages of the “multi-chain integration” of the industry chain, business chain and supply chain, thereby striving to build a leading transportation infrastructure investment, construction and operation company in the industry. In 2023, the Company focused on promoting the Xiangjing Expressway renovation and expansion project, and participated in 40 expressway projects; the Wuyang Expressway invested and constructed by the Company was completed and opened to traffic; the Company improved the road property classification model system and promoted the “one road, one policy” to optimize capital operation planning; the Zaohe Expressway transportation and energy integration demonstration project invested and developed by the Company successfully completed the first phase of grid-connected power generation, becoming the first full-road transportation and energy integration demonstration project in China, and the Company also publicly released the first Expressway Transportation and Energy Integration Standard System in China. During the Reporting Period, the expressway operated by the Company was 1,320.7 kilometers in total.

5. *Real estate*

During the Reporting Period, the real estate business of the Company adhered to high-quality positioning and differentiated development, targeted the green, healthy and technological residential niche market, promoted the innovation of land acquisition models, and focused on urban renewal. Combining the advantages of integration and comprehensiveness, the Company successfully acquired the Shanghai East China Regional Headquarters Integration Project, Hubei Wuhan Qingshan Central China Regional Headquarters Integration Project and Guangzhou Guangshan Second Road Integration Project. The Company seized the development opportunities in first-tier and new first-tier cities by adding hot projects in the core areas of core cities such as Beijing Shunyi project, Shenzhen Bao’an project and Chengdu Jinjiang project. The Company entered the core areas of Shenzhen for the first time and carried out extensive cooperation, and acquired the Nanjing Gulou plot, Jinan Baima plot and Yantai Chujia first phase plot. The Company continued to promote the deep cultivation of advantageous areas and the development and transformation of primary land, thereby significantly enhancing the Company’s competitiveness.

Management Discussion and Analysis (Report of the Board)

6. Capital and financial services

The capital and financial service business of the Company includes the finance company services, financial leasing, funds and other non-monetary banking services, which provide strong support for the Company to strengthen centralized capital management, serve the main business, enrich financing means, enhance capital operation and save financing costs.

(V) Other Businesses

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

IV. ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Applicable Not Applicable

(I) Outstanding Integrated Development Capacity of New Energy

Firstly, the Company has the advantage of integration of investment, construction and operation, and by relying on the complete industrial chain that integrates planning and consulting, survey and design, engineering construction, investment and operation and equipment manufacturing, provides systematic comprehensive solutions and full lifecycle one-stop services, so as to realise that "planning wins before investment" and "construction wins during investment" and "operation wins after investment". Secondly, the Company has the traction advantage of planning and design, fully leveraging the role of subsidiary as the national key think tank. The Company deeply participated in national and provincial and municipal energy, power, technological innovation and other planning of the "14th Five Year Plan", and incubated and cultivated a number of major strategic demonstration projects. Thirdly, the Company has the advantage of integrated and innovative development, focusing on strengthening and expanding the "six comprehensive" fields and optimizing the layout of twelve major businesses. The Company accelerated the promotion of "one innovation, three transformations", created the "three-new" platform, focused on the integration of the "seven networks", and continuously made efforts to the "new energy+", "digital+" and "green and low-carbon+" projects development. In addition, the Company expanded into the fields such as new energy, new energy storage, hydrogen energy, comprehensive transportation, "Eastern Data, Western Computing (東數西算)", eco-environmental governance, green building materials and assembly industry, and implemented the models of transportation-energy integration, digital-energy integration, construction-energy integration and production-energy integration. Fourthly, the Company has the advantage of industrial resource synergy, gathering advantageous resources and strength of the industry to create the "four alliances" and build the "industrial cluster", "win-win chain" and "energy field" with element sharing, value symbiosis and aggregation and fission. Moreover, the Company focused on the "four keys", i.e. key regions, key fields, key customers and key projects, and promoted alliance members to unite and expand the market, so as to work together toward innovation and continuously lead the high-quality development of the industry.

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(II) Leading Technology Research and Development and Innovation Level

The Company had 4 academician expert workstations, 14 workstations of postdoctoral scientific researchers, 6 national research institutions and 65 provincial research institutions; obtained 48 National Science and Technology Progress Awards, more than 2,700 major scientific and technological achievements and 13,177 patents in force. It formulated and revised over 1,500 national and industry standards. **In terms of key core technology tackling**, the Company deployed major science and technology projects in the area of new power systems, high-altitude wind power generation, compressed air energy storage, electrochemical energy storage cores and systems, pumped storage, hydrogen energy, transportation and energy integration, Eastern Data, Western Computing (東數西算), and intelligent construction, which have strongly supported the transformation and development of the Company. The “key technology and equipment for high-altitude wind power generation” was successfully approved as a national key research and development program and has achieved a major breakthrough in original technology; the 300MW compressed air energy storage system and other key core technology and equipment were listed on the national first unit (set) list, and significant progress has been made in major technological research on new and original energy storage technologies in the creation of curative and future underground spaces. **In terms of the R&D platform construction**, the Company newly established six R&D platforms including the “Ocean Energy Research Institute”, the “Nuclear Power Construction Institute”, the “New Power Equipment Research Institute”, the “Hydrogen Energy Research Institute”, the “Digital Research Institute” and the “Water Environmental Treatment Research Institute” of China Energy Engineering Corporation Limited. The “National Energy New Power System Planning and Design Technology Research and Development Center” led by the Company was successfully selected as one of the first batch of “racers” innovation platforms by the National Energy Administration during the “14th Five-Year Plan” period. The “National Construction Green and Low-carbon Technology Innovation Center” of which the Company participated in the construction has been approved by the Ministry of Science and Technology; and the Company participated in the establishment of five central enterprise innovation consortiums, including new energy storage, deep underground space, controlled nuclear fusion, advanced power equipment and BIM software. **In terms of the construction of new technology demonstration project**, the Company successfully realised the power generation of the new technology demonstration project of high-altitude wind power generation, the new technology demonstration project of Hubei Yingcheng 300MW compressed air energy storage power station was successfully connected to the factory system, the Jilin Songyuan green hydro-aminol integrated new technology demonstration project was commence to construct; the Hubei Yingcheng 300MW natural salt cavern compressed air energy storage project, the Gansu Jiuquan 300MW artificial cavern compressed air energy storage project, and the Hebei Zhangjiakou 60MW/360MWh gravity energy storage project have been successfully selected as pilot demonstration projects of new energy storage by the National Energy Administration. **In terms of industrial digitization**, driven by business scenarios, the Company promoted the in-depth integration of digital technologies with its main business, deepened the application of BIM, and promoted digital design, intelligent manufacturing, digital operation and maintenance, realized efficient collaboration along the entire chain of industries, data integration in the entire process, all-round resource sharing, and ecological integration and development.

Management Discussion and Analysis (Report of the Board)

(III) Outstanding Engineering Strength and Engineering Performance

In the industries such as China's domestic power planning consulting, survey and design of the thermal power generation, nuclear power conventional island, backbone power grid industries, the Company has achieved a market share of more than 70%, enjoying a high industry-leading position and speaking right. The Company has rich engineering performance in the whole life cycle of energy and power engineering, especially in the construction of new energy, water conservancy and hydropower, nuclear power, coal-fired power generation and UHV transmission lines. The Company has vigorously expanded the general contracting market by developing new business models such as EPC, EPC+F, investment-driven general contracting, BOT and integration of investment, construction and operation. The general contracting business in the field of non-power infrastructure has achieved fruitful results. Since the establishment, the Company has won 56 National Quality Engineering Gold Awards, 18 China Construction Engineering Luban Awards, 5 China Civil Engineering Zhan Tianyou Awards, 5 China Excellent Engineering Survey and Design Gold Awards, 14 China Excellent Engineering Consulting Achievement First Prizes and 4 Gold Key Awards for excellent general contracting projects in the national engineering survey and design industry.

(IV) Excellent Technical Level and Talent Team

With focuses on the strategic goal of "30•60" and building "Energy Engineering" solutions in the directions of new energy, comprehensive smart energy, smart construction, and traditional power, the Company enjoys international leading advantages in the technology fields of offshore wind power, solar power generation, core technology of solar thermal power generation, flexible AC/DC transmission, clean coal-fired high-efficiency power generation, UHV AC/DC, megawatt-class ultra-supercritical units, conventional islands of third-generation nuclear power plants, and GIL integrated corridor transmission and transformation. The Company is in the leading position in China in new energy storage technology, CCUS technology, high-altitude wind energy technology, design and installation technology of conventional islands of nuclear power plants, and geothermal energy utilization technology. The Company has gathered planning, design and construction experts and professional and technical personnel representing the world and domestic advanced level in the field of energy power, has many national-level candidates of the "Ten Thousand Talents Program", and experts enjoying the State Council's governmental special subsidies, national engineering survey and design masters as well as national nuclear industry engineering survey and design masters.

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V. MAJOR OPERATION DURING THE REPORTING PERIOD

(I) Analysis of Main Businesses

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

Unit: '000 Currency: RMB

Item	Amount for this period	Amount for the same period of the previous year	Percentage of change (%)
Operating income	406,031,848	366,395,814	10.82
Operating cost	354,726,606	320,891,131	10.54
Sales expense	1,900,349	1,687,317	12.63
Management fee	14,752,164	13,722,279	7.51
Financial expense	4,680,361	4,615,608	1.40
Research and development expense	12,980,155	10,441,637	24.31
Net cash flows from operating activities	9,486,032	7,936,761	19.52
Net cash flows from investing activities	-41,528,319	-49,025,772	N/A
Net cash flows from financing activities	36,050,505	52,324,231	-31.10

Reasons for change in operating income: in 2023, the Company achieved operating income of RMB406.032 billion, representing a year-on-year increase of 10.82%, mainly due to the fact that alongside the increase in national new energy and thermal power project investment, the general contracting business of new energy as well as traditional thermal power projects of the Company recorded a rapid growth and actively exerted the role of traction of investment, which promoted the implementation of area development and other financing and construction projects and the increase in revenue from non-power engineering and construction.

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Reasons for change in operating cost: in 2023, the Company incurred operating costs of RMB354.727 billion, representing a year-on-year increase of 10.54%, mainly due to the expansion of business scale.

Reasons for change in sales expense: primarily due to the increase in relevant marketing expenses as the market development increased, and contract and business scale expanded.

Reasons for change in management fee: primarily due to the increase in management cost as the business scale expanded.

Reasons for change in financial expense: primarily due to the increase in financing needs as the business scale expanded.

Reasons for change in research and development expense: primarily due to the Company's continuous promotion of scientific and technological innovation and further increase in investment in research and development.

Reasons for change in net cash flows from operating activities: primarily due to the good collection of receivables as the business scale expanded.

Reasons for change in net cash flows from financing activities: primarily due to the increase in repayment of borrowings.

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

Applicable Not Applicable

2. *Analysis of revenue and cost*

Applicable Not Applicable

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(1). Main business by sector, by product, by region and by sales model

Unit: '000 Currency: RMB

Main businesses by sector						
Sector	Operating income	Operating cost	Gross profit margin (%)	Change in operating income over the previous year (%)	Change in operating cost over the previous year (%)	Change in gross profit margin over the previous year
I. Survey, design and consulting services business	19,187,090	11,625,922	39.41	9.86	13.82	Decreased by 2.11 percentage points
Including: New energy and comprehensive smart energy	3,256,227	2,391,733	26.55	-0.40	2.43	Decreased by 2.03 percentage points
II. Construction and contracting business	343,464,035	316,515,654	7.85	13.71	13.47	Increased by 0.20 percentage point
Including: New energy and comprehensive smart energy	115,709,178	109,303,725	5.54	39.36	39.03	Increased by 0.22 percentage point
III. Industrial manufacturing business	33,731,946	28,021,944	16.93	22.61	23.76	Decreased by 0.77 percentage point
Including: Construction materials	7,377,726	6,103,258	17.27	-13.39	-8.16	Decreased by 4.71 percentage points
Civil explosives	8,404,664	6,206,092	26.16	51.10	45.66	Increased by 2.76 percentage points
IV. Investment and operation business	29,431,979	19,053,746	35.26	-12.39	-24.04	Increased by 9.93 percentage points
Including: New energy and comprehensive smart energy	3,718,039	1,956,921	47.37	58.82	60.04	Decreased by 0.40 percentage point
Eco-environmental protection	97,369	56,409	42.07	-48.91	-53.85	Increased by 6.21 percentage points
Comprehensive transportation	2,344,464	948,775	59.53	16.45	3.86	Increased by 4.91 percentage points
Real estate (new urbanization)	13,395,181	9,786,282	26.94	-33.25	-39.58	Increased by 7.65 percentage points
V. Other business	9,615,991	8,260,937	14.09	16.56	36.15	Decreased by 12.36 percentage points
Inter-segment elimination	-29,399,193	-28,751,597	2.20	30.77	30.33	Increased by 0.33 percentage point

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Main businesses by region						
Region	Operating income	Operating cost	Gross profit margin (%)	Change in operating income over the previous year (%)	Change in operating cost over the previous year (%)	Change in gross profit margin over the previous year
I. Domestic	349,908,197	305,146,953	12.79	9.48	9.39	Increased by 0.07 percentage point
II. Overseas	56,123,651	49,579,653	11.66	19.97	18.25	Increased by 1.29 percentage points

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

Main business by sector, by product, by region and by sales model

① Survey, design and consulting services business

The operating income of the survey, design and consulting services business mainly derives from providing survey and design services for domestic and foreign thermal power, hydropower, nuclear power, wind power and solar power generation projects and power grid projects, and providing extensive consulting services for power industry. In 2023, the operating income from survey, design and consulting services business amounted to RMB19.187 billion, representing a year-on-year increase of 9.86%; gross profit margin of 39.41%, representing a year-on-year decrease of 2.11 percentage points. The decrease in gross profit margin was mainly due to intense market competition and narrowed profitability of projects.

② Construction and contracting business

The operating income of the construction and contracting business mainly derives from providing construction services for engineering projects in the PRC and overseas. In 2023, operating income from construction and contracting business amounted to RMB343.464 billion, representing a year-on-year increase of 13.71%, and gross profit margin was 7.85%, representing a year-on-year increase of 0.20 percentage point, of which the operating income from the new energy and comprehensive smart energy business was RMB115,709 billion, representing a year-on-year increase of 39.36%; gross profit margin was 5.54%, representing a slight increase year-on-year.

③ Industrial manufacturing business

The operating income of the industrial manufacturing business mainly derives from the design, manufacture and sales of equipment used in various fields of the power industry, mainly including power station auxiliary equipment, power grid equipment, steel structure and energy saving and environmental protection equipment; and from the production and sales of civil blasting and cement products, and providing blasting services. In 2023, operating income from the industrial manufacturing business amounted to RMB33.732 billion, representing a year-on-year increase of 22.61%; gross profit margin was 16.93%, representing a year-on-year decrease of 0.77 percentage point. The decrease in gross margin was primarily due to the decline in profitability of the cement business as a result of the continued adjustment of the real estate market.

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④ Investment and operation business

The operating income of the investment and operation business mainly derives from the investment and other business in new energy and comprehensive smart energy, traditional energy, water conservancy and water affairs, ecological environmental protection, comprehensive transportation, municipal administration, real estate (new urbanization) investment and development business and financial services. In 2023, operating income from investment and operation business amounted to RMB29.432 billion, with a gross profit margin of 35.26%.

⑤ Other businesses

The operating income of other businesses mainly derives from software and informatization services, logistics and trade, leasing and commercial services, etc. In 2023, the total revenue of the segment was RMB9.616 billion; gross profit margin was 14.09%.

(2). Analysis table of production and sales

Applicable Not Applicable

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

Applicable Not Applicable

Performance of major sales contracts signed as of the Reporting Period

Applicable Not Applicable

Performance of major purchase contracts signed as of the Reporting Period

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

(4). Analysis of cost

Unit: '000 Currency: RMB

		By industry					
Industry	Cost component	Amount for the current period	Amount of the current period as a percentage of the total cost (%)	Amount for the corresponding period last year	Amount in the same period of the previous year as a percentage of total cost (%)	Proportion of change in the amount of the current period compared with the same period of the previous year (%)	Description
Survey, design and consulting services business	Labor and subcontracting fees and other fees	11,625,922	3.28	10,214,126	3.18	13.82	The increase in the business volume during the year resulted in an increase in costs during the year
Construction and contracting business	Labor and subcontracting fees, machinery usage fees, material fees and other fees	316,515,654	89.23	278,942,929	86.93	13.47	The increase in the business volume during the year resulted in an increase in costs during the year
Industrial manufacturing business	Labor fees, machinery usage fees, material fees and other fees	28,021,944	7.90	22,642,968	7.06	23.76	The increase in the business volume during the year resulted in an increase in costs during the year
Investment and other business	Labor fees and other fees	19,053,746	5.37	25,085,091	7.82	-24.04	The decrease in the business volume during the year resulted in a decrease in costs during the year
Others	Labor and subcontracting fees, machinery usage fees and other fees	8,260,937	2.33	6,067,370	1.89	36.15	The increase in the business volume during the year resulted in an increase in costs during the year
Elimination		-28,751,597	-8.11	-22,061,353	-6.88	30.33	
Total		354,726,606	100.00	320,891,131	100.00	10.54	

Other description on cost analysis

None

Management Discussion and Analysis (Report of the Board)

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

Applicable Not Applicable

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

Applicable Not Applicable

(7). Major customers and major suppliers

A. Major customers of the Company

Applicable Not Applicable

During the Reporting Period, the sales to the top five customers were RMB28.944 billion, accounting for 7.13% of the total annual sales; among the sales to the top five customers, the sales to related parties were RMB0.00 billion, accounting for 0.00% of the total annual sales.

Sales to a single customer exceeded 50% of the total, or new customers among the top 5 customers, or there is heavy reliance on a few customers during the Reporting Period

Applicable Not Applicable

B. Major suppliers of the Company

Applicable Not Applicable

During the Reporting Period, the procurement amount from the top five suppliers was RMB18.218 billion, accounting for 5.14% of the total procurement amount of the year; of which, procurement amount from the related parties among the top five suppliers was RMB0.00, accounting for 0.00% of the total procurement amount of the year.

Purchases from a single supplier exceeded 50% of the total, or new suppliers among the top 5 suppliers, or there is heavy reliance on a few suppliers during the Reporting Period

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

3. Fees

Applicable Not Applicable

In 2023, the Company incurred sales expenses of RMB1.900 billion, representing a year-on-year increase of 12.63%, mainly due to the expansion of business scale and the increase in related sales services.

In 2023, the Company incurred management fees of RMB14.752 billion, representing a year-on-year increase of 7.51%, mainly due to the increase in management costs associated with the expansion of the scale of operations.

In 2023, the Company incurred financial expenses of RMB4.680 billion, representing a year-on-year increase of 1.40%, mainly due to the expansion of our business scale, which has resulted in an increase in financing demand.

In 2023, the Company incurred research and development expenses of RMB12.980 billion, representing a year-on-year increase of 24.31%, mainly due to the Company's continued promotion of scientific research and technological innovation and further increased investment in research and development.

4. Research and development investment

(1). Table of research and development investment

Applicable Not Applicable

Unit: '000 Currency: RMB

Research and development investment for current period	12,980,155
Capitalized research and development investment for current period	60,993
Total research and development investment	13,041,148
Total research and development investment as a percentage of operating income (%)	3.21
Capitalized percentage of research and development investment (%)	0.47

Management Discussion and Analysis (Report of the Board)

(2). Table of research and development personnel

✓ Applicable Not Applicable

Number of research and development personnel	25,193
Percentage of the number of research and development personnel to the total number of employees of the Company (%)	21.52
Educational structure of research and development personnel	
Types of educational structures	Number of educational structures
PhD degree	421
Master's degree	8,426
Bachelor's degree	16,346
Age structure of research and development personnel	
Types of age structure	Number of age structure
Under aged 30 (excluding aged 30)	3,999
Aged 30-40 (including aged 30, excluding aged 40)	10,329
Aged 40-50 (including aged 40, excluding aged 50)	6,584
Aged 50-60 (including aged 50, excluding aged 60)	4,213
Aged 60 or above	68

Management Discussion and Analysis (Report of the Board)

(3). Description

Applicable Not Applicable

In 2023, the Company continued to increase its investment in science and technology, and optimized the structure of R&D personnel. The ratio of investment in research and development increased to 3.21%, and the Company's R&D and innovation capabilities were further enhanced. In terms of laying out major technology projects, the Company deeply implemented 47 major scientific and technological projects in the fields of "30•60" system solutions, new power system, compressed air energy storage, hydrogen energy and energy integration. A number of projects, such as "Research on New Power System Solutions with New Energy as the Main Body", have completed their research work and achieved a series of landmark results. Among them, the results of "30•60" system solutions have been applied to the preparation of dual-carbon plans in many provinces and municipalities; the research on key technology of transportation and energy integration has realized China's first full-road transportation and energy integration project with grid-connected power generation. The Company has successfully established 100MW liquefied air energy storage system, slope and vertical gravity energy storage simulation system; formed a prototype of 2MW new energy grid-connected flexible power conditioning device and passed the test and inspection; the research and development of core materials and equipment for liquid cooling and heat storage and cooling has been completed with the prototype manufacturing and pilot test of 10kV-10MW electrode molten salt heater. The Company was granted 2,085 patents for the year, including 419 invention patents, representing a year-on-year increase of 25%; led or participated in the preparation of 18 international standards, 60 national standards and 249 industry standards; and won 26 provincial and ministerial science and technology awards as well as 146 industrial awards.

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

Applicable Not Applicable

5. Cash flows

Unit: '000 Currency: RMB

Item	2023	2022	Growth rate (%)
Net cash flows from operating activities	9,486,032	7,936,761	19.52
Net cash flows from investing activities	-41,528,319	-49,025,772	N/A
Net cash flows from financing activities	36,050,505	52,324,231	-31.10

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

6. Capital expenditure

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

Unit: '000 Currency: RMB

Item	2023	2022
Fixed assets	3,991,471	3,094,854
Construction in progress	22,526,735	14,323,348
Intangible assets	19,767,897	6,042,628
Total	46,286,103	23,460,830

7. Capital and financial policies

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

8. Other significant expenses

In 2023, the Company has no other significant expenses exceeding 25% of net profit.

Management Discussion and Analysis (Report of the Board)

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

Applicable Not Applicable

(III) Assets and Liabilities

Applicable Not Applicable

1. Assets and liabilities

Unit: '000 Currency: RMB

Item	Closing amount of the current period	Percentage of the closing amount of the current period to the total assets (%)	Closing amount of the previous period	Percentage of the closing amount of the previous period to the total assets (%)	Percentage of change in the closing amount of the current period compared to the closing amount of the previous period (%)	Description
Accounts receivables	78,218,261	9.99	73,010,592	10.99	7.13	Increase in business scale
Contract assets	113,216,189	14.46	89,402,926	13.45	26.64	Increase in business scale
Fixed assets	57,580,226	7.35	42,934,534	6.46	34.11	Acquisition, transferred in from construction in progress
Construction in progress	25,484,577	3.25	16,337,524	2.46	55.99	Increased investment in new energy projects
Account payables	203,325,386	25.96	166,095,073	24.99	22.42	Increase in business scale
Short-term loans	35,014,887	4.47	25,549,582	3.84	37.05	Increase in business scale

Management Discussion and Analysis (Report of the Board)

Other explanation

The increase in fixed assets for the year was mainly attributable to the transfer in from construction in progress of new energy and comprehensive smart energy in the ordinary business segment of the Company. For details of changes in fixed assets, please refer to the explanation set out in Note VII. 17 in the Financial Report section of this annual report.

Overseas assets

Applicable Not Applicable

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

Applicable Not Applicable

Unit: '000 Currency: RMB

Item	Closing book value	Type of restriction	Reason for restriction
Cash at bank and on hand	9,152,521	Deposits	Issuing bank acceptance bills, guarantee deposits, and time deposits over three months etc.
Bill receivable	3,186,937	Pledge	Loan pledge
Account receivables	5,702,958	Pledge	Loan pledge
Inventories	18,714,119	Mortgage, litigation seizures	Loan mortgage/litigation seizures
Fixed assets	3,870,127	Mortgage	Loan mortgage
Long-term receivables	8,639,721	Pledge	Loan pledge
Intangible assets	35,264,223	Mortgage/pledge	Loan mortgage/pledge
Total	84,530,606		

Management Discussion and Analysis (Report of the Board)

3. Indebtedness and contingent liabilities

As at 31 December 2023, the Company's total liabilities amounted to RMB594.903 billion and total assets amounted to RMB783.156 billion, with gearing ratio of 75.96%, representing an increase of 1.16 percentage points as compared to the beginning of the year. The Company's total indebtedness amounted to RMB228.221 billion. The following table sets forth the details of bank borrowings, other borrowings and corporate bonds of the Company as at the dates indicated:

Unit: '000 Currency: RMB

	2023	2022
Long-term		
Bank borrowings		
Unsecured	90,740,577	80,776,230
Secured	67,203,568	51,347,297
Other borrowings		
Secured		
Corporate bonds (note)	1,500,000	9,800,000
Subtotal	159,444,145	141,923,527
Short-term		
Bank borrowings		
Unsecured	33,978,452	24,090,139
Secured	1,036,435	1,459,443
Customers deposits and deposits from banks and other financial institutions		
Unsecured	3,091,611	3,191,860
Corporate bonds (note)	8,752,246	3,413,346
Non-current liabilities within one year		
Unsecured	19,165,784	9,806,384
Secured	2,751,941	2,455,131
Subtotal	68,776,469	44,416,303
Total	228,220,614	186,339,830

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

Management Discussion and Analysis (Report of the Board)

4. *Gearing ratio*

The gearing ratio of the Company at the end of the period was 121.23%, representing an increase of 9.96 percentage points as compared to the beginning of the year. Gearing ratio represents interest-bearing debts divided by total equity at the end of the period.

5. *Other explanation*

Applicable Not Applicable

(IV) Analysis of Industry Operating Information

Applicable Not Applicable

As a listed company, the industry in which the Company operates is classified as construction. The Company analyzes the operating information required by the industry guidelines as follows:

1. *Qualifications of the Company*

As at the end of 2023, the Company held a total of 15 special qualifications for general contracting of engineering construction (including 6 special qualifications for general contracting of water conservancy and hydropower projects, 3 special qualifications for general contracting of highway construction, 4 special qualifications for general contracting of power engineering construction, and 2 special qualifications for general contracting of construction engineering), 10 comprehensive Grade-A qualifications for engineering design, 18 comprehensive Grade-A qualifications for engineering survey, 272 first-class qualifications for various types of engineering construction contracting (112 general contracting and 160 professional contracting) covering water conservancy and hydropower, electricity, construction, municipal administration, highways, ports and waterways, mining, electromechanical, groundwork foundation, bridges, tunnels, steel structures, and environmental protection and other fields. The Company also has first-class qualifications for real estate development, financial licenses, cement product production licenses, civil explosives production licenses, special equipment manufacturing licenses (pressure vessels, pressure pipelines) and others.

Management Discussion and Analysis (Report of the Board)

2. Completed and accepted projects during the Reporting Period

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Sector	Professional engineering	House construction	Infrastructure engineering	Building decoration	Others	Total
Number of projects (unit)	98	11	5	0	2	116
Total amount	924,573.44	142,290.21	39,737.45	0	43,415.89	1,150,016.99

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Area where the project is located	Number of projects (unit)	Total amount
Domestic	112	1,093,696.99
Overseas	4	56,320.00
Total	116	1,150,016.99

Other explanation

Applicable Not Applicable

3. Projects under construction during the Reporting Period

Applicable Not Applicable

Unit: '0,000 Currency: RMB

Sector	Professional Engineering	House construction	Infrastructure engineering	Building decoration	Others	Total
Number of projects (unit)	2,773	273	247	0	196	3,489
Total amount	88,730,676.86	13,931,964.92	25,671,500.54	0	7,097,349.15	135,431,491.47

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

Unit: '0,000 Currency: RMB

Area where the project is located	Number of projects (unit)	Total amount
Domestic	3,177	107,903,197.49
Overseas	312	27,528,293.98
Among which:		
Asia	205	13,533,190.19
Europe	8	2,013,307.25
Africa	74	7,382,784.87
America	23	4,578,515.35
Oceania	2	20,496.32
Total	3,489	135,431,491.47

Other explanation

Applicable Not Applicable

4. Major projects under construction

Applicable Not Applicable

Other explanation

Applicable Not Applicable

5. Accumulated newly signed projects during the Reporting Period

Applicable Not Applicable

During the Reporting Period, the cumulative number of newly signed projects was 32,306, with an amount of RMB1,283.731 billion.

6. Orders backlog at the end of the Reporting Period

Applicable Not Applicable

At the end of the Reporting Period, the total amount of orders backlog was RMB2,479.998 billion. Among them, the amount of projects contracted but not commenced was RMB1,452.719 billion, and amount of the projects under construction but not completed was RMB1,027.279 billion.

Other explanation

Applicable Not Applicable

Management Discussion and Analysis (Report of the Board)

7. Operating income of projects in the past three years

✓ Applicable Not Applicable

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

Unit: '000 Currency: RMB

Item	2023	Proportion of operating income (%)	2022	Proportion of operating income (%)	2021	Proportion of operating income (%)
Traditional energy	120,176,030	36.92	127,104,489	42.08	112,775,654	42.73
New energy and comprehensive smart energy	115,709,178	35.55	83,030,054	27.49	69,828,004	26.46
Building and structures	25,496,292	7.83	28,806,491	9.54	21,180,678	8.03
Infrastructure construction	39,598,700	12.17	35,377,587	11.71	28,285,543	10.72
Eco-environmental protection	3,316,738	1.02	5,264,603	1.74	4,877,133	1.85
Others	21,200,497	6.51	22,472,397	7.44	26,972,919	10.22

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

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

Unit: '000 Currency: RMB

Item	2023	Proportion of operating cost (%)	2022	Proportion of operating cost (%)	2021	Proportion of operating cost (%)
Traditional energy	111,371,984	37.26	119,425,677	42.81	102,560,463	42.47
New energy and comprehensive smart energy	109,303,725	36.57	78,616,302	28.18	66,680,602	27.61
Building and structures	22,606,052	7.56	25,334,511	9.08	19,119,296	7.92
Infrastructure construction	33,512,598	11.21	29,179,187	10.46	24,078,525	9.97
Eco-environmental protection	2,894,798	0.97	4,731,580	1.70	4,361,016	1.81
Others	19,189,945	6.42	21,655,672	7.76	24,695,825	10.23

Management Discussion and Analysis (Report of the Board)

8. *Financing arrangements*

The Company has continued to focus on new energy, new industry, new infrastructure and other key areas of innovation, made efforts to smoothen direct financing channels, pushed forward A-share refinancing with all its strength, actively issued various types of bonds for science and innovation and green innovation, pushed for the establishment of industrial funds, played the role of headquarter-to-headquarter referral and coordination of resources, and tilted the financing resources to high-quality projects and strategic emerging industries. For the details of financing, please refer to the relevant debts in the chapter on assets and liabilities analysis in this section.

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

According to the requirements of GB/T19001-2016 "Quality Management System Requirements" and GB/T50430-2017 "Quality Management Code for Engineering Construction Enterprises", etc., the Company strictly implemented quality control, and our quality control system continued to operate effectively.

The implementation standards of the Company's quality work mainly include: the "Mandatory Provisions of the Engineering Construction Standards of the PRC", the "Quality Control Standards for Engineering Construction Survey Enterprises", the "Quality Control Standards for Project Engineering Construction Enterprises", the "Construction Quality Evaluation Standards for Construction Projects", the "Unified Standards for Quality Acceptance of Construction Engineering Construction", the "Quality Management Regulations", the "Management and Evaluation Measures for the Quality, Environment and Occupational Health and Safety Management System", the "Internal Review Management Measures for the Quality, Environment and Occupational Health and Safety Management System", the "Management Measures for QHSE Laws and Regulations Identification and Compliance Evaluation", the "Administrative Measures for QHSE Education and Training", and the "Management Measures for QC Group Activities".

In 2023, the Company passed the quality management system certification with "Zero Failure", integrated quality management into the business processes, development strategies and decision-making processes, promoted the Company's quality management to be more regulated and standardized, and boosted the Company's market competitiveness.

The Company vigorously implemented the requirements of the "Outline for Building a Quality China", adhered to the "One-shot Excellent and Quality-based" concept, and fully implemented the first-set sample system and the licensing acceptance system to ensure the physical quality with process quality, to systematically build a "Quality Energy Engineering". The Company has won 26 national quality engineering awards throughout the year with the quality situation being generally stable, and achieved the goal of zero quality accidents throughout the year.

Management Discussion and Analysis (Report of the Board)

10. Operation of the safety production systems of the Company

Focusing on adaptive organization construction, the Company optimized and upgraded the safety production systems, perfected the policies and systems, and revised the Measures for the Implementation of Safety Production Performance Supervision, the Contracting (Subcontracting) QHSE Management Measures and the Rules for QHSE Evaluation and Scoring of Operating Performance of Subsidiaries. The existing safety production systems include the Safety Production Management Regulations, the Safety Production Responsibility System, the Administrative Measures for the Investigation and Treatment of Production Safety Accidents and Hidden Dangers, the Safety Risk Management Measures, the Measures for Safety Management of Engineering Project Process (Trial), the Administrative Measures for the Management of Production Safety Accidents, Quality Accidents and Environmental Incident, the Measures for QHSE Rewards and Punishments and the Implementation Rules for Management of Source of Danger.

The Company strengthened the study and publicity of the safety production system, strictly implemented the requirements of systems, and vigorously promoted the construction of general safety and intrinsic quality safety focusing on “12 in place”, and deeply carried out the “two actions”, i.e. investigation and rectification of major accident and potential hazards, and the year of strengthening of safety management, so as to build a safe production defense line and ensure the continuous and effective operation of the safety management systems.

In 2023, the production safety systems of the Company operated under good condition, the production safety situation was stable, and no major production safety accidents occurred.

Management Discussion and Analysis (Report of the Board)

11. *Other explanation*

Applicable Not Applicable

(V) *Analysis on Investments*

Overall analysis on external equity investments

Applicable Not Applicable

In 2023, the external investment of the Company amounted to RMB89.1 billion. Among the main business segments, the investment in new energy and comprehensive smart energy business was RMB25.8 billion, the investment in real estate development was RMB18.0 billion, the investment in area comprehensive development business was RMB14.9 billion, and the investment in comprehensive transportation business was RMB13.8 billion.

1. *Significant equity investment*

Applicable Not Applicable

The Company has no major equity investment projects that exceed 10% of the Company's net assets in 2023.

2. *Significant non-equity investments*

Applicable Not Applicable

The Company has no major non-equity investment project with external investment amount exceeding 10% of the Company's net assets during the Reporting Period.

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The main commercial real estate projects held as of 31 December 2023 are listed below:

No.	Name of project	Location	Land area (square meters)	GFA (square meters)	Shareholding percentage by the Company	Percentage of investment completion	Note
1	Beijing Zijun Orchid Garden	Beijing	74,778	243,135	100.00%	100.97%	
2	Beijing Beiqing Xiangshuwan	Beijing	50,100	200,600	45.00%	86.07%	Non-consolidated item
3	Beijing Jingyue Orchid Garden	Beijing	24,600	90,900	97.00%	75.57%	
4	Beijing China Residence	Beijing	104,600	347,100	100.00%	68.66%	
5	Beijing Huashi Huayan Project	Beijing	12,500	63,100	100.00%	67.31%	
6	Beijing Shunyi Project	Beijing	34,099	98,500	51.00%	60.97%	
7	Guangzhou Zijun Residence	Guangzhou	35,272	207,579	100.00%	99.80%	
8	Guangzhou Bay Area Financial City	Guangzhou	342,754	1,087,199	61.82%	65.75%	
9	Guangzhou Tianhe Project	Guangzhou	48,988	215,900	95.00%	46.22%	
10	Hangzhou Zhonghang Residence	Hangzhou	56,800	227,600	70.00%	92.12%	
11	Hangzhou Kan'ao Residence	Hangzhou	36,100	102,900	100.00%	90.39%	
12	Hefei China Residence Phase I	Hefei	42,300	117,900	100.00%	103.28%	
13	Hefei Zijun Residence	Hefei	42,900	111,000	100.00%	99.17%	
14	Jinan Zijun Orchid Garden	Jinan	100,194	300,887	100.00%	67.48%	
15	Jinan Mianma Project	Jinan	56,634	199,529	80.00%	50.34%	
16	Jinan Baima Project	Jinan	71,064	129,153	70.00%	36.01%	
17	Kunming Puji Road Project	Kunming	62,000	306,400	100.00%	41.42%	
18	Nanjing Guyin Orchid Garden	Nanjing	24,499	95,749	35.70%	99.83%	Non-consolidated item
19	Nanjing China Residence	Nanjing	26,400	114,034	100.00%	99.33%	
20	Nanjing Zijun Residence	Nanjing	45,636	135,884	51.00%	98.39%	
21	Nanjing Guyue Orchid Garden	Nanjing	43,708	173,300	100.00%	95.88%	
22	Nanjing Yangtze River Majestic Mansion	Nanjing	42,783	232,584	33.90%	94.76%	Non-consolidated item
23	Nanjing Yangtze River Joyful Mansion	Nanjing	42,308	167,300	100.00%	90.70%	
24	Nanjing Zhongning Residence	Nanjing	40,480	159,100	100.00%	86.95%	
25	Nanjing Zijun Orchid Garden	Nanjing	143,700	556,000	35.70%	83.74%	
26	Ningbo Boating Project	Ningbo	33,191	151,000	95.00%	0.00%	
27	Hainan Haitang Fuwan	Sanya	374,200	294,118	100.00%	92.31%	
28	Shanghai Zijun Mansion	Shanghai	25,266	66,651	100.00%	101.49%	
29	Shanghai Yulan Garden South Area	Shanghai	115,800	250,300	100.00%	90.77%	

Management Discussion and Analysis (Report of the Board)

No.	Name of project	Location	Land area (square meters)	GFA (square meters)	Shareholding percentage by the Company	Percentage of investment completion	Note
30	Shanghai Yulan Garden North Area	Shanghai	119,400	273,000	100.00%	86.27%	
31	Shanghai Xuhui Project	Shanghai	20,540	181,436	95.00%	0.00%	
32	Shenzhen Project	Shenzhen	15,239	111,526	49.00%	64.73%	Non-consolidated item
33	Suzhou Zijun Orchid Garden	Suzhou	74,775	263,160	22.00%	94.25%	Non-consolidated item
34	Wuhu Project	Wuhu	201,200	533,500	51.00%	28.23%	
35	Wuhan Kunyu Residence	Wuhan	107,546	780,300	40.00%	90.40%	Non-consolidated item
36	Wuhan Qingshan Project	Wuhan	56,928	256,700	100.00%	11.43%	
37	Xiong'an Zangang Hub Area Plot No. 1	Xiong'an	294,420	841,073	100.00%	25.01%	
38	Chongqing Expo City	Chongqing	618,722	1,608,200	49.00%	96.70%	Non-consolidated item
39	Chongqing European Garden	Chongqing	798,700	2,307,500	49.00%	86.24%	Non-consolidated item
40	Chongqing Yuhu Orchid Garden	Chongqing	120,800	353,200	100.00%	85.36%	
41	Chongqing Huguang Yunjing	Chongqing	99,908	213,649	45.00%	50.11%	Non-consolidated item

3. Financial assets measured at fair value

✓ Applicable Not Applicable

Unit: '000 Currency: RMB

Type	Opening amount	Profit or loss of change in fair value for the period	Accumulated changes in fair value included in equity	Impairment provided for the period	Purchase amount for the period	Amount for disposal/ redemption for the period	Other changes	Closing amount
1. Financial assets held for trading	3,080,541	26,772			6,379,798	-9,065,482		421,629
2. Other non-current financial assets	8,699,355	304,336			2,020,604	-297,777		10,726,518
3. Receivables financing	849,501				130,643			980,144
4. Investment in other equity instruments	2,185,285		392,453		562,630	-953,696	185,173	2,371,845
Total	14,814,682	331,108	392,453		9,093,675	-10,316,955	185,173	14,500,136

Management Discussion and Analysis (Report of the Board)

Securities investment

Applicable Not Applicable

Unit: '000 Currency: RMB

Type	Stock code	Abbreviation	Initial investment cost	Fund source	Opening carrying amount	Gains or losses arising from changes in fair value for the period	Accumulated changes in fair value included in equity	Purchase amount in the period	Disposal amount in the period	Investment gains or losses in the period	Closing carrying amount	Accounting item
Stocks	000783	Changjiang Securities (長江證券)	203,944	Proprietary funds	724,236		58,583	0	817,564	10,250	0	Investments in other equity instruments
Stocks	600236	Guiguan Electric (桂冠電力)	105	Proprietary funds	616		491	0	0	30	596	Investments in other equity instruments
Stocks	600236	Guiguan Electric (桂冠電力)	3,317	Proprietary funds	21,595		17,454	0	0	1,050	20,771	Investments in other equity instruments
Stocks	601328	Bank of Communications (交通銀行)	16,155	Proprietary funds	50,284		-3,322	0	53,606	0	0	Investments in other equity instruments
Stocks	600917	Chongqing Gas (重慶燃氣)	832	Debt reorganization	0	-105		832	0	0	727	Financial assets held for trading
Stocks	600578	Jingneng Power (京能電力)	437	Proprietary funds	2,150		-132	0	0	79	2,017	Investments in other equity instruments
Stocks	002500	Shanxi Securities (山西證券)	58,408	Proprietary funds	20,377	38,031		0	22,023	-36,077	0	Financial assets held for trading
Stocks	600780	Tongbao Energy (通寶能源)	7,007	Proprietary funds	5,223	1,784		0	6,996	-10	0	Financial assets held for trading
Stocks	600713	Nanjing Pharmaceutical (南京醫藥)	8,565	Proprietary funds	3,584	4,981		0	3,496	-4,971	0	Financial assets held for trading
Stocks	002375	Yaxia Stock (亞廈股份)	1,280	Proprietary funds	304	976		0	360	-918	0	Financial assets held for trading
Stocks	600839	Sichuan Changhong (四川長虹)	2,570	Proprietary funds	1,148	1,421		0	2,367	-186	0	Financial assets held for trading
Stocks	833042	Haikong Energy (海控能源)	20,000	Proprietary funds	20,000			0	0	0	20,000	Financial assets held for trading
Stocks	600642	Shenneng Stock (申能股份)	3,640	Proprietary funds	16,058		-2,779	0	0	468	13,280	Investments in other equity instruments
Stocks	000501	Wushang Group (武商集團)	681	Proprietary funds	11,072		-2,649	0	0	49	8,422	Investments in other equity instruments
Stocks	600236	Guiguan Electric (桂冠電力)	281	Proprietary funds	1,758		-67	0	0	85	1,691	Investments in other equity instruments
Stocks	600642	Shenneng Stock (申能股份)	5,663	Proprietary funds	19,388		3,284	0	0	565	22,672	Investments in other equity instruments
Stocks	600236	Guiguan Electric (桂冠電力)	123	Proprietary funds	760		-16	0	0	37	745	Investments in other equity instruments
Total	/	/	333,008	/	898,553	47,088	70,863	832	906,412	-29,549	90,921	/

Explanation of the securities investment

Applicable Not Applicable

Private fund investment

Applicable Not Applicable

Derivatives investment

Applicable Not Applicable

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

Applicable Not Applicable

(VI) Sale of Major Assets and Equity

Applicable Not Applicable

(VII) Analysis of Major Holding Companies

Applicable Not Applicable

Unit: '000 Currency: RMB

Company name	Business nature	Registered capital	Amount of asset	Amount of owner's equity	Net profit attributable to owners of the parent company
China Gezhouba Group Co., Ltd.	Engineering construction, civil demolition, cement sales and real estate development	RMB3,415,308,700	427,471,161	108,430,514	1,475,469
China Power Engineering Consulting Group Co., Ltd.	Surveying and designing, engineering contracting	RMB2,097,370,200	146,598,654	43,321,579	4,549,295
China Energy Engineering Group Equipment Co., Ltd.	Equipment manufacturing	RMB3,883,722,739.67	21,834,931	4,066,665	221,236
China Energy Engineering Group North Construction and Investment Co., Ltd.	Building construction, investment holding	RMB5,000,000,000	51,453,145	4,174,501	-11,543
China Energy Engineering Group Eastern Construction and Investment Co., Ltd.	Building construction, investment holding	RMB5,000,000,000	68,058,761	10,343,474	528,474
China Energy Engineering Group Southern Construction and Investment Co., Ltd.	Building construction, investment holding	RMB5,000,000,000	34,175,777	5,456,227	-514
China Energy Engineering Group Northwest Construction and Investment Co., Ltd.	Building construction, investment holding	RMB2,500,000,000	22,906,832	3,322,487	98,433
China Energy Engineering Group Investment Co., Ltd.	Project Investment, asset management	RMB6,000,000,000	44,858,360	14,546,587	495,294
China Energy Digital Technology Group Co., Ltd.	Supply chain management, software development	RMB5,000,000,000	4,731,244	1,219,066	49,070
China Energy International Group Co., Ltd.	General engineering contracting, investment operation	RMB7,000,000,000	5,229,110	821,566	-198,540

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(VIII) Structured Entities Controlled by the Company

✓ Applicable Not Applicable

Name	Principal location of operation	Place of registration	Business nature	Shareholding proportion	Obtaining method
CITIC Trust • Stability No.1 Collective Asset Trust Plan (中信信託•穩健1號集合資金信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment
CITIC Trust • Stability No.5 Collective Asset Trust Plan (中信信託•穩健5號集合資金信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment
CITIC Trust • Stability No.8 Collective Asset Trust Plan (中信信託•穩健8號集合資金信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment
CITIC Trust • Stability No.9 Collective Asset Trust Plan (中信信託•穩健9號集合資金信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment
CITIC Trust • Voyage No.26 Fixed Income Trust Plan (中信信託•航遠26號固定收益類信託計劃)	Chaoyang District, Beijing	Chaoyang District, Beijing	Capital investment service	25%	Established by investment

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

Unit: RMB in million Currency: RMB

	2023	2022	2021	2020	2019
Revenue:					
Survey, design and consulting services	19,187	17,465	14,762	14,202	13,154
Construction and contracting	343,464	302,056	263,920	212,066	185,425
Industrial manufacturing	33,732	27,512	28,249	24,254	23,711
Investment and operation	29,432	33,595	27,258	26,995	28,525
Other businesses	9,616	8,250	6,355	5,806	7,183
Inter-segment elimination and adjustment	-29,399	-22,482	-18,225	-12,996	-10,707
Total	406,032	366,396	322,319	270,328	247,291
Gross profit	51,305	45,505	42,409	36,727	32,337
Profit before taxation	14,011	13,677	13,050	12,040	13,308
Net profit	11,256	10,422	9,598	8,637	9,600
Profit for the year attributable to equity holders of the Company	7,986	7,824	6,504	4,671	5,079
Basic and diluted earnings per share (RMB)	0.18	0.18	0.19	0.15	0.17

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

Unit: RMB in million Currency: RMB

	2023	2022	2021	2020	2019
Current assets	426,070	378,761	309,936	288,151	263,459
Non-current assets	357,086	285,791	218,927	187,901	158,212
Total assets	783,156	664,552	528,863	476,052	421,670
Current liabilities	417,009	341,560	270,522	253,102	224,937
Non-current liabilities	177,895	155,525	108,607	85,021	83,443
Total liabilities	594,903	497,085	379,129	338,123	308,380
Total equity	188,253	167,467	149,734	137,929	113,290
Total equity and liabilities	783,156	664,552	528,863	476,052	421,670

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

(I) Industry Landscape and Trends

Applicable Not Applicable

Looking forward to 2024, China will insist on coordinating the expansion of domestic demand and deepening of supply-side structural reform, coordinating new urbanization and comprehensive rural revitalization and coordinating high-quality development and high-level security, and the general trend of economic recovery and long-term improvement will be not changed. According to the spirit of the Central Government Work Report in December 2023, the growth target of China's GDP in 2024 is around 5%. 2024 is the 75th anniversary of the founding of the People's Republic of China and a crucial year for achieving the goals and tasks of the "14th Five-Year Plan". The Company will adhere to the general tone of "seeking progress while maintaining stability, promoting stability through progress, developing and breaking", adhere to the high-goal orientation, continue to deepen the main responsibilities and business, accelerate the development of strategic emerging industries and future industries, and constantly activate new driving forces for high-quality development.

Management Discussion and Analysis (Report of the Board)

1. Power industry

During the “14th Five-Year Plan” period, China will continue to adjust and optimize the energy structure, constantly accelerate the construction of clean energy bases, rationally deploy clean and high-efficient coal-fired power, vigorously promote the construction of adjustable resources, advance the layout and construction of power transmission channels, continuously strengthen the construction of smart grids, coordinate hydropower development and actively develop nuclear power in a safe and orderly manner. According to the statistics and industry forecast of the national power industry, the installed scale of wind power, solar power and hydropower in China will reach approximately 460 million kilowatts, 610 million kilowatts and 430 million kilowatts respectively in 2024, and the scale of nuclear power in operation will reach 61.00 million kilowatts. China will accelerate the construction of clean energy bases and promote the planning and construction of power transmission channels across provinces and regions. The ultra-high voltage is expected to usher in the peak of investment and construction, and the energy storage market is expected to usher in explosive growth. It is expected that the grid investment will exceed RMB500 billion in 2024, reaching a new record high. According to the forecast of the Energy Storage Industry Research White Paper, the cumulative installed scale of new energy storage in China will reach 48.5GW in 2026, with a compound annual growth rate of 53.3% from 2022 to 2026.

The Company will give full play to its own advantages, focus on the development of strategic emerging industries, and accelerate the cultivation of new development driving forces. Firstly, promote green transformation and vigorously develop new energy (low carbon and environmental protection) industries. Secondly, promote the digital intelligence transformation and vigorously develop digital industries. Thirdly, promote integrated transformation, and vigorously develop new infrastructure industries. Fourthly, highlight demonstration traction and establish a normal selection, incubation and promotion mechanism for strategic projects. Fifthly, highlight pragmatism and effectiveness, and study policies and measures to promote the inclination and concentration of resources to strategic emerging industries. Sixthly, highlight organizational efficiency and capability, and establish a management system and mechanism to adapt to the rapid development of strategic emerging industries.

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2. *Water conservancy and environmental industry*

During the “14th Five-Year Plan” period, the investment scale of water conservancy projects increased steadily. The State issued the Outline of National Water Network Construction Plan, actively promoted major national water network projects, implemented a number of major water diversion projects, newly (extendedly) constructed a number of backbone flood discharge channels and controlled reservoir projects, as well as drought-resistant reserve water sources, water ecological restoration and other projects, accelerated the construction and modernization renovation of large and medium-sized irrigation districts and the digital construction of water networks, and strengthened the construction and management of flood storage areas, the treatment of small and medium-sized rivers, and the prevention and control of mountain torrents. It is estimated that the total investment will be approximately RMB6 trillion.

The Company will fully exert the advantages of engineering construction, focus on key tasks such as national large-scale water conservancy infrastructure, flood control safety and ecological restoration, accelerate the modernization and digitalization construction of water conservancy, vigorously promote the integration and development of regional hydropower, and follow up and support the construction of major water conservancy projects.

During the “14th Five-Year Plan” period, in terms of water environment treatment, the market demand for water environment, municipal sewage and rural sewage treatment is accelerating the releasing, and projects such as water conservancy, plant-network integration, pipe network quality and efficiency improvement, township sewage treatment and water environment treatment will become market hotspots; in addition, the State will increase the protection and restoration of major ecosystems, promote urban ecological restoration and functional improvement projects, implement comprehensive treatment of rivers and lakes, and accelerate the filling of shortcomings in the field of ecological and environmental protection. It is expected that the market size of water environment treatment during the “14th Five-Year Plan” period will be approximately RMB2.48 trillion, and comprehensive water environment treatment in river basins will remain an important market. In terms of soil remediation, foreign-invested and private enterprises have formed a fierce competition pattern in soil remediation, solid waste disposal and resource services. Domestically, the soil remediation market is still in the early stage of development, and the remediation of contaminated sites has a relatively clear business model and market increment space. According to the relevant indicators of the “Action plan for Soil Pollution Prevention and Control”, the total market capacity of soil treatment in China is approximately RMB5.32 trillion, of which the remediation of industrial contaminated sites is approximately RMB1.2 trillion, and the remediation of agricultural cultivated land is approximately RMB3.9 trillion, accounting for a relatively high proportion.

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

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3. *Transportation industry*

During the “14th Five-Year Plan” period, China will accelerate the construction of a powerful transportation country and build a modern comprehensive transportation system. There is still room for highway investment and construction, and the scale of railway investment is expected to maintain a high level. According to the “14th Five-Year Plan” for the Development of Modern Comprehensive Transportation System, during the “14th Five-Year Plan” period, China will add 12,000 kilometers of high-speed railways in operation, 29,000 kilometers of completed expressways and 3,400 kilometers of urban rail transit in operation. According to the National Comprehensive Three-dimensional Transportation Network Planning Outline, by 2035, the national expressway network will be approximately 160,000 kilometers and the general national highway network will be approximately 300,000 kilometers. It is estimated that, in particular, the road network will be increased in the east, the accesses along the Yangtze River and the Yellow River will be constructed in the middle, and the mountain roads and border roads will be constructed in the west; and the backbone roads built in the early stage will gradually enter the stage of overhaul and maintenance, and there will be additional needs for reconstruction and expansion.

In terms of railways, it is estimated that in 2025, the scale of the railway network will reach approximately 165,000 kilometers, including approximately 50,000 kilometers of high-speed railways, and the railway network coverage will be further expanded. The railway construction market has long been undertaken by China Railway and CRCC, with a market share of more than 90% in total in the domestic market, and the market entry barrier is high.

In terms of airports, during the “14th Five-Year Plan” period, the State accelerated the market-oriented transformation of the airport industry, promoted the improvement of the layout of transportation airports, focused on accelerating the implementation of hub airport reconstruction and expansion projects, and pushed ahead the construction of a number of airport branches, with an estimated market size of approximately RMB1.2 trillion. As the airport economy is maturing and becomes a hot spot for construction, there are huge opportunities for supporting infrastructure of airports such as transportation and municipal administration; from the competition situation, state-owned enterprises will still be in the dominant position and have relatively great advantages in market competition. At present, more than 95% of airport projects in China are undertaken by state-owned enterprises or state-controlled enterprises.

The Company will proactively explore highway business, participate in railway and airport investment and construction, speed up the “four transformations”, make every effort to create a new situation of high-quality development of the “three-new” Energy Engineering, and promote the green integration development of transportation and energy.

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4. Construction industry

Buildings and structures are the sectors with the highest degree of marketization and the most adequate competition in the construction industry, and the profitability of the industry is lower in general. In recent years, under the objective background that the total supply of real estate is far greater than the demand, the popularity of the real estate industry has declined, and the debts of some well-known real estate developers have peaked. The overall investment in the industry has contracted and declined, and the construction intensity has weakened. In August 2023, the State issued the Guiding Opinions on Planning and Construction of Affordable Housing, which clearly guided to increase the construction and supply of affordable housing, and promoted the establishment of a new model for the transformation and development of the real estate industry. The real estate industry gradually shifted from scale expansion to an intelligent, green and efficient high-quality development stage. Furthermore, the strategies of Healthy China and Technology China have been implemented in-depth, and the national demand for sports, health, science and technology has gradually increased. The development of professional engineering construction industries such as medical structures, sports venues and scientific research premises has continued to improve. According to the "14th Five-Year Plan" for the Development of Construction Industry, by 2025, the proportion of prefabricated buildings in new buildings in China will reach more than 30%.

The Company will actively implement the regional development strategy, seize the opportunity of urbanization development, focus on segmental potential markets and important livelihood projects, give full play to the advantages of integration of whole industrial chain, and vigorously explore the green building and prefabricated building markets.

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(II) Development Strategies of the Company

Applicable Not Applicable

The “14th Five-Year Plan” period is an important period of strategic opportunities of the Company, a window period for accelerating development, a critical period for business transformation and deepening reform, and a key period for cultivating industry competitiveness, enhancing industry influence and shaping industry leadership. Standing at a new historical starting point, the Company will implement the new mission and orientation as a state-owned enterprise in the new era, enhance the core competitiveness and core functions of the Company, and play the role of “scientific and technological innovation, industrial control and safety support” in building a modern industrial system and a new development pattern, and scientifically formulated the general outline “Certain Opinions” and “1466” Strategy for future development. The Company will closely focus on the new energy security strategy of “four revolutions and one cooperation”, and based on the “one center” in the “30•60” system solution, the “two basic points” of comprehensive energy storage and integrated hydrogen energy, accelerate the promotion of “four transformations” of innovation, green, digital and smart, and integration, systematically create “three-new” Energy Engineering with new energy, new infrastructure and new industry as the core, focus on the deep integration of the “seven networks” of energy, transportation, digital, water conservancy, ecology, industry and culture, and vigorously implement the “1466” strategy, i.e. adhering to the strategic vision of becoming an industry leader and ranking top in the world, and building a world-class enterprise with global competitiveness. The Company strives to be at the forefront of implementing national strategies, energy revolution, high-quality development and building a better life, and is committed to building a first-class energy integration solution provider, a first-class general engineering contractor, a first-class infrastructure investor, a first-class comprehensive ecological environment governance provider, a first-class comprehensive urban development operator, a first-class provider of building materials, industrial products and equipment. The Company will make breakthroughs in promoting energy revolution and energy transformation, accelerating high-quality development, deepening system reform, comprehensively strengthening scientific management, and comprehensively improving the core competitiveness and organizational capacity of the Company.

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The Company will vigorously cultivate and develop strategic emerging industries and future industries, and accelerate the construction of a world-class enterprise with global competitiveness. The Company will practice the strategic system with the “Ten Eight Eight” as the core: “Ten” refers to “Ten Three”, i.e. promoting “three emancipations” of mind emancipation, human-being emancipation and productivity emancipation, focusing on “three economic forms” of green and low carbon, digital and smart, and sharing and integration, persevering in “three development trends” of high-quality development, integrated development and coordinated development, realizing “three transformations” of green, digital and smart and integrated guided by innovation, promoting the construction of “three adaptable organization” of the leading role at the top level, the supporting role at the middle level and the management level at the grassroots level, optimizing “three layouts” of productivity and industry, market and region, and resources and capital, advancing “three integration” of industry and finance, industry and technology, and industry and information, firmly grasping the management of “three-full” of full budget, full cost accounting and full performance assessment, strengthening the construction of “three-basic” of focusing on grassroots, enhancing infrastructure and practise basic skills, and comprehensively building the “three-new” Energy Engineering platform of new energy, new infrastructure and new industry. The first “Eight” refers to the “eight-force management model”: comprehensively upgrade and fully exert the “eight forces” of strategic traction, systematic vitality, mechanic power, innovative driving force, cultural synergy, capital exertion, digital acceleration and leadership impetus. The second “Eight” refers to the “eight management objectives”: always adhere to the “eight management objectives” of “three-high, two-low and three-strong” with high efficiency, high quality, high benefits, low cost, low risk, strong governance ability, strong innovation drive and strong culture guidance. A new energy engineering company with high quality development is expected to be built by 2025. A world-class enterprise with global competitiveness will be built in an all-round way in 2035.

(III) Business Plan

Applicable Not Applicable

In 2024, the planned value of newly signed contracts of the Company is RMB1,300 billion, the planned operating revenue is RMB428 billion, and the planned investment is RMB160.5 billion.

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

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(IV) Potential Risks

✓ Applicable Not Applicable

1. *International operation risk*

The instability of the international political situation has increased, the risk of “changes due to general elections” and conflicts in hot spots has increased, and there are uncertainties in the overseas business environment. The downward pressure on the global economy has become increasingly prominent. In some countries, economic growth has slowed down, inflation and interest rates are at a higher level, infrastructure investment space has been limited to a certain extent, and market development has become more difficult. The Company’s overseas business covers many countries and regions around the world, and different countries have different political and economic systems, legal environments and technical standards, which have a certain impact on the efficient performance and production and operation of the project to a certain extent.

Countermeasures: The Company will continue to improve the international business risk control system, carry out country risk judgment and early warning, and conduct risk dynamic research and analysis of core country markets; strengthen project planning and risk management in the bidding stage, conduct preliminary investigation, legal due and diligent investigation, site reconnaissance and other works, and effectively control the contract risk; and continue to strengthen overseas project management, gradually cultivate strategic partners of overseas subcontractors, strengthen resource allocation, and continuously improve the refined and standardized management level of overseas projects.

2. *Debt risk*

With the increase of investment and financing business of the Company, the development funds required for the transformation and upgrading of newly setup enterprises and traditional enterprises continue to increase, which may lead to an increase in the balance of debt financing scale. Several subsidiaries have high interest-bearing liabilities, insufficient project profitability, and the reduction effect of “two funds” is not obvious. Affected by the high debt level of some local governments, the payment of individual investment projects was less than the expected.

Countermeasures: The Company will strictly implement the investment and financing budget plan and coordinate the financing cost and investment income; continue to implement penetrating management of gearing ratio and carry out targeted supervision and guidance; strengthen the coordinated management of funds, actively revitalize existing assets and deploy financing arrangements; strengthen liquidity management, conduct debt disposal when due, and plan debt reduction or replacement; and strengthen project operation and management, intensify the reduction of “two funds” and improve the project profitability.

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3. *Investment risk*

The PPP business is affected by policy changes, debts of local governments and other factors, and the advancement of several projects is exposed to uncertainties; due to impact of the long cycle of projects under construction and many factors, there may be the risk that the investment benefit would deviate from the expectation. The real estate business is affected by regional market differentiation, market demand, confidence and other factors, and there is pressure of destocking for individual projects.

Countermeasures: The Company will focus on ensuring the income of investment projects, strengthen the demonstration and analysis on investment projects, and adhere to the bottom line of investment risks; improve the management system of investment project development and construction, improve the effectiveness of lifecycle management of investment projects, and strive to control investment costs; increase its effort on the payment collection of PPP projects and accelerate the recovery of funds; and deepen the research and analysis on the real estate market, increase the high-quality land reserve, strengthen sales management and reduce the destocking risk of projects.

4. *Engineering project performance risk*

The low contracting quality of individual projects lays certain potential risks for performance; unscientific project organization and planning, insufficient management personnel ability, ineffective subcontracting and procurement may lead to risks such as overdue construction period, increased cost, claim of guarantee, operating losses and legal disputes.

Countermeasures: The Company will strengthen the risk assessment in the bidding stage and improve the quality of winning the bid; continuously strengthen the publicity and implementation of the new project management system, improve the capability of project management personnel and enhance the operational efficiency of the management system; rigidly implement the subcontracting and procurement management requirements, and comprehensively manage key points; focus on the key indicators of project operation, strengthen the whole-process operation and management of projects, promote the efficient performance and profit-making of projects and promote the implementation of the regulatory requirements of “whole process, all factors, all hierarchies and full costs” of projects.

(V) **Others**

Applicable Not Applicable

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

Applicable Not Applicable

VIII. OTHER DISCLOSURES

(I) Business Review

The performance and business of the Company in 2023, future development and prospects, potential risks and relationship with major customers and suppliers are set out in this section, and the Company has carried out analysis on the financial and operating conditions of the Company.

Details of the Company's staff and compliance with relevant laws and regulations that have a significant impact on the Company in 2023 are set out in the section headed "Corporate Governance (Corporate Governance Report)" of this report.

Details of dividend distribution and policies of the Company are set out in the section headed "Significant Events" and "Corporate Governance (Corporate Governance Report)" of this report. The social responsibility and environmental protection of the Company in 2023 are set out in the "Environmental and Social Responsibilities" section in this report. Further details of the environmental policies, social responsibilities and its performance of the Company will be set out in the Environmental, Social and Governance Report published by the Company at the same date of 2023 Annual Report of the Company.

Details of the events that have a significant impact on the Company and other disclosable matters in 2023 are set out in the section headed "Significant Events" of this report.

(II) Future Investment Plans

The Company will firmly develop the concept of "value investment, lifecycle investment, rational investment and high-quality investment", take the construction of the "three-new" (i.e. new energy, new infrastructure and new industry) Energy Engineering as the core fulcrum the promotion of "four transformations (i.e. innovation-driven transformation, green and low carbon transformation, digital intelligence transformation, sharing and integration transformation)" as the core path, continuously optimize the investment structure and enhance the core competitiveness of the Company. The Company will give priority to tilting resources to strategic emerging industries, future industries and "three-new" industries, proactively lay out a number of major projects with strong traction and long-term benefits, strive for new breakthroughs in the investment scale in the strategic emerging industries, and comprehensively improve the investment capabilities and level.

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(III) Subsequent Events

In order to facilitate the implementation of the Company's "30•60" strategic objectives and to construct a development platform for "three-new" of new energy, new infrastructure and new industry, as considered and approved at the 21st meeting of the third session of the Board, the 22nd meeting of the third session of the Board, the first extraordinary general meeting of 2023, the first A Shareholders' class meeting of 2023 and the first H Shareholders' class meeting of 2023 of the Company, the Company has decided to raise a maximum of RMB14.850 billion by way of issuing A shares to specific targets. The proceeds will be invested in the construction of China Energy Engineering Hami "Photovoltaic (Heat) Storage" Multi-energy Complementary Integrated Green Power Demonstration Project, Gansu Qingyang "Eastern Data, Western Computing (東數西算)" Source-Network-Load-Storage Integrated Smart Zero Carbon Big Data Industrial Park Demonstration Project, Solar Thermal Power + Photovoltaic Power Integrated Project of China Energy Engineering Group Zhejiang Thermal Power Construction Co., Ltd., Hubei Yingcheng 300MW Compressed Air Energy Storage Power Station Demonstration Project and Uzbekistan Bash and Zankeldi Wind Power Project, as well as for supplement of working capital. In view that the validity period of the resolutions and the Authorization related to the Issuance is about to expire, and the matters related to the Issuance are still in progress, in order to ensure the continuing, effective and smooth performance of relevant work of the Issuance, on 28 March 2024, as considered and approved at the first extraordinary general meeting, the first A shareholders' class meeting and the first H shareholders' class meeting of 2024 of the Company, the validity period of relevant resolutions related to the Issuance and the validity period of the Authorization were approved to be extended for a period of 12 months, and the other contents of the Issuance plan will remain unchanged.

The Issuance plan has been approved by the SASAC under the State Council. On 12 June 2023 and 20 September 2023, the Company respectively received the "Questionnaire on the Review of the Application Files of China Energy Engineering Corporation Limited for Issuance of Shares to Specified Subscribers" (SSE Shanghai Review (Refinancing) [2023] No. 402) and "Questionnaire on the Review of the Application Files of China Energy Engineering Corporation Limited for Issuance of Shares to Specified Subscribers" (SSE Shanghai Review (Refinancing) [2023] No. 659) from the Shanghai Stock Exchange. The Company has supplemented and amended the relevant issues and the contents of the relevant application files in accordance with the relevant requirements and made public disclosures on 19 July 2023 and 28 September 2023 respectively. For details, please refer to the relevant announcements published on the Company's website, the website of the Shanghai Stock Exchange as well as the website of HKEXnews of Hong Kong Stock Exchange.

The Issuance is subject to the review by the Shanghai Stock Exchange and the consent of the CSRC for registration. Shareholders of the Company and potential investors are advised to invest rationally and pay attention to investment risks.

By order of the Board
Song Hailiang
Chairman

28 March 2024

CORPORATE GOVERNANCE (CORPORATE GOVERNANCE REPORT)

I. BASIC INFORMATION OF CORPORATE GOVERNANCE OF THE COMPANY

Applicable Not Applicable

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

During the Reporting Period, the Company improved and perfected its governance policies and system and continuously improved its governance efficiency. The Company established and constantly improved the multi-tier corporate governance policies and system based on the Articles of Association, with the Rules of Procedures for Shareholders' General Meeting, the Rules of Procedures for the Standing Committee of the Party Committee, the Rules of Procedures for the Board of Directors and the rules of procedures for other governance bodies as the core, and the special management measures such as the Authorization Management Measures for the Board of Directors as the guidance, covering the fields including strengthening the Party's leadership, standardizing the construction of the Board, improving corporate governance and strengthening supervision and guarantee, and promoting the policies and system to be more practicable, effective, systematic and unique. The Company revised the Rules of Procedures for the Office Meetings and the Working Rules for General Managers, and "Four Lists of Procedures" including the Party Committee's Pre-research, "Three Importances and One Greatness", the Chairman's Special Meeting and the Office Meeting for General Managers, optimized and improved the list of powers and responsibilities, and continuously strengthened the list management. further clarified the boundaries of powers and responsibilities of the Party Committee, the Board and management, highlighted the balance between decision-making quality, operational efficiency and risk control, and promoted the connection among the Party Committee's pre-research and the decision-makings of the Board and management in an orderly manner, and formed a corporate governance mechanism with power and responsibilities statutory and transparent, coordinated operation and effective balancing.

Corporate Governance (Corporate Governance Report)

The Board of the Company focused on strategies formulation, decision-makings and risks prevention, exercised decision-making power on major events of the Company in accordance with statutory procedures and the Articles of Association, and conscientiously performed its duties such as strategy formulation and evaluation, decision-making control and risk prevention, thereby greatly improving the standardization and effectiveness of the operation of the Board. Firstly, standardize decision-making procedures according to law. The Board organized 11 Board meetings during the year, considered and approved 62 resolutions, and a number of major investment projects, major financing projects and important management policies were approved and successfully implemented; and the Company organized and held 4 Shareholders' general meetings and considered and approved 26 resolutions. While standardizing decision-making, the Board strengthened the supervision and implementation of resolutions, and regularly listened to the reports of management on the implementation of resolutions. All 67 Board resolutions in 2022 were effectively implemented, made ensure the closed-loop management of the decision-making of the Board. Secondly, effectively guarantee the decision-making support. The Board earnestly carried out the pre-audit work of the special committees under the Board, fully exerted the professional advisory role of special committees. During the year, the Board held 16 special committee meetings, considered and approved 36 resolutions and listened to 17 reports. Thirdly, make prudent decisions on major investments. The Board made decisions on major investment projects in a scientific and legal manner, spared no effort to support the Company for expanding strategic emerging industries, and determined five new energy projects throughout the year, including Guangxi Chongzuo Wind-Photovoltaic-Thermal-Storage Integrated Comprehensive Energy Base Project, and Xijiang Hami Photovoltaic (Heat) Storage Multi-energy Complementary Integrated Green Power Demonstration Project. Fourthly, standardize the authorization management of the Board. The Board of the Company strictly strengthened authorization management, optimized and improved the list of authorization matters of the Chairman and general managers. The Chairman and general managers made collective decisions on authorization matters of the Board at the special meeting of the Chairman and the office meeting of the general managers respectively, reported the exercise of authorized decision-making matters to the Board semi-annually, and strictly implemented the authorization reporting policies and evaluation mechanism to ensure standardized and scientific authorization.

The Company has set up an internal governance structure composed of the general meeting, the Board of Directors and its special committees, the Board of Supervisors and the Senior Management, clarifying the work mechanism of the Company's party committee conducting pre-researches and debates on major issues and the special committees under the Board of Directors listening to work reports on a regular basis. The system framework and managing mechanism is optimized with clear procedures and sufficient information communications. During the Reporting Period, each governance bodies maintained standardized and high-efficient operation, ensuring that the Company completed the reform and development tasks and operation and management objectives determined at the beginning of the year.

Corporate Governance (Corporate Governance Report)

(I) Rights of Shareholders

1. Convening an Extraordinary General Meeting. Shareholders individually or collectively holding 10% (including 10%) or more of the shares with voting rights at the proposed meeting may sign one or more written requests in the same format and content and deliver to the Board for calling an extraordinary general meeting or a class meeting, stating the subjects of the meeting. The Board shall call an extraordinary general meeting or a class meeting as soon as possible after receiving the aforementioned written requests.
2. Making Inquiries to the Board. To inquire about matters related to the Company with the Board of Directors, shareholders can email us at: zgnj3996@ceec.net.cn.
3. Putting Forward Proposals at the General Meeting. The Company convenes a general meeting, at which shareholders individually or collectively holding 3% or more of the shares of the Company are entitled for proposing resolutions to the Company. Shareholders individually or collectively holding 3% or more of the shares of the Company are entitled for proposing extraordinary resolutions and submitting the same in writing to the convener 10 days before the convening of the general meeting. The convener shall issue a supplemental notice of the general meeting to announce the content of the extraordinary resolutions within 2 days after receiving the proposal.

(II) The Board and the Management

The Company adopts the practice of holding regular Board meetings and extraordinary Board meetings, at least four regular meetings annually and at approximately quarterly intervals. Notices are given not less than 14 days in advance for all regular Board meetings. For extraordinary meetings of the Board and meetings of the special committees of the Board, reasonable notice is generally given. The agenda and meeting papers of extraordinary meetings of the Board and meetings of the special committees of the Board are dispatched to the Directors or members of the relevant special committees of the Board at least five days and three days, respectively, before the meetings to ensure that the Directors have sufficient time to review the meeting papers.

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

Corporate Governance (Corporate Governance Report)

In September 2023, Mr. Sun Hongshui resigned as the general manager of the Company due to personal reasons, and in response to the change in management, the Company re-adjusted the division of work among the leaders in light of the actual situation. According to the requirements of the SASAC of the State Council during the vacancy of the general manager position, the powers and responsibilities of the general manager will be temporarily taken by the chairman of the Board and shall strictly comply with the provisions of the Articles of Association, the Rules of Procedure of the Board of Directors of China Energy Engineering Corporation Limited, By-laws for the General Manager of China Energy Engineering Corporation Limited and relevant laws and regulations. Meanwhile, the Company maintained active communication with the SASAC of the State Council, and gradually filled up and consolidated management members according to relevant regulations.

1. *Board of Directors*

Major duties of the Board are as follows:

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

Corporate Governance (Corporate Governance Report)

2. Management

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

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

(III) Board Diversity Policy

1. Purpose

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

2. Measurable Objectives

Candidates of the Board of the Company will be selected based on a range of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will contribute to the Board. The Board's composition (including gender and age) will be disclosed in the annual report of the Company annually. There is no female Director in the Board of the Company for the time being. According to the relevant requirements of the Hong Kong Listing Rules, the Company will appoint at least one female Director before 31 December 2024.

Corporate Governance (Corporate Governance Report)

3. *Monitoring and Reporting*

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

Having considered the current business model and specific needs of the Company, as well as the different backgrounds, capabilities, ages and genders of the Directors, the Board is of the view that all Directors (including independent non-executive Directors) bring a wide range of valuable business experience, knowledge and specialized skills to the Board for its effective operation, and that the Board diversity policy has been effectively implemented.

(IV) Director Nomination Policy and Procedures

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

Selection criteria:

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

Corporate Governance (Corporate Governance Report)

Nomination procedures:

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

Supervision and review:

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

(V) Corporate Governance Functions

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

Corporate Governance (Corporate Governance Report)

The Board has performed the above corporate governance functions during the Reporting Period.

2. The Company attaches great importance to the construction of the Board. In order to ensure that the Board can obtain independent views and opinions, relevant policies have been formulated, including but not limited to:
 - (1) The majority of the Board members are non-executive Directors. Among the 8 Board members, 6 are non-executive Directors, which is conducive to the Board to widely accept multi-channel information;
 - (2) Diversified composition of Directors. All Directors come from different units and industries, have been engaged in different occupations, have rich management experience and expertise, and can provide professional insights and unique views for the decision-makings of the Board;
 - (3) Providing professional training. The Company actively organized Directors to participate in various trainings organized by domestic and foreign securities regulatory agencies to support Directors to improve their professional skills;
 - (4) Arranging Directors for business investigation. The Company organized the non-executive Directors to make on-site investigations on the Company's relevant businesses no less than 4 times, and supported the Directors for comprehensive understanding of the Company's businesses.

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

Whether or not the corporate governance has any significant discrepancies with laws, administrative regulations and regulations of the CSRC on the governance of listed companies. If yes, please explain the reasons

Applicable Not Applicable

Corporate Governance (Corporate Governance Report)

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

Applicable Not Applicable

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

(I) Assets Integrity

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

(II) Staff Independence

The Company has established an independent personnel system and an independent wage management system, and is independent of the controlling shareholder and other enterprises controlled by it in terms of labor, personnel and wage management. Senior management personnel of the Company do not hold any positions other than Directors and supervisors in the controlling shareholder and other enterprises controlled by them, and do not receive remuneration from the controlling shareholder and other enterprises controlled by them.

(III) Financial Independence

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

Corporate Governance (Corporate Governance Report)

(IV) Organizational Independence

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

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

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

Applicable Not Applicable

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

1. *Shanxi No. 2 Electric Power*

Shanxi No. 2 Electric Power is mainly engaged in construction of power engineering projects and general contracting business of buildings and structures, etc., which overlaps with the principal businesses of the Company. Shanxi No. 2 Electric Power has completely stopped production and operation activities, and formally submitted legal bankruptcy application to its local court in December 2019, and was declared bankruptcy by local court on 28 November 2023.

Corporate Governance (Corporate Governance Report)

2. *Beijing Power Construction*

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

Considering that Energy China Group has entrusted a subsidiary of the Company to manage Beijing Power Construction, and the Company exercises management function over the existing businesses of Beijing Power Construction through CGGC, there is currently no substantial horizontal competition between Beijing Power Construction and the Company and its subsidiaries. Meanwhile, the controlling shareholder proactively took a series of measures, conducted feasibility analysis and discussion from aspects such as equity transfer, merger and acquisition, promoted the addressing of the business overlap issue between Beijing Power Construction and the Company, and is currently under negotiation. The controlling shareholder of the Company undertook that before 31 December 2025, it will, in accordance with the requirements of regulatory authorities, under the premise of complying with the applicable laws and regulations and relevant regulatory rules at that time, and in the principle of being conducive to the development of the Company and safeguarding the interests of shareholders, comprehensively use equity transfer, asset restructuring, business adjustment and other methods to steadily advance and solve the business overlap between Beijing Power Construction and the Company.

Corporate Governance (Corporate Governance Report)

III. BRIEF INTRODUCTION OF GENERAL MEETINGS

Session of the meeting	Date of convening	Index of search on the designated website on which the resolutions were published	Disclosure date of publication of resolution	Resolution at the meeting
First extraordinary general meeting, the first A Shareholders' class meeting and the first H Shareholders' class meeting of 2023	30 March 2023	www.sse.com.cn/ www.hkexnews.hk	31 March 2023/ 30 March 2023	For details, please refer to the "Announcement on Resolutions at the First Extraordinary General Meeting, the First A Shareholders' Class Meeting and the First H Shareholders' Class Meeting of 2023 of China Energy Engineering Corporation Limited" (Lin 2023-022)/"Poll Voting Results of the First Extraordinary General Meeting of 2023 and Class Meetings Held on 30 March 2023" disclosed by the Company
Annual General Meeting of 2022	11 May 2023	www.sse.com.cn/ www.hkexnews.hk	12 May 2023/ 11 May 2023	For details, please refer to the "Announcement on Resolutions at the Annual General Meeting for the Year 2022 of China Energy Engineering Corporation Limited" (Lin 2023-030)/"Poll Voting Results of the Annual General Meeting for the Year 2022 Held on 11 May 2023 and Profit Distribution Plan for the Year 2022 and Payment of Final Dividend" disclosed by the Company
Second Extraordinary General Meeting of 2023	12 December 2023	www.sse.com.cn/ www.hkexnews.hk	13 December 2023/ 12 December 2023	For details, please refer to the "Announcement on Resolutions at the Second Extraordinary General Meeting of 2023 of China Energy Engineering Co., Ltd." (Lin 2023-067)/"Poll Voting Results of the Second Extraordinary General Meeting of 2023 Held on 12 December 2023" disclosed by the Company
Third Extraordinary General Meeting of 2023	28 December 2023	www.sse.com.cn/ www.hkexnews.hk	29 December 2023/ 28 December 2023	For details, please refer to the "Announcement on Resolutions at the Third Extraordinary General Meeting of 2023 of China Energy Engineering Co., Ltd." (Lin 2023-071)/"Poll Voting Results of the Third Extraordinary General Meeting of 2023 Held on 28 December 2023" disclosed by the Company

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

Applicable Not Applicable

Explanation for general meeting

Applicable Not Applicable

Corporate Governance (Corporate Governance Report)

IV. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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

Applicable Not Applicable

Unit: share

Name	Position	Gender	Age	Commencement date of the term of office	Expiration date of the term of office	A shares held at the beginning of the year	A shares held at end of year	Increase or decrease of shares during the year	Reasons for the change	Total remuneration before tax received from the Company during the Reporting Period (RMB'0,000)	Whether receive remuneration from related parties of the Company
Song Hailiang	Chairman of the Board and Executive Director	Male	58	27 October 2020	4 February 2024					114.13	No
Sun Hongshui	Vice Chairman of the Board and Executive Director	Male	62	30 June 2020	4 February 2024 (note 3)					54.23	No
	General Manager			26 May 2020	4 February 2024 (note 3)						
Ma Mingwei	Executive Director	Male	59	30 June 2020	4 February 2024					106.22	No
Li Shulei	Non-executive Director	Male	60	5 February 2021	4 February 2024					0.00	No
Liu Xueshi	Non-executive Director	Male	58	28 December 2017	4 February 2024					0.00	No
Si Xinbo	Non-executive Director	Male	56	28 December 2017	4 February 2024					0.00	No
Zhao Lixin	Independent Non-executive Director	Male	69	30 June 2020	4 February 2024					8.00	No
Cheng Niangao	Independent Non-executive Director	Male	67	30 June 2020	4 February 2024					8.00	No
Ngai Wai Fung	Independent Non-executive Director	Male	62	5 February 2021	4 February 2024					12.3	No
He Jiansheng	Chairman of the Board of Supervisors	Male	60	5 February 2021	4 February 2024	266,022	266,022			116.41	No
Wu Daozhuan	Employee Representative Supervisor	Male	58	26 May 2021	4 February 2024					113.06	No
Kan Zhen	Employee Representative Supervisor	Male	60	28 December 2017	4 February 2024					97.94	No
Mao Fengfu	Supervisor	Male	59	5 February 2021	4 February 2024					0.00	No
Lv Shisen	Supervisor	Male	55	5 February 2021	4 February 2024					0.00	Yes
Wu Chunli	Deputy General Manager	Male	60	28 December 2017	4 February 2024 (note 4)					81.63	No
Zhou Hougui	Deputy General Manager	Male	61	28 December 2017	4 February 2024 (note 4)					81.63	No
Wu Yun	Deputy General Manager	Male	59	28 December 2017	4 February 2024					106.45	No
Chen Xiaohua	Deputy General Manager	Male	49	27 August 2021	4 February 2024 (note 5)	443,370	443,370			104.73	No
Li Lai Nar	Chief Accountant	Female	53	26 November 2021	4 February 2024					99.62	No
Qin Tianming	Secretary to the Board	Male	56	27 August 2021	4 February 2024					116.46	No
Total	/	/	/	/	/	709,392	709,392			1,220.81	/

Corporate Governance (Corporate Governance Report)

Notes:

1. The total remuneration during the Reporting Period is before deducting individual income tax and includes basic pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, enterprise annuity and housing provident fund paid by the Company for individuals.
2. At the beginning of 2023, Mr. He Jiansheng, Mr. Wu Daozhuan and Mr. Qin Tianming held 264,000, 214,000 and 214,000 H shares of the Company, respectively, and there was no change in their shareholdings during the Reporting Period.
3. Mr. Sun Hongshui resigned as executive director, vice chairman and general manager of the Company on 6 September 2023 due to personal reasons.
4. Mr. Wu Chunli and Mr. Zhou Hougui ceased to be the deputy general manager of the Company on 10 August 2023 separately due to reaching the statutory retirement age.
5. Mr. Chen Xiaohua ceased to be the deputy general manager of the Company on 21 December 2023 due to work reasons.

Corporate Governance (Corporate Governance Report)

Name	Main Work Experience
1. Board of Directors	
1.1 Executive Directors	
Song Hailiang	Born in July 1965, chief senior engineer. He holds a doctor's degree in management. He joined the Group in 2020 and is currently an executive Director, the chairman of the Board, the chairman of the strategy committee and the chairman of the nomination committee of the Board of the Company, he is also the chairman of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Song commenced his career in 1987 and successively served as the deputy officer, officer of Division II of Water Transport Planning and Design Institute of Ministry of Transport, the assistant to president, vice president, president of CCCC Water Transportation Consultants, the chairman and general manager of CCCC Water Transportation Consultants Co., Ltd., the chairman of Shanghai Zhenhua Heavy Industries Co., Ltd. (listed on the Shanghai Stock Exchange, Stock Code: 600320), the assistant to general manager and the general manager of the marine heavy equipment manufacturing division of China Communications Construction Company Limited (listed on the Shanghai Stock Exchange, Stock Code: 601800; and listed on the Hong Kong Stock Exchange, Stock Code: 1800), deputy general manager, executive director, general manager of China Communications Construction Company Limited, and the director and general manager of China Communications Construction Group Limited.
Ma Mingwei	Born in June 1964, senior economist. He holds a bachelor's degree in history and a master's degree in management. He joined the Group in 2019, and is currently an executive Director of the Company, he is also the chairman of the labor union of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司). Mr. Ma has successively served as a deputy director-level cadre of the China Institute of Workers' Movement* (中國工運學院); an assistant researcher of the National Federation of Trade Unions, a deputy director-level researcher of the Fifth Bureau of the Cadre of the Organization Department of the CPC Central Committee, a deputy director level cadre, deputy director of Division II, researcher and director of Division I (Talents Division), director of Division III, director of Division IV of the First Bureau of Management of Enterprise Leaders of the SASAC, and the deputy secretary of the Disciplinary Committee of the SASAC, deputy secretary of the party committee of the SASAC, deputy secretary of the party committee and secretary of the Disciplinary Committee of the SASAC.
1.2 Non-executive Directors	
Li Shulei	Born in February 1964, with a postgraduate degree. He joined the Group in 2021, and is currently a non-executive Director and the member of the Strategy Committee, the Audit Committee and Board of Supervisors of the Company, and concurrently an external Director of China State Shipbuilding Group Co., Ltd. and GRINM Group Corporation Limited. Mr. Li successively served as deputy general manager and general manager of Anhui Huainan Pingwei Electric Power Generating Company Limited, deputy general manager and general manager of Northwest Branch of China Power Investment Corporation, deputy general manager, general manager and chairman of Huanghe Company, director of human resources department and assistant to general manager of China Power Investment Corporation, assistant to general manager and general manager of hydropower and new energy department of State Power Investment Corporation, assistant to general manager of State Power Investment Corporation.
Liu Xueshi	Born in July 1965, holds a bachelor's degree in economics. He joined the Group in 2017 and is currently a non-executive Director, member of the Remuneration and Assessment Committee of the Board of the Company and he is also the chief accountant of the China Reform Holdings Corporation Ltd.(中國國新控股有限責任公司). Mr. Liu started his career in 1988 and has successively worked as the director of the No.1 Assessment, the director of the System Division, the deputy director-level cadre of the Department of Corporation of the Ministry of Finance (財政部企業司), the deputy head of the Service Administration Bureau (the Administration Bureau of the Former and Retired Staff) under the SASAC.
Si Xinbo	Born in December 1967, is a senior accountant and holds a master's degree in business administration. He joined the Group in 2017 and is currently a non-executive Director and member of the Strategy Committee of the Board of the Company. He also currently serves as a deputy general manager of Silk Road Fund Co., Ltd. (絲路基金有限責任公司). Mr. Si started his career in 1990 and has successively served as deputy director of the Asset Restructuring Department of the Asset Restructuring and Preservation Bureau of China Development Bank (國家開發銀行), director of the No. 4 and No. 3 Audit Divisions of the Audit Appraisal Bureau and director of the Department of Audit Affairs Management of China Development Bank, and vice president of Qinghai Branch of China Development Bank.

Corporate Governance (Corporate Governance Report)

Name	Main Work Experience
1.3 Independent Non-executive Directors	
Zhao Lixin	Born in December 1954, holds a bachelor's degree. He joined the Group in 2020 and is currently an independent non-executive Director, the chairman of the Audit Committee and Board of Supervisors as well as member of the Nomination Committee of the Board of the Company, and concurrently serves as an independent non-executive Director of China Railway Construction Corporation Limited. He has successively served as the deputy chief designer of the Design and Research Institute, the deputy head of the Chief Engineer Office, the head of the Chief Engineer Office, the deputy chief engineer, the deputy chief engineer and the chief production officer, the deputy secretary of the party committee, the secretary of the party committee and the deputy general manager of China First Heavy Industries Group Co., Ltd.* (中國第一重型機械集團公司), and the external director of China Grain Reserves Group Company Ltd.* (中國儲備糧管理集團有限公司).
Cheng Niangao	Born in September 1956, holds a master's degree of business administration. He joined the Group in 2020. He is currently an independent non-executive Director, the chairman of the Remuneration and Assessment Committee and member of the Nomination Committee of the Board of the Company, and concurrently serves as the external director of China National Building Materials Group Co., Ltd.* (中國建材集團有限公司). Mr. Cheng has successively served as the director of the Hydropower Bureau of the Planning Department of Ministry of Electric Industry* (電力工業部規劃計劃司水電處), the assistant to general manager and the head of the Planning Management Department of State Power Grid Development Company* (國家電網建設有限公司), the deputy director of the Planning Department of Ministry of Electric Industry* (電力工業部規劃計劃司), the deputy head of the Planning and Investment Department of the State Power Corporation (國家電力公司), the president and the secretary of the party group of China Renewable Energy Engineering Institute* (中國水電水利規劃設計總院), the chairman of the Board of Directors, the general manager and the secretary of the party group of China Hydropower and Renewable Energy Engineering Consulting Group Co., Ltd.* (中國水電水利及新能源發電工程顧問有限公司), the head of the Comprehensive Planning & Financing Department of the State Power Corporation, and a member of the party group, the deputy general manager, the deputy secretary of the party group, a director and the general manager of China Huadian Corporation* (中國華電集團公司).
Ngai Wai Fung	Born in January 1962, holds a Ph.D. degree. He joined the Group in 2021, and is currently an independent non-executive Director, the member of the Remuneration and Assessment Committee and the Audit Committee of the Company, and concurrently is a director and the chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. Dr. Ngai is currently a member of the General Committee and the Chairman of Membership Services of Sub-Committees of the Chamber of Hong Kong Listed Companies. He was the president of The Hong Kong Institute of Chartered Secretaries (now known as The Hong Kong Chartered Governance Institute) (2014-2015), a non-official member of the Working Group on Professional Services under the Economic Development Commission of the Hong Kong Special Administrative Region (2013-2018), a member of the Qualification and Examination Board of the Hong Kong Institute of Certified Public Accountants (2013-2018) and one of the first batch of accounting consulting experts of the Ministry of Finance of China (2016-2021). Dr. Ngai is a fellow of The Association of Chartered Certified Accountants in the United Kingdom, a member of The Hong Kong Institute of Certified Public Accountants, a fellow of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators), a fellow of The Hong Kong Chartered Governance Institute, a fellow of The Hong Kong Institute of Directors, a member of The Hong Kong Securities and Investment Institute and a member of The Chartered Institute of Arbitrators. Dr. Ngai obtained a Doctoral Degree in Finance at Shanghai University of Finance and Economics, a Master's Degree in Corporate Finance from Hong Kong Polytechnic University, a Master's Degree in Business Administration from Andrews University of Michigan and a Bachelor's Degree in Law at University of Wolverhampton. Dr. Ngai is currently the independent non-executive director of the following companies, namely Bosideng International Holdings Limited (Hong Kong Stock Exchange, Stock Code: 03998), Powerlong Real Estate Holdings Limited (Hong Kong Stock Exchange, Stock Code: 01238) and Beijing Capital Grand Limited (Hong Kong Stock Exchange, Stock Code: 01329). Dr. Ngai is also the independent director of SPI Energy Co., Ltd. (Nasdaq: SPI). Dr. Ngai was the independent non-executive director of BBMG Corporation (English translation denotes for identification purposes only) from November 2015 to May 2021, China Communications Construction Company Limited from November 2017 to February 2022, BaWang International (Group) Holding Limited from December 2008 to May 2022, TravelSky Technology Limited from January 2016 to September 2022, and Beijing Capital Grand Limited from December 2013 to May 2023.

Corporate Governance (Corporate Governance Report)

Name	Main Work Experience
2. Board of Supervisors	
He Jiansheng	Born in February 1964, is a professorate senior engineer, and holds a master's degree in economic law. He joined the Group in 1983, and is currently the chairman of the Board of Supervisors of the Company. Mr. He started his career in 1983, and successively served as the deputy head and the head of the quality and security division of China Gezhouba Water Conservancy and Hydropower Engineering Group No. 5 Company* (中國葛洲壩水利水電工程集團五公司), the manager of Three Gorges Construction Company* (三峽建設公司), the vice general manager of China Gezhouba Group No. 5 Company* (中國葛洲壩集團五公司), the chairman and general manager of China Gezhouba Group No. 4 Engineering Co., Ltd.* (中國葛洲壩集團第四工程有限公司), the chairman and general manager of China Gezhouba Group No. 1 Engineering Co., Ltd.* (中國葛洲壩集團第一工程有限公司), the vice general manager, general manager, director of China Gezhouba Group Stock Company Limited, the chief engineer of China Energy Engineering Group Co., Ltd., and the chief engineer of the Company.
Wu Daozhuan	Born in December 1965, is a senior economist with professional qualifications, and holds a master's degree in business administration. He joined the Group in 1986, and is currently an employee representative supervisor of the Company, the general manager of the Board of Supervisors office and the audit centre under the audit department of the Company. Mr. Wu started his career in 1986, and served successively as the chief of the planning section, the chief of the contract management section, the deputy head of the production and operation department and the head of the production and operation department of the engineering management department of China Gezhouba Water Conservancy and Hydropower Engineering Group Co., Ltd.* (中國葛洲壩水利水電工程集團公司), the deputy general manager of the construction project department of Laxiwa Hydropower Station of China Gezhouba Group Company Limited* (中國葛洲壩集團有限公司), the director of the production and operation department of China Gezhouba Group Stock Company Limited* (中國葛洲壩集團股份有限公司); the deputy director of the investment department, the director of construction business department and the director of the legal affairs department of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), and the director of the legal affairs department and the director of the enterprise management department of China Energy Engineering Corporation Limited.
Kan Zhen	Born in September 1963, is a professor-level senior economist. He joined the Group in 1983, and is currently the employee representative supervisor of the Company. Mr. Kan started his career in 1983, and served as the assistant to the president and the head of the general office of Bureau of Industry and Tertiary Industry (工業三產業局) of CGGC Group, the head of Beijing office of CGGC Group, the head of the labor union department of China Energy Engineering Group Co., Ltd., and the general manager of the asset management center of Energy China Group, the head of the party-masses work department (propaganda department of party committee, united front work department of party committee, mass organization office, party committee, party construction research institute of state-owned enterprise) of the Company.
Mao Fengfu	Born in April 1964, is a senior economist, and holds a master's degree in machinery engineering. He joined the Group in 1987, and is currently a supervisor of the Company and concurrently a dispatched director of the Company (China Energy Engineering Group Northwest Construction and Investment Co., Ltd.* (中國能源建設集團西北建設投資有限公司) and a dispatched supervisor of the Company (China Energy Engineering Group Planning and Engineering Co., Ltd.* (中國能源建設集團規劃設計有限公司)). Mr. Mao started his career in 1987, and successively served as the deputy chief of general manager office, head of corporate management office, vice president and president of Beijing General Power Equipment Plant* (北京電力設備總廠), the head of construction business department of China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司), the director, general manager and chairman of China Energy Engineering Group Equipment Co., Ltd.* (中國能建集團裝備有限公司), and the chairman (executive director) of China Energy Engineering Group Asset Management Co., Ltd. (中國能源建設集團資產管理有限公司).
Lv Shisen	Born in November 1968, is a professorate senior engineer, and holds a master's degree in business management. He joined the Group in 1989, and is currently a supervisor of the Company and concurrently the deputy secretary of party committee and secretary of discipline inspection committee of EPPE Company. Mr. Lv started his career in July 1989, and successively served as deputy head, head of technology and economy center of China Power Engineering Consulting Group Corporation (中國電力工程顧問集團公司), the assistant to general manager and the head of human resources department of Electric Power Planning & Engineering Institute Co., Ltd., the vice general manager of Electric Power & Planning Engineering Institute Co., Ltd.

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Name	Main Work Experience
3. Senior Management	
Wu Yun	Born in August 1964, is a professorate senior engineer and holds a bachelor's degree in engineering. He joined the Group in 1986, and is currently the deputy general manager of the Company. Mr. Wu started his career in 1986 and served as the head and deputy chief engineer of the planning division, director and assistant to general manager of the planning and research department and director of the planning and research center of China Power Engineering Consulting Group Co., Ltd (中國電力工程顧問(集團)有限公司) and the chief engineer of China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司), the chief engineer and chief information officer of both China Energy Engineering Group Co., Ltd. and China Energy Engineering Corporation Limited.
Li Lai Nar	Born in August 1970, is a senior accountant and a certified public accountant, and holds a master's degree in business administration. She joined the Group in 2021, and is currently the chief accountant of the Company. She has served as deputy manager of the Financial Management Department, manager of Financial Management Department, deputy chief accountant and chief accountant of China Construction First Group Corporation Limited (中建一局); director, chief accountant, and a member of the Standing Committee of the Party Committee of China Construction First Group Corporation Limited (中建一局); and deputy general manager (deputy director) and general manager (director) of the Audit Department (Office of the Board of Supervisors) of China State Construction Engineering Corporation Limited (中國建築集團有限公司).
Qin Tianming	Born in February 1967, is a senior economist with professional qualifications, and holds a master's degree in business administration. He joined the Group in July 1990, and is currently the secretary to the Board of the Company. Mr. Qin successively served as the secretary, secretary section chief and deputy officer of the office of general manager of China Gezhouba Water Conservancy and Hydropower Engineering Group Co., Ltd.*, the director of the human resources department and director of external affairs office of China Gezhouba Group Stock Company Limited* (中國葛洲壩集團(股份)有限公司), the director of the human resources department and director of the human resources department of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), and the director of the human resources department and the deputy chief economist of China Energy Engineering Corporation Limited (中國能源建設股份有限公司).

Explanation of other matters

Applicable Not Applicable

Corporate Governance (Corporate Governance Report)

(II) Positions of Current and Resigned Directors, Supervisors and Senior Management during the Reporting Period

1. Positions in shareholder entity

Applicable Not Applicable

Name of the employee	Name of shareholder entity	Positions in shareholder entity	Commencement date of the term of office	Expiration date of the term of office
Song Hailiang	China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司)	Chairman	2020.8.26	
Sun Hongshui	China Energy Engineering Group Co., Ltd.* (中國能源建設集團有限公司)	General manager and director	2020.5.8	2023.9.6
Description on the position in shareholder entity				

2. Positions in other entities

Applicable Not Applicable

Name of the employee	Name of other entity	Positions in other entity	Commencement date of the term of office	Expiration date of the term of office
Li Shulei	China State Shipbuilding Group Co., Ltd.	External director	December 2020	
Li Shulei	China GRINM Group Corporation Limited	External director	January 2021	
Liu Xueshi	China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	Chief accountant	July 2015	
Si Xinbo	Silk Road Fund Co., Ltd. (絲路基金有限責任公司)	Deputy general manager	August 2015	
Zhao Lixin	China Railway Construction Corporation Limited	Independent non-executive director	December 2021	
Cheng Niangao	China National Building Materials Group Co., Ltd.* (中國建材集團有限公司)	External director	January 2021	
Ngai Wai Fung	Bosideng International Holdings Limited	Independent non-executive director	September 2007	
Ngai Wai Fung	Powerlong Real Estate Holdings Limited	Independent non-executive director	June 2008	
Ngai Wai Fung	Beijing Capital Grand Limited	Independent non-executive director	December 2013	May 2023
Ngai Wai Fung	SPI Energy Co., Ltd.	Independent director	May 2016	
Ngai Wai Fung	SWCS Corporate Services Group (Hong Kong) Limited	Director and Chief Executive Officer	May 2011	
Description on position in other entity				

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(III) Remuneration of Directors, Supervisors and Senior Management

Applicable Not Applicable

Decision-making procedures for remuneration of Directors, supervisors and senior management	Decision-making procedures for remuneration of Directors: the Remuneration and Assessment Committee of the Company proposed the remuneration for the Directors, which would be put forward for approval at the general meeting upon consideration by the Board of Directors. Decision-making procedures for remuneration of supervisors: it would be put forward for approval at the general meeting upon consideration by the Board of Supervisors. Decision-making procedures for remuneration of senior management: the Remuneration and Assessment Committee of the Company proposed the remuneration for the senior management, which would be put forward for approval by the Board of Directors.
Whether a director recuses himself/herself from the Board's discussion of his/her own remuneration	Yes
Recommendations issued by the Remuneration and Assessment Committee or a special meeting of the independent Directors on matters relating to the remuneration of Directors, Supervisors and senior management	The Remuneration and Assessment Committee has considered and approved the resolution regarding the remuneration of Directors, Supervisors and senior management.
Determination basis for remuneration of Directors, supervisors and senior management	It was determined in accordance with the requirements of the Provisional Administrative Measures for the Remuneration of the Persons-in-charge of the State-owned Enterprises, the Provisional Administrative Measures for the Remuneration of Full-time External Directors of the State-owned Enterprises, the Company Law, the Articles of Association, the Provisional Administrative Measures for Performance Assessment and Emoluments Distribution of the Senior Management of China Energy Engineering Corporation Limited, the Administrative Measures for Performance of the Headquarters, Departments and Employees of China Energy Engineering Corporation Limited and other laws, regulations, policies and documents.
Particulars of remuneration paid for the remuneration of Directors, supervisors and senior management	The remuneration payable to the Directors, supervisors and senior management as referred in this report refers to the remuneration before taxation paid as at 31 December 2023.
Total of actual remuneration received by Directors, supervisors and senior management at the end of the Reporting Period	RMB12,208,100

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

Applicable Not Applicable

Name	Position held	Change	Reason for change
Wu Chunli	Deputy general manager	Departure	Due to reaching the statutory retirement age
Zhou Hougui	Deputy general manager	Departure	Due to reaching the statutory retirement age
Chen Xiaohua	Deputy general manager	Departure	Due to business reasons
Sun Hongshui	Executive Director, Vice Chairman of the Board and member of the Strategy Committee of the Board	Departure	Due to personal reasons
Sun Hongshui	General manager	Departure	Due to personal reasons

(V) Punishment Imposed by Securities Regulatory in Recent Three Years

Applicable Not Applicable

(VI) Others

Applicable Not Applicable

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V. MEETINGS OF THE BOARD HELD DURING THE REPORTING PERIOD

Session of meeting	Date of meeting	Resolutions of meeting
21st meeting of the third session of the Board	2023-02-15	For details, please refer to the announcement on the Resolutions of the 21st meeting of the third session of the Board of Directors of the Company (Lin 2023-004)
22nd meeting of the third session of the Board	2023-02-28	For details, please refer to the announcement on the Resolutions of the 22nd meeting of the third session of the Board of Directors of the Company (Lin 2023-011)
23rd meeting of the third session of the Board	2023-03-30	For details, please refer to the announcement on the Resolutions of the 23rd meeting of the third session of the Board of Directors of the Company (Lin 2023-016)
24th meeting of the third session of the Board	2023-04-06	The Resolution on the Convening of the 2022 Annual General Meeting of the Company was unanimously considered and approved
25th meeting of the third session of the Board	2023-04-27	For details, please refer to the announcement on the Resolutions of the 25th meeting of the third session of the Board of Directors of the Company (Lin 2023-028)
26th meeting of the third session of the Board	2023-08-10	The Resolution on the Retirement and Departure of Senior Management was unanimously considered and approved. For details, please refer to the announcement on the Retirement and Departure of Senior Management (Lin 2023-043)
27th meeting of the third session of the Board	2023-08-30	For details, please refer to the announcement on the Resolutions of the 27th meeting of the third session of the Board of Directors of the Company (Lin 2023-048)
28th meeting of the third session of the Board	2023-10-27	For details, please refer to the announcement on the Resolutions of the 28th meeting of the third session of the Board of Directors of the Company (Lin 2023-059)
29th meeting of the third session of the Board	2023-12-05	For details, please refer to the announcement on the Resolutions of the 29th meeting of the third session of the Board of Directors of the Company (Lin 2023-064)
30th meeting of the third session of the Board	2023-12-12	For details, please refer to the announcement on the Resolutions of the 30th meeting of the third session of the Board of Directors of the Company (Lin 2023-068)
31st meeting of the third session of the Board	2023-12-21	The Resolution on the Adjustment of Senior Management was unanimously considered and approved. For details, please refer to the announcement on the Departure of Senior Management (Lin 2023-069)

In 2023, a total of 11 Board meetings were convened by the Company, at which 62 resolutions including the production and operation plan of the Company in 2023 and the work report of the Board for the year 2022 and etc. were considered and approved, and 7 reports including the implementation of the resolutions of the Board of Company in 2022 were listened.

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VI. PERFORMANCE OF DUTIES OF DIRECTORS

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

Name of Directors	Independent Director or not	Required attendance for the year	Attendance at the Board meetings					Attendance at the general meetings		
			Attendance in person	Attendance by communication	Attendance by proxy	Absence	Two consecutive absences from the Board meeting	Number of general meetings to be attended during the year	Attendance at general meetings	Attendance rate
Song Hailiang	No	11	4	5	2	0	No	4	1	25%
Sun Hongshui	No	7	3	3	1	0	No	2	1	50%
Ma Mingwei	No	11	3	5	3	0	No	4	3	75%
Li Shulei	No	11	6	5	0	0	No	4	4	100%
Liu Xueshi	No	11	3	5	3	0	No	4	1	25%
Si Xinbo	No	11	4	5	2	0	Yes	4	2	50%
Zhao Lixin	Yes	11	5	5	1	0	No	4	4	100%
Cheng Niangao	Yes	11	5	5	1	0	No	4	3	75%
Ngai Wai Fung	Yes	11	6	5	0	0	No	4	4	100%

- Mr. Song Hailiang was unable to attend the first extraordinary general meeting and the class meeting of 2023 of the Company held on 30 March 2023 due to business engagements; unable to attend the annual general meeting of 2022 of the Company held on 11 May 2023 due to business engagements; and unable to attend the third extraordinary general meeting of 2023 of the Company held on 28 December 2023 due to business engagements.
- Mr. Sun Hongshui was unable to attend the first extraordinary general meeting and the class meeting of 2023 of the Company held on 30 March 2023 due to business engagements.
- Mr. Liu Xueshi was unable to attend the first extraordinary general meeting and the class meeting of 2023 of the Company held on 30 March 2023 due to business engagements; unable to attend the annual general meeting of 2022 of the Company held on 11 May 2023 due to business engagements; and unable to attend the second extraordinary general meeting of 2023 of the Company held on 12 December 2023 due to business engagements.
- Mr. Si Xinbo was unable to attend the first extraordinary general meeting and the class meeting of 2023 of the Company held on 30 March 2023 due to business engagements; and unable to attend the annual general meeting of 2022 of the Company held on 11 May 2023 due to business engagements.

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5. Mr. Cheng Niangao was unable to attend the second extraordinary general meeting of 2023 of the Company held on 12 December 2023 due to business engagements.
6. Mr. Ma Mingwei was unable to attend the second extraordinary general meeting of 2023 of the Company held on 12 December 2023 due to business engagements.
7. The attendance rate of the Director at the Board meetings is calculated by dividing the total number of Board meetings attended by the Director in person and by communication by the number of required attendance for the year, and the attendance rate of the Director at the general meetings is calculated by dividing the number of general meetings the directors should have attended during the year by the director by the number of general meetings held during the year. Please refer to the section headed "Brief introduction of general meetings" for number of general meetings held.

Explanation of two consecutive absences from the Board Meetings

Applicable Not Applicable

Due to business trip, the Director, Mr. Si Xinbo attended the 27th meeting of the third session of the Board and the 28th meeting of the third session of the Board of the Company by way of proxy.

Number of the Board meetings held during the year	11
Among which: number of meetings held on site	–
Number of meetings held by communication	5
Number of meetings held on site in combination with communication	6

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

Applicable Not Applicable

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(III) Others

Applicable Not Applicable

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

No.	Date	Training course	Duration of course	Directors attended the training
1	12 January 2023	2023 First Quarterly Communication Meeting of External Directors of Central Enterprises and Dispatchment Meeting of Board Construction of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
2	15 February 2023	2nd Video Training of "Speaking of Secretaries of the Board" and 23rd State-owned Enterprises' Reform Class of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
3	6 April 2023	3rd Video Training of "Speaking of Secretaries of the Board" and 24th State-owned Enterprises' Reform Class of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
4	26 April 2023	2023 Second Quarterly Communication Meeting of External Directors of Central Enterprises and Dispatchment Meeting of Board Construction of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
5	15 June 2023	4th Video Training of "Speaking of Secretaries of the Board" and 25rd State-owned Enterprises' Reform Class of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
6	19 July 2023	2023 Third Session of Specific Training for Directors and Supervisors of Listed Companies in Beijing	3 class hours	Li Shulei, Zhao Lixin and Cheng Niangao
7	28 July 2023	2023 Third Quarterly Communication Meeting of External Directors of Central Enterprises and Dispatchment Meeting of Board Construction of the SASAC	4 class hours	Song Hailiang, Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
8	26 October 2023	2023 Fourth Quarterly Communication Meeting of External Directors of Central Enterprises and Dispatchment Meeting of Board Construction of the SASAC	4 class hours	Li Shulei, Zhao Lixin, Cheng Niangao and Ngai Wai Fung
9	14 December 2023	Specialized Training on Management Rules for Independent Directors of SSE Listed Companies in Beijing Jurisdiction	3 class hours	Ma Mingwei, Li Shulei and Liu Xueshi

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VII. SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

Applicable Not Applicable

(I) Composition of Special Committees under the Board of Directors

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

Note: Mr. Sun Hongshui ceased to be a member of the Strategic Committee of the Board on 6 September 2023.

Corporate Governance (Corporate Governance Report)

(II) The Audit Committee held 7 Meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
17 January 2023	16th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Exemption from the Preparation of a Report on the Use of Proceeds from the Previous Fund Raising by the Company, and the Proposal regarding the Dilution of Immediate Return by Non-public Issuance of A Shares and its Compensatory Measures and Related Undertakings	/
3 March 2023	17th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Work Plan of the Audit Committee of the Third Session of the Board of the Company in 2023	To listen to the Report of Related Transaction Management of the Company, the Report of Pan-China Certified Public Accountants regarding the Audit of Annual Report, and the Report of Pan-China Certified Public Accountants regarding the Audit of Internal Control
29 March 2023	18th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve 9 proposals including the Proposal regarding the 2022 Annual Report and its Summary of Company, and the Proposal regarding the Final Financial Report of the Company for 2022	To listen to 5 reports including the Report on the Internal Audit Summary for 2022 and Internal Audit Plan for 2023 of the Company, and the Report on the Operation of the Internal Control System of Company for 2022
27 April 2023	19th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the First Quarterly Report of Company of the Company of 2023	/
29 August 2023	20th meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the 2023 Interim Report and its Summary of the Company and the Proposal on the Report on the Continuous Assessment of Risks of China Energy Engineering Group Finance Co., Ltd. for the First Half of 2023	To listen to the Report of Pan-China Certified Public Accountants regarding the 2023 Interim Review Report and the Rectification of Audit Issues in 2022
26 October 2022	21st meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve 3 proposals including the Proposal regarding the Third Quarterly Report of the Company of 2023 and its Summary, and the Proposal regarding the entering into the 2024-2026 Financial Continuing Connected Transaction Framework Agreements of the Company	To listen to the Report on the Inspection of the Company's Material Matters, Substantial Funds and Related Party Funds Transactions in the First Half of 2023 and the Report on the Exercise of Authorizations from the Board of Directors of the Company in the First Half of 2023
11 December 2023	22nd meeting of the Audit Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve 3 proposals including the Proposal regarding the Audit Work Arrangement and Work Progress Plan of 2023 Annual Report of China Energy Engineering Corporation Limited, and the Proposal regarding the Amendments of the Financial Management Requirements of China Energy Engineering Group Co., Ltd.	/

Corporate Governance (Corporate Governance Report)

Major duties of the Audit Committee are: conducting independent assessment and supervision on the compliance, legality and efficiency of the Company's operation activities on behalf of the Board, particularly including: managing the external auditor, monitoring financial statements and reports, overseeing and evaluating internal audit, supervising and evaluating internal control, reviewing the status of connected/related party transactions, and being responsible for other matters conferred by the Board of the Company and other matters involved in according to relevant laws and regulations.

During the Reporting Period, Mr. Zhao Lixin should attend 7 meetings of the Audit Committee, and attended 7 meeting in person; Mr. Li Shulei should attend 7 meetings of the Audit Committee, and attended 6 meeting in person; and Mr. Ngai Wai Fung should attend 7 meetings of the Audit Committee, and attended 7 meeting in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

(III) The Nomination Committee held 3 Meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
8 August 2023	4th meeting of the Nomination Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Adjustment of Senior Management Personnel of the Company	/
5 September 2023	5th meeting of the Nomination Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Adjustment of Senior Management Personnel of the Company	/
20 December 2023	6th meeting of the Nomination Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Adjustment of Senior Management Personnel of the Company	/

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

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

Corporate Governance (Corporate Governance Report)

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

(IV) The Remuneration and Assessment Committee held 1 Meeting during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
27 March 2023	3rd meeting of the Remuneration and Assessment Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve 4 proposals including the Proposal regarding the Standard on Remuneration Payment of the Directors of the Company for 2021	To listen to Report on the 2022 Compensation Allocation Summary and 2023 Work Plan of the Company

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

During the Reporting Period, Mr. Cheng Niangao should attend 1 meeting of the Remuneration and Assessment Committee, and attended 1 meeting in person; Mr. Liu Xueshi should attend 1 meeting of the Remuneration and Assessment Committee, and attended 1 meeting in person; and Mr. Ngai Wai Fung should attend 1 meetings of the Remuneration and Assessment Committee, and attended 1 meeting in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

Corporate Governance (Corporate Governance Report)

(V) The Strategy Committee held 2 Meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
14 February 2023	6th meeting of the Strategy Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the following proposals including the Proposal regarding the Fulfilment of the Conditions for the Non-Public Issuance of A Shares by the Company, the Proposal regarding the Scheme for the Non-public Issuance of A Shares by the Company, the Proposal regarding the Plan for the Non-public Issuance of A Shares by the Company, the Proposal regarding the Feasibility Analysis Report on Use of Proceeds from the Non-public Issuance of A Shares, the Proposal regarding the Dilution of Immediate Return by Non-public Issuance of A Shares and its Compensatory Measures and Undertakings of Related Entities, the Proposal regarding the Shareholders Return Plan for the next three years (2023-2025) of the Company	/
29 March 2023	7th meeting of the Strategy Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the Investment Plans of the Company in 2023	/

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

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

Corporate Governance (Corporate Governance Report)

(VI) The Supervisory Committee held 3 Meetings during the Reporting Period

Date of meeting	Content of meeting	Important advice and recommendations	Other performance of duties
3 March 2023	1st meeting of the Supervisory Committee of the third session of the Board of China Energy Engineering Corporation Limited	To consider and approve the Proposal regarding the 2023 Work Plan of the Supervisory Committee of the third session of the Board of the Company	/
29 March 2023	2nd meeting of the Supervisory Committee of the third session of the Board of China Energy Engineering Corporation Limited	/	To listen to Report on the Implementation of Resolutions of the Board of the Company in 2022 and the Report on the Company's Post-Investment Appraisal Work in 2022 and Work Plan for 2023
29 August 2023	3rd meeting of the Supervisory Committee of the third session of the Board of China Energy Engineering Corporation Limited	/	To listen to 3 reports including the Report on the Company's Rectification of Problems Identified by SASAC "Work Alert List" (No. 2022-04-015), and the Report on the Company's Special Inspection on Subcontracting Management of Construction Projects

Major duties of the Supervisory Committee are: supervising the Company in strengthening the rectification of the problems identified in state-owned assets supervision and special supervision inspections; supervising the execution of the resolutions of the Board by the management; listening to the reports of the relevant functional departments of the Company in respect of the post-evaluation of the investment projects; listening to the special reports in accordance with the needs of the work; and performing such other functions as may be conferred on it by laws, regulations and the Articles of Association of the Company and by the Board.

During the Reporting Period, Mr. Zhao Lixin should attend 3 meetings of the Supervisory Committee, and attended 3 meetings in person; Mr. Li Shulei should attend 3 meetings of the Supervisory Committee, and attended 2 meetings in person; and Mr. Ngai Wai Fung should attend 3 meetings of the Supervisory Committee, and attended 3 meetings in person. The attendance rate of the Director attending the committee meetings is calculated by dividing the total number of committee meetings attended by the Director in person by the number of required attendance for the year.

(VII) Details of Objection Matters

Applicable Not Applicable

VIII. EXPLANATION OF THE BOARD OF SUPERVISORS FINDING RISKS IN THE COMPANY

Applicable Not Applicable

The Board of Supervisors of the Company had no objection to the supervision matters during the Reporting Period.

Corporate Governance (Corporate Governance Report)

IX. EMPLOYEES OF THE PARENT COMPANY AND THE MAJOR SUBSIDIARIES

(I) Employees

Number of existing employees of the parent company	284
Number of existing employees of major subsidiaries	116,755
Total number of existing employees	117,039
Number of the resigned and retired staff in the parent company and its major subsidiaries	127,292
Professional composition	
Category of professionals	Number of employees
Management	38,480
Engineering technicians	47,170
Technicians	20,746
Service personnel	2,873
Other personnel	7,770
Total	117,039
Educational level	
Category of educational level	Number (person)
Doctoral degree	419
Master degree	16,239
Bachelor degree	52,323
College degree	21,510
Junior college degree or below	26,548
Total	117,039

As of the end of the Reporting Period, the ratio of male employees to female employees (including senior management) was 3:1. The Company attached importance to the gender diversity of employees, strictly followed the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other laws and regulations, fully respected individual differences of talents, and prohibited discrimination against gender, age, religion, race and other aspects in the recruitment process. The Company will continue to implement measures to support employee diversity during recruitment.

Corporate Governance (Corporate Governance Report)

(II) Remuneration Policy

Applicable Not Applicable

The Company continued to deepen the reform, innovation and upgrading of the remuneration distribution system mechanism, endeavoured to build a remuneration distribution and performance management system with external competitiveness and internal fairness, and strengthened the support of remuneration distribution for the Company's development strategy and the incentive guarantee for various talents. The Company adhered to the simultaneous linkage between salary and efficiency, established and improved the mechanism for determining total salary and the normal growth mechanism for employees' salaries, and further increased support for technological innovation, high-end talents and strategic emerging industries. The Company emphasized the value-creation orientation, implemented the basic salary system mainly based on job performance wages, adhered to the principle of "Deserving More in Four Aspects", and continuously improved the scientificity and accuracy of performance appraisal. The remuneration distribution is fully tilted towards core positions, outstanding talents and employees in difficult and dirty positions on the production line. The Company made every effort to build a new type of responsibility system for operation, implemented the tenure system and contractual management, rigid assessment, rigid fulfillment and rigid exit in a high-quality and comprehensive manner, consolidated the operation responsibilities of enterprises at all levels as the "leading wild goose", and strengthened strong incentives and constraints for leaders and cadres at all levels of enterprises. The Company also deeply promoted the "3+2" medium- and long-term incentives, implemented various forms of equity and dividend incentive mechanisms, strengthened the sharing of benefits and risks among employees, effectively promoted the transformation of salary distribution toward a sharing system, and enhanced the incentive effectiveness of remuneration distribution.

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

Corporate Governance (Corporate Governance Report)

(III) Training Plan

Applicable Not Applicable

The Company attaches great importance to staff education and training. In 2023, with the aim of serving the common development of the enterprise and its employees, building a high-quality talent team as the core, and focusing on staff capacity building, the Company deeply implemented the “4223” strategy of strengthening enterprises with talents, made full use of both internal and external training resources, and adopted offline and online forms to organize and launch training through multiple channels, in an all-encompassing manner and at different levels. In 2023, the Company conducted training with 1.08 million person-time, and the business ability and comprehensive quality of employees were significantly improved, providing a strong talent guarantee for the construction of the “three-new” Energy Engineering for high-quality development. Moreover, the Company continued to promote the construction of a large training system and played a leading role in coordination. Firstly, the Company compiled the “Guidelines for the Management of Training Resources”, the “Standardized Manual for Training Projects” and the “Sample Outline of the Training Course System”, and continued to improve the training system; secondly, the Company comprehensively launched the key training for the Talents Energy China Project, and continued to organize a series of trainings for entrepreneurial talents, young cadres’ competence and project managers, which have effectively enhanced the ability and quality of cadres’ talents; thirdly, the Company explored and summarized the experience of regulation and shaped the core function of “Five Platforms and One Front” of the training project, and the effect of the training brand has gradually emerged; fourthly, the Company continued to enhance the operation of the “Energy China Learning” platform and the communication capacity of the “Energy China Talent” WeChat public account, in order to create a platform for sharing internal knowledge and work experience.

(IV) Labor Outsourcing

Applicable Not Applicable

(V) Staff Retirement Benefits

Details of the Company’s staff retirement benefits are set out in the Note VII. 31 to the consolidated financial statements.

Corporate Governance (Corporate Governance Report)

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

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

Applicable Not Applicable

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

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

As audited by Pan-China Certified Public Accountants LLP, the net profit attributable to the shareholders of the Company for 2023 amounted to RMB7.986 billion and the payment of interests for perpetual bonds amounted to RMB0.372 billion. After deducting statutory surplus reserve accrued according to regulations of RMB1.981 billion, distributable profit was RMB5.634 billion. Based on the total share capital on the equity registration date when the Company implements distribution plan in the future, such distributable profit shall be distributed in cash at RMB2.60 cents (tax inclusive) per share to the shareholders registered on the equity registration date with total amount of RMB1.084 billion (tax inclusive), accounting for 14.24% of net profit attributable to ordinary shareholders of the listed company in the consolidated statement of the year.

The Board of Directors of the Company proposes to distribute a final dividend to shareholders according to the above proposal, subject to the consideration and approval of the shareholders at the 2023 annual general meeting. The Company will announce the date of the 2023 annual general meeting and the time of closure of register for determining the list of shareholders who are entitled to attend and vote at the 2023 annual general meeting. The aforementioned profit distribution proposal, upon consideration and approval at the 2023 annual general meeting, is expected to be implemented within two months from the date of 2023 annual general meeting.

Corporate Governance (Corporate Governance Report)

(II) Specific Particulars of Cash Dividend Policy

Applicable Not Applicable

Whether the policy complied with the provisions of the Articles of Association or the requirements of the resolutions of the Shareholders' general meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the standard and proportion of dividend distribution were definite and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedure and mechanism were well-established	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent Directors performed their duties and responsibilities and played their roles properly	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders had sufficient opportunity to express their opinions and requests, whether their legitimate interests were sufficiently protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

(III) If Profits Are Made during the Reporting Period and the Parent Company's Profits Distributable to Ordinary Shareholders Are Positive, while if the Proposal on Distribution of Cash Profit of Ordinary Shares Is Unavailable, the Company shall Disclose in Detail the Causes thereof as well as Purpose and Use Plan of the Undistributed Profit

Applicable Not Applicable

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

Applicable Not Applicable

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

(I) Related Incentive Disclosure which were Disclosed in the Temporary Announcements and the Consecutive Operation without Progress or Change

Applicable Not Applicable

Corporate Governance (Corporate Governance Report)

(II) Incentives Which Were Not Disclosed in the Temporary Announcements or with Subsequent Progress Information on Share Incentive

Information on share incentive

Applicable Not Applicable

Other explanation

Applicable Not Applicable

Information on employee stock ownership plan

Applicable Not Applicable

Other incentive measures

Applicable Not Applicable

(III) Equity Incentives Granted to the Directors and Senior Management during the Reporting Period

Applicable Not Applicable

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

Applicable Not Applicable

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

(V) Other Descriptions

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

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

Corporate Governance (Corporate Governance Report)

1. Purpose

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

2. Scope of Scheme Participants

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

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

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

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

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

Corporate Governance (Corporate Governance Report)

3. *Maximum grant of Shares*

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

4. *Maximum Shares to be obtained by the Scheme Participants*

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

5. *Lock-up Period and Unlocking Period*

(i) **Lock-up Period**

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

(ii) **Unlocking Period**

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

6. *Time of acceptance of Incentive Shares*

On 21 November 2016, as considered and approved at the extraordinary general meeting, 287,500,000 Restricted Shares were granted to 542 selected Scheme Participants; according to the resolution of the Board on 22 November 2018, 83,994,000 Restricted Shares of 481 Scheme Participants met the unlocking conditions of the first unlocking period and were allowed to be unlocked; on 21 November 2019, the Board resolved that the Restricted Shares under the second unlocking period were not allowed to be unlocked due to failure to satisfy the unlocking conditions. On 30 June 2020, the Board resolved that due to the Company's failure to meet the performance appraisal conditions for the third phase of unlocking in 2019, the Company transferred the Restricted Shares of the Company that were held by Scheme Participants and supposed to be unlocked for the third phase of unlocking of the Scheme back to the entrusted management agency at the grant price.

7. *Pricing basis of grant price*

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

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

Corporate Governance (Corporate Governance Report)

8. *Duration of the Scheme*

The Scheme shall be effective commencing from the Adoption Date until 20 November 2026, unless early termination is proposed by the Board and approved by the Shareholders. Unless otherwise required, the Restricted Shares granted before the termination of the Scheme shall remain effective and could be unlocked according to the requirements of the Scheme.

9. *Purchase of Restricted Shares by the Company*

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

On 21 November 2016 (the "Grant Date"), the Company reviewed and approved the initial grant of the restricted share incentive proposal pursuant to the restricted share incentive scheme at its 2016 first extraordinary general meeting. 287,500,000 Restricted Shares, representing approximately 0.96% of the issued share capital of the Company as at the Grant Date, were granted to 542 selected Scheme Participants, including senior management and core technical and management personnel of the Company who have, as determined by the Board, contributed directly to the overall business performance and sustainable development of the Company. The Directors and senior management under the administration of the party committee of the SASAC did not participate in the Initial Grant. The grant price is HK\$0.66 per Share, determined according to 60% of the pricing basis. According to the resolution of the Board on 22 November 2018, 83,994,000 restricted shares of 481 participants met the unlocking conditions of the first unlocking period and were allowed to be unlocked; on 21 November 2019, the Board resolved that the restricted shares under the second unlocking period were not allowed to be unlocked due to failure to satisfy the unlocking conditions. On 30 June 2020, the Board resolved that due to the Company's failure to meet the performance appraisal conditions for the third phase of unlocking in 2019, the Company transferred the 87,162,000 Restricted Shares of the Company that are held by 479 Scheme Participants of the Scheme and should be unlocked for the third phase of unlocking of the Scheme back to the entrusted management agency at the grant price. For the year ended 31 December 2023, according to the Scheme, no Restricted Share has been granted, lapsed or cancelled, nor was there Restricted Share granted but unlocked under the Scheme.

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

Corporate Governance (Corporate Governance Report)

As at 31 December 2023, the Incentive Shares granted under the Scheme and the changes are as follows:

Name and Class of grantee	Grant Date	Number of Restricted Shares granted under the Scheme	Date of unlocking	Grant price	Number of Shares granted but unlocked as at 1 January 2023	Granted/vested during the Reporting Period	Lapsed/ repurchased by the Company during the Reporting Period	Cancelled during the Reporting Period	Number of Shares granted but unlocked as at 31 December 2023
Employees	21 November 2016	287,500,000	Note	HK\$0.66 per Share	-	-	-	-	-
Total	-	287,500,000	-	-	-	-	-	-	-

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

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

Corporate Governance (Corporate Governance Report)

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

Applicable Not Applicable

Under the requirements of the Basic Principles for Internal Control of Enterprises (《企業內部控制基本規範》) and its supporting guideline, the Corporate Governance Code and relevant regulatory requirements, the Company has continued to promote the deepening and implementation of the “four-in-one” risk control system of legal management, compliance management, internal control and comprehensive risk management under the rule of law. During the reporting period, the Company continued to strengthen corporate governance and system construction, fully implemented process re-engineering, promoted the in-depth integration of system construction and process management, and comprehensively upgraded management effectiveness, efficiency and efficacy. The Company established a list of effective systems and a system framework for its subsidiaries, and promoted the horizontal synergy, vertical integration and effective implementation of the Company’s system. The Company built a Group-level system digital intelligence control platform, realizing full life-cycle management of systems, dynamic evaluation of effectiveness, penetrating online monitoring, as well as real-time querying and sharing and utilization at all levels.

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

The Board of Directors has assessed the internal control and risk management system in 2023, reviewed the Company’s financial reporting system, the internal control and risk management system and the adequacy and effectiveness of related procedures, including the Company’s financial and accounting policies and practices, risk management and internal control system, and the establishment and implementation of the internal audit system. Upon the assessment, the Board and the Audit Committee are of the opinion that the Company’s internal control was well established and effectively operated during the Reporting Period, and that effective internal controls have been maintained in all material respects in accordance with the requirements of the Code of Corporate Internal Control System and relevant regulations, and that the objectives of the Company’s internal controls have been met and that there are no material weaknesses.

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

Corporate Governance (Corporate Governance Report)

Please refer to the Self-assessment Report on Internal Control of China Energy Engineering Corporation Limited in 2023 published by the Company at the website of the Shanghai Stock Exchange (www.sse.com.cn) on the same day for details.

Significant defects of the internal control during the Reporting Period

Applicable Not Applicable

XIII. MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

Applicable Not Applicable

In 2023, the Company adopted the new “five-in-one” model of “specialized integration + central-local cooperation + ‘A+H’ spin-off + shell listing + supporting fund raising” to complete the reorganization and listing of Gezhouba Explosive and Nanling Industry Explosive and relevant fund raising. This project is the first case of A-share “spin-off + restructuring”, which is the market integration of central enterprises and local state-owned enterprises in the civil explosives business, and is a major unprecedented innovative model. The project has realized a new way of state-owned enterprise reform, centralized cooperation and industry integration. After the reorganization, the annual revenue scale of Gezhouba Explosive exceeds RMB8 billion, the production capacity exceeds 560,000 tonnes/year, and the production capacity of industrial electronic detonators is 75.5 million rounds/year, which makes Gezhouba Explosive become the listed company with the largest scale of the civil explosives industry in the PRC, with its business covering more than 20 provinces in the PRC, and the international market covering the Asia, Africa and Latin America, and others, and it has become the most competitive civil explosives specialization company in the PRC, and strongly enhanced the operating vitality of the listed company. After the reorganization, Gezhouba Explosive, as a company directly managed by the Company, has fully taken over the management requirements of the Company and is fully responsible for the management of the assets, business, market, personnel, various duties and various elements of the former Gezhouba Explosive and the former Nanling Industry Explosive.

XIV. RELEVANT ISSUE ON AUDIT REPORT ON INTERNAL CONTROL

Applicable Not Applicable

As approved at the shareholders’ general meeting of the Company, Pan-China Certified Public Accountants LLP was appointed by the Company to audit the effectiveness of internal control of the Company relevant to financial report for the year 2023, and issued an internal audit report with an unqualified audit opinion. Please refer to the Audit Report on Internal Control of China Energy Engineering Corporation Limited in 2023 published by the Company at the website of the Shanghai Stock Exchange on the same day for details.

Audit Report on Internal Control disclosed: Yes

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

Corporate Governance (Corporate Governance Report)

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

Applicable Not Applicable

XVI. OTHERS

Applicable Not Applicable

(I) Joint Company Secretaries

Ms. Leung Shui Bing from TMF Hong Kong Limited was appointed as the joint company secretary. Mr. Qin Tianming, the joint company secretary and the authorized representative of the Company, is the primary internal contact person between Ms. Leung Shui Bing and the Company. Mr. Qin Tianming and Ms. Leung Shui Bing fully complied with the requirements under Rule 3.29 of the Hong Kong Listing Rules, and received not less than 15 hours of continuous professional training during the Reporting Period.

(II) Information Disclosure

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

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

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

Corporate Governance (Corporate Governance Report)

(IV) Investor Relations

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

(V) Anti-Corruption Policy

The Company strictly complies with the Criminal Law of the People's Republic of China, the Law of the People's Republic of China Against Improper Competition, Certain Regulations on the Integrity of Leading Personnel of State-owned Enterprises, and the Temporary Regulations on the Prohibition of Commercial Bribery, and firmly opposes improper business practices such as commercial bribery, extortion, fraud and money laundering. The Company continues to strengthen the construction of the integrity system and carry out anti-corruption work in accordance with the "Regulations on the Management of Grand Supervision", "Regulations on the Implementation of Three Talks to Leaders", "Regulations on the Implementation of the Handling of Prosecution and Complaint" and "Regulations on the Implementation of Supervision and Discipline" of the Company, so to promote the anti-corruption work of not dare to do, cannot to do, and not want to do, and to strictly prevent commercial bribery and commercial corruption. The Group has established relevant system for accepting real-name or anonymous reports of actual or suspected non-compliance behaviors found by employees, third-party representatives and partners with whom the Group has business relations.

(VI) Articles of Association and Its Amendments

There were no amendments to the Articles of Association during the Reporting Period.

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

The Company has formulated and implemented internal conduct code which is no less than the Model Code as the code of conduct regarding securities transaction by the Directors and supervisors. Having made specific enquiry of all Directors and supervisors, the Company confirms that all Directors or supervisors of the Company have complied with the required standards set out in the Model Code during the Reporting Period. The Company has also set guidelines on matters relating to relevant employees (as defined in the Hong Kong Listing Rules) dealing in securities transactions of the Company, the content of which is not less stringent than the Model Code. The Company has not found any breach of the guidelines by the employees concerned.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

I. ENVIRONMENTAL INFORMATION

Whether to establish mechanisms related to environmental protection	Yes
Funds invested in environmental protection during the Reporting Period (unit: RMB'0,000)	73,003.78

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

Applicable Not Applicable

The Company actively implemented the “30•60” strategic goal, and scientifically optimized the allocation of resources. Taking energy integration development as the key core, the Company continued to take the lead in fulfilling the goal of “Dual Carbon”. The Company strengthened the supervision of key pollutant discharging entities, resolutely implemented the main responsibility of enterprises, strengthened the authorization management of pollutants discharge, strengthened the compliance of environmental protection procedures, strengthened the monitoring of ecological environment, strengthened the implementation of pollution control measures, and actively launched the prevention and control of dust, noises, solid waste, sewage and other pollutants. Certain projects of our subsidiaries have been included in the list of key supervised entities in the atmosphere, soil and water environments by the local ecological and environmental protection departments, including 9 kiln line cement plants of the Cement Company, 64 sewage treatment plants of Eco-environment Company, 4 explosives production plants of Gezhouba Explosive, 3 equipment manufacturing plants of CEEGE, 1 biomass energy-domestic garbage incineration power plant of Guangdong Thermal Power, 1 thermal power plant of Jiangsu No. 3 EPCE and 1 nuclear power equipment plant of Zhejiang Thermal Power. In 2023, the pollutant discharging entities strengthened the management of environmental protection and energy conservation and emission reduction, no environmental incidents occurred, and the emission of major pollutants met the standards.

1. Information on emission of pollutants

Applicable Not Applicable

The Company disclosed information on pollution in strict accordance with the requirements of local governments at all levels. In particular, the rotary kiln tail and kiln head chimney outfalls of 9 kiln line cement plants of the Cement Company, the key pollutant discharging entity, have been included in the key monitoring and control discharge points, and the flue gas online monitoring system was installed as required, and the concentration of major pollutants discharged, such as sulphur dioxide, nitrogen oxides and particulates, complied with the limitations stipulated by the Emission Standards for Air Pollutants of the Cement Industry (《水泥工業大氣污染物排放標準》). Outfalls of the 64 sewage treatment plants of Eco-environment Company are included in the major monitoring and control discharge points, and the main pollutants discharged are COD, ammonia nitrogen, total phosphorus and total nitrogen. It installed automatic COD analyzers, automatic total nitrogen analyzers, automatic ammonia nitrogen analyzers and automatic total phosphorus analyzers at the outfalls, all of which were networked with the environmental protection department to realize real-time uploading of the monitoring data, and the pollutant discharges were in compliance

Environmental and Social Responsibilities

with the concentration limits stipulated in the pollution permits. The wastewater and waste gas of 3 equipment manufacturing plants of CEEGE is discharged in accordance with the requirements of the emission permits, and the concentration of ammonia nitrogen, total phosphorus, nitrogen oxides, sulphur dioxide, particulates and other major pollutants discharged meets the standard requirements of the Comprehensive Wastewater Emission Standards (《污水綜合排放標準》), the Boiler Air Pollutant Discharge Standards (《鍋爐大氣污染物排放標準》) and the Air Pollutant Discharge Standards (《大氣污染物排放標準》). The emission concentration of pollutants from power stations and nuclear power equipment plants of Zhejiang Thermal Power, Guangdong Thermal Power and Jiangsu No. 3 EPCE complied with the requirements of the emission permits. No incident of pollutants exceeding the emission standards occurred in 2023.

2. *Construction and operation of pollution prevention and control facilities*

✓ Applicable Not Applicable

The Company has strengthened the management of environmental protection equipment and facilities in strict accordance with the “three simultaneous” requirement, equipped and put into operation environmental protection equipment and facilities as required, and carried out regular maintenance to ensure that the management of pollutants meets the requirements. All key pollutant discharging entities of Cement Company have installed pollution prevention and control facilities such as low nitrogen staged combustion + SNCR flue gas denitrification system, composite desulphurization, sack-duster or electric precipitator, with an operation rate of 100% of the environmental protection facilities, and have achieved a steady decline in carbon dioxide emissions by applying high-performance heat insulation materials, reducing heat loss from burning heat, promoting high-efficiency energy-saving motors, and implementing intelligent upgrading and reconstruction of production lines. All key pollutant discharging entities of Eco-environment Company have installed environmental protection equipment and facilities such as odor collection, transportation and deodorization equipment, activated sludge method + deep treatment + disinfection wastewater treatment system, dryer, etc. Pollutant management equipment and facilities were in sound operation, with an operation rate of 100%. Key pollutant discharging entities of CEEGE have installed zeolite rotor + catalytic combustion treatment facilities at the exhaust outlets, and strictly regulated the management of environmental protection equipment and facilities and regularly carried out maintenance to achieve a 100% operation rate of environmental protection facilities. Key pollutant discharging entities of Guangdong Thermal Power regularly carried out maintenance of environmental protection equipment, with pollution treatment facilities running stably. The main pollution treatment process adopted the combination process of “furnace 3T+E combustion control + furnace SNCR denitrification + semi-dry deacidification reactor tower + dry lime injection + activated charcoal adsorption + bag filter dust removal”; and the wastewater was treated by the treatment process of “pretreatment + UASB anaerobic reactor + MBR biochemical treatment system + NF nanofiltration membrane system + RO reverse osmosis system”; all the wastewater is reused and not discharged after treatment. Key pollutant discharging entities of Zhejiang Thermal Power mainly adopted activated charcoal adsorption + catalytic combustion purification system in their emission treatment process, while other hazardous wastes were recycled and disposed of by signing agreements with qualified units. The pollution prevention and control facilities of key pollutant discharging entities of Jiangsu No. 3 EPCE mainly include flue gas desulphurization, denitrification and dust removal equipment. The operation data of the facilities have reached the national environmental protection standards. In 2023, the pollutant management equipment and facilities of our subsidiaries were in sound operation, and the main pollutants met the emission standards.

Environmental and Social Responsibilities

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

Applicable Not Applicable

The Company strengthened the compliance management of environmental protection procedures of construction projects, focusing on the inspection of the preparation, declaration, approval, filing of environmental assessment documents and the implementation of other environmental protection administrative approvals. Issues including “construction before approval” and “construction beyond reporting scope” are put to an end. All key pollutant discharging subsidiaries of the Company strictly implemented the requirements of environmental impact assessment documents and approval, environmental protection acceptance approval of completed project and other requirements, and applied for pollutant discharge permit or pollution license registration as required.

4. *Emergency response plan for environmental emergencies*

Applicable Not Applicable

The Company and its subsidiaries have formulated the Emergency Response Plan for Environmental Emergencies and organized emergency response drills, after which the specificity and operability of the Emergency Response Plan were summarized and evaluated. In order to improve the emergency response mechanism for environmental emergencies, enhance the ability to prevent and handle environmental incidents, and eliminate or reduce the impact of environmental emergencies, each subsidiary has revised the organization and responsibilities, emergency response procedures, and emergency protection of the Emergency Response Plan for Environmental Emergencies to ensure the effective operation of the emergency response system.

5. *Environmental self-monitoring program*

Applicable Not Applicable

Relevant subsidiaries of the Company have strictly implemented the requirements of the Environmental Protection Law and other laws and regulations, monitored various pollutants in accordance with their environmental monitoring plan, and automatically linked the monitoring information with the pollutant monitoring platforms of their respective environmental protection governments for the purpose of information disclosure. Each key pollutant discharging entity has formulated an environmental self-monitoring program in accordance with the Measures for Self-Monitoring and Information Disclosure of National Key Monitoring Enterprises (Trial) (《國家重點監控企業自行監測及信息公開辦法(試行)》) and the Technical Guidelines for Self-Monitoring of Pollutant Discharging Entity (《排污單位自行監測技術指南》), and installed online pollutant monitoring facilities at water inlets and outlets, chimneys and other air outlets to monitor and control pollutants such as particulates, sulfur dioxide, nitrogen oxides, chemical oxygen demand, ammonia nitrogen, total phosphorus and total nitrogen in real time. They have also commissioned third party organizations to monitor water samples, waste gas and environmental noise, issued environmental monitoring reports, and in accordance with the requirements of environmental protection laws and regulations, reported the environmental monitoring information to the local ecological and environmental authorities for record or made it public on the official website of the Company.

Environmental and Social Responsibilities

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

Applicable Not Applicable

During the Reporting Period, the discharge and disposal of pollutants by the Company's subsidiaries have complied with the national and local environmental protection management requirements, and no administrative punishment was imposed due to environmental issues.

7. *Other disclosable environmental information*

Applicable Not Applicable

The Company's relevant subsidiaries made public environmental information in strict accordance with legal regulations and local government requirements at all levels. The online monitoring data of each key emission unit was disclosed to the public through the enterprise pollution source monitoring information disclosure platform and electronic screens at plants (stations) to publicize the equivalent amount of pollutant emissions. The key polluting units of Cement Company, Eco-environment Company, CEEGE, Zhejiang Thermal Power, Guangdong Thermal Power and Jiangsu No. 3 EPCE completed the disclosure of annual reports of corporate environmental information in accordance with the requirements of the Administrative Measures for Legal Disclosure of Corporate Environmental Information (Order No. 24 of the Ministry of Ecology and Environment).

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

Applicable Not Applicable

1. *Administrative penalties for environmental issues*

Applicable Not Applicable

During the Reporting Period, three subsidiaries of the Company were imposed administrative punishment due to environmental issues with total amount of RMB730,600. The Company will enhance the supervision on the environmental work of subsidiaries, to make sure the environmental related production and operation behaviors are legal and compliant.

2. *Disclosure of other environmental information with reference to key pollutant discharging entities*

Applicable Not Applicable

3. *Reasons for not disclosing other environmental information*

Applicable Not Applicable

Environmental and Social Responsibilities

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

Applicable Not Applicable

At the beginning of the year, the Company signed environmental protection and energy-saving and emission reduction work responsibility letters with our subsidiaries with clear goals and work requirements for carbon emission management, and we carried out accountability assessment at the end of the year. The Company actively supported its subsidiaries in realizing the national “30•60” strategy, and provided special incentives in the assessment of operating results to entities that have made contributions to the realization of the national “30•60” strategy.

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

Whether to take carbon reduction measures	Yes
Reduction of carbon dioxide equivalent emissions (unit: tonnes)	The total carbon dioxide emissions of the Company increased by 5.78% compared to the same period of the previous year, with an increase of 877,900 tonnes of carbon dioxide equivalent; carbon dioxide emissions per RMB10,000 of revenue decreased by 12.26% compared to the previous year.
Types of carbon reduction measures (e.g. use of clean energy for power generation, use of carbon reduction technologies in the production process, research and development of new products that contribute to carbon reduction, etc.)	<p>Firstly, vigorously promoting energy-saving and carbon reduction technological transformation. Gezhouba Cement Company invested a total of RMB560 million to implement renovation projects such as upgrading and replacement of low-resistance and high-efficiency preheaters, low-nitrogen decomposition furnaces and grate coolers, and to promote the application of intelligent optimization control systems, energy-saving motors, permanent magnet direct drive fans and other energy-saving control systems and equipment. Currently, 80% of the overall renovation project has been completed. According to the estimation, the average energy consumption of cement clinker per unit after the renovation decreased by 21.5kg or 17%, and the average annual reduction in carbon dioxide emissions reached 700,000 tonnes.</p> <p>Secondly, actively developing the cement kiln co-treatment business. The Company has built four cement kiln co-treatment production lines for household waste, with household waste treatment capacity of 504,000 tonnes/year, which can reduce carbon dioxide emissions by more than 403,000 tonnes per year, save more than 110,000 tonnes of raw materials, and save approximately over 140 acres of land.</p> <p>Thirdly, exploring alternative energy solutions. The Company made use of cement kilns to collaboratively dispose of high calorific value waste such as household waste derived fuels, sludge, waste tires, straw and other agricultural and forestry biomass as well as waste fabrics, thereby replacing some fossil fuels and reducing reliance on fossil fuels.</p> <p>Fourthly, actively expanding green leasing business. The Company successfully issued the first phase of green leasing ABS (Asset-backed Securities), and the assets in the pool are all green energy projects such as wind power and photovoltaics contracted by the affiliated its subsidiaries, which comply with the Green Industry Guidance Catalogue and the Green Bond Support Project Catalogue and will save 191,700 tonnes of standard coal and reduce carbon dioxide emissions by 472,500 tonnes per year.</p>

Environmental and Social Responsibilities

Detailed description

Applicable Not Applicable

The Company actively practiced green construction and production, formulated and implemented the Green Construction Guidelines, carried out green concepts in engineering construction, maximized resource conservation and reduced negative impacts on the environment in terms of energy conservation, land conservation, water conservation, material conservation and environmental protection, and created a series of green high-quality projects with demonstration effects. In 2023, 10 projects of the Company passed the evaluation of green construction standards by the China Association of Construction Enterprise Management, and four subsidiaries, including Beijing Equipment Plant, Gezhouba Jiayu Cement Company, Gezhouba Shimen Special Cement Company and Gezhouba Songzi Cement Company, were awarded national green factories.

II. SOCIAL RESPONSIBILITY WORK

(I) Whether to Disclose a Separate Social Responsibility Report, Sustainability Report or ESG Report

Applicable Not Applicable

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

(II) Specifics of Social Responsibility Work

Applicable Not Applicable

External donations, public welfare projects	Quantity/Content	Description
Total investment (RMB'0,000)	3,595.4	
Of which: funds (RMB'0,000)	3,193.5	
Materials (RMB'0,000)	401.9	
Number of beneficiaries (people)	/	Disbursement of donations and materials will be coordinated by the receiving unit

Environmental and Social Responsibilities

Detailed description

✓ Applicable Not Applicable

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

In 2023, the Company thoroughly studied and implemented the series of important views on corporate social responsibility by President Xi Jinping, closely followed the requirements and deployments of the SASAC, and firmly grasp the new missions and tasks of a state-owned central enterprise in the new era. The Company care for the “greatness of the country” and serve the “needs of the country” by prioritizing the implementation of national strategies, maintenance of national security and promotion of economic and social development, and systematically building a “three-new” Energy Engineering platform of new energy, new infrastructure and new industry. The Company also accelerated the “one innovation, three transformations” of green, digital and integrated transformation led by innovation, acted as the cornerstone of national economy with high-quality and stable growth, led the energy revolution and green development by planning and design, providing system solutions and creating demonstration benchmark projects, strived to be the first mover in promoting regional coordinated development and new township construction by expanding effective investment and high-quality engineering construction, and served the construction of the “One Belt and One Road” by prioritizing the high-quality and coordinated development of international business and creating high-quality and high-level service of international cooperation. The Company carried out a wide range of social responsibility work such as contributing to rural revitalization and community care at home and abroad, always insisted on operating honestly and legally, and effectively safeguarded the rights and interests of shareholders, creditors, employees, suppliers, customers and other stakeholders. The specific initiatives and results were disclosed in detail in the Company’s 2023 social responsibility (ESG) report.

Environmental and Social Responsibilities

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

Applicable Not Applicable

Poverty alleviation and rural revitalization project	Amount/Content	Description
Total investment (RMB'0,000)	97,100	In 2023, the Company completed the construction of auxiliary lines and facilities for the Tianlin (Lucheng) to Xilin (Yunnan-Guangxi border) expressway, with an investment of RMB971 million.
Of which: funds (RMB'0,000)	97,100	
Materials (RMB'0,000)	0	
Number of beneficiaries (people)	44,800	
Form of assistance (e.g. industrial poverty alleviation, employment poverty alleviation, education poverty alleviation, etc.)	Industrial poverty alleviation	The Company helped assisted counties to cultivate and strengthen characteristic industries according to local conditions, and took various measures to promote industrial upgrading. The Company invested free funds of RMB7.05 million, introduced investment funds of RMB62.8144 million, and implemented a total of 9 industrial assistance projects.
	Employment poverty alleviation	In 2023, the Company dug deep into internal and external resources, constantly broadened the scope of training, and intensified training efforts. The Company organized training for a total of 5,689 people/times, reaching a new record high. Furthermore, the Company drove employment for over 300 people in the surrounding areas.
	Education poverty alleviation	The Company invested RMB500,000 in the renovation and expansion of Yuanjiaba Primary School, a school for the relocated children in Zhenba County, to promote the improvement of education and teaching quality. The Company invested RMB350,000 in the "Dream Fund" and "Education Assistance Special Fund" to help over 600 students from poor families in assisted county complete their studies. The Company partnered with the Zhejiang HuPan Modou Foundation, the National Health Commission, the China Population Welfare Foundation, Shaanxi Province and relevant universities and colleges to jointly launch the "Parents' School, Nurturing the Future" public welfare project in Zhenba County. The project mainly focuses on building three-new care centers in Zhenba County, being equipped with educational toys and facilities for intellectual and sports development, and training more than 20 nutritionists, so as to promote balanced development of children in urban and rural areas.

Environmental and Social Responsibilities

Detailed description

✓ Applicable Not Applicable

In 2023, the Company carried out the decisions and deployment of the Party Central Committee and the State Council. In accordance with the work requirements of the Ministry of Agriculture and Rural Affairs and the SASAC, the Company focused on “guarding the bottom line, grasping development, and promoting revitalization”, focused on strengthening support for advantageous industries, continuously carried out consumption assistance, and demonstrated its role as a central enterprise and contributed the strength of Energy China in promoting rural modernization and helping to build an agricultural powerhouse.

In 2023, the Company increased the introduction of various types of capital investment, investing a total of RMB15.107 million in gratuitous donations (including supplies), a total of RMB970 million in direct assistance funds and a total of RMB32.278 million in consumption assistance. In terms of industrial revitalization, the Company helped the assisted counties to optimize and strengthen special industries according to local conditions, vigorously explored the cultural and historical value of the Gongbaofu scenic area in Xilin County to support the rural cultural tourism industry, provided assistance throughout the entire industry chain to improve the quality and efficiency of the sericulture industry in Zhenba County, focused on weaknesses and increasing efforts to cultivate modern animal husbandry, strengthened investment promotion and accelerated the gathering of resources, and continued to help people in difficulty to find employment and increase income. In terms of talent revitalization, the Company dug deep into internal and external resources, constantly broadened the scope of training, intensified training efforts, and organized training for a total of 5,689 people, reaching a new record high. The Company also innovatively carried out rural infants and children care actions to assist in the balanced development of rural infants and children. In terms of cultural revitalization, the Company focused on strengthening cultural dissemination, allowing unique intangible cultural heritage of ethnic folklore to enter thousands of households. The Company supported the digital construction of the Zhenba County Cultural Museum and the construction of the Southwest Region Intangible Cultural Heritage Research and Inheritance Base (Xilin) Phase I Project, and organized and carried out over 30 cultural activities during traditional festivals such as the Spring Festival and Dragon Boat Festival, as well as ethnic minority festivals, with over 30,000 participants. In terms of ecological revitalization, the Company invested RMB4 million to help build a fusion characteristic town integrating the three industries of “Chaqi Town and Yunju Zhenba (茶棲小鎮、雲居鎮巴)”, promoted the Xinglong Town Habitat Improvement System Project, created a model village, promoted the construction of beautiful villages, and improved the quality of life of residents. In terms of organizational revitalization, the Company transformed the Party’s political and organizational advantages into development advantages that promote the rural revitalization by pairing up with grassroots party organizations in assisted counties, implementing the governance responsibilities of the first secretary stationed in villages, and supporting the collective economy of villages.

SIGNIFICANT EVENTS

I. FULFILLMENT OF COMMITMENTS

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

Undertaking background	Type of undertaking	Undertaking party	Details of undertaking	Undertaking date	Is there any period of implementation	Undertaking period	Whether it is timely and strictly implemented	If not performed timely, specify the reasons in details	If not performed timely, specify further plans
Undertaking related to material asset reorganization (Note 12)	Restricted shares	Energy China Group, EPPE Company	Note 1	27 October 2020	Yes	28 September 2021 to 27 September 2024	Yes		
Undertaking related to material asset reorganization	Non-competition undertakings	Energy China Group	Note 2	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Non-competition undertakings	Energy China Group	Note 3	23 July 2021 and 23 November 2023	Yes	31 December 2025	Yes		
Undertaking related to material asset reorganization	Others	Energy China Group, China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	Note 4	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Others	Energy China Group, all Directors and senior management of the Company	Note 5	19 March 2021	Yes	28 September 2021 to 27 September 2024	Yes		
Undertaking related to material asset reorganization	Others	All Directors and senior management of the Company	Note 6	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Others	Energy China Group	Note 7	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Resolving related party transactions	Energy China Group	Note 8	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Others	Energy China Group	Note 9	19 March 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Others	Energy China Group	Note 10	2 July and 26 July 2021	No	Long term	Yes		
Undertaking related to material asset reorganization	Resolving defects in property rights such as land	Energy China Group	Note 11	2 July 2021	No	Long term	Yes		
Other undertakings	Others	The Company, Energy China Group	Note 13	29 July 2022	No	Long term	Yes		
	Non-competition undertakings	The Company, Energy China Group	Note 14	29 July 2022	No	5 January 2023 – Long term	Yes		
	Resolving related party transactions	The Company, Energy China Group	Note 15	29 July 2022	No	Long term	Yes		

✓ Applicable Not Applicable

Significant Events

- Note 1: Within 36 months from the date of listing and trading of the Company's A shares, the undertaking party will not transfer or entrust others to manage the issued shares (excluding H shares as to Energy China Group) directly or indirectly held by the Company before the merger, and such shares will not be repurchased by the Company. Within six months after the listing of the Company's A shares, if the closing price of the A shares for 20 consecutive trading days is lower than the issue price, or the closing price at the end of the six-month period after listing is lower than the issue price, the lock-up period will be automatically extended by six months. One year after the listing of the Company's A shares, if one of the following circumstances occurs, upon the application by the Company and the approval by the Shanghai Stock Exchange, the above undertakings may be waived: (1) there is an actual control relationship between both parties of the transfer, or both are controlled by the same controller; (2) other circumstances as determined by the Exchange.
- Note 2: As of the date of this letter of undertaking, there is no substantial horizontal competition between Beijing Power Construction, Shanxi No. 2 Electric Power, and EPPE Company, the controlling subsidiaries of the undertaking party, and the Company. Also, the undertaking party and its controlling subsidiaries (except the Company and its subsidiaries, hereinafter the same) will not engage in any form of business or activity that constitutes or may constitute competition with the main business of the Company and its subsidiaries. The undertaking party and its controlling subsidiaries will not, separately or jointly with others, engage in any form of business or activity that constitutes or may constitute competition with the main business of the Company and its subsidiaries (including but not limited to investment, mergers and acquisitions, associates, joint ventures, cooperation, partnership, contracting or leasing operations, and purchasing shares of listed companies) within and outside China. If there is any new business opportunity that constitutes or may constitute a direct or indirect competitive relationship with the main business of the Company and its subsidiaries, the undertaking party shall immediately report it to the Company in writing within the scope of reasonable practicability, and procure to offer the business opportunity to the Company and its subsidiaries in priority on reasonable and fair terms and conditions.
- Note 3: The undertaking parties have entrusted Beijing Power Construction to China Gezhouba Group Company Limited (中國葛洲壩集團有限公司) for operation and management, and have undertaken that before 31 December 2023, they will, in accordance with the requirements of regulatory authorities, under the premise of complying with the applicable laws and regulations and relevant regulatory rules at that time, and in the principle of being conducive to the development of the Company and safeguarding the interests of shareholders, comprehensively use equity transfer, asset restructuring, business adjustment and other methods to steadily advance and solve the business overlap between Beijing Power Construction and Energy China. The controlling shareholder coordinated with the Company to promote a time-bound settlement of relevant undertaking matters regarding business overlap from various aspects, however, up to November 2023, Beijing Power Construction did not yet fulfill the conditions of completely resolving the business overlap issues such as transfer to a third party, acquisition by the Company or withdrawn. The undertaking parties changed the original undertakings on 22 November 2023, extended the period of completion of the original undertakings from 31 December 2023 to 31 December 2025, and other contents of the original undertakings remained unchanged.
- Note 4: After the expiry of the lock-up period of the shares held by the undertaking party, if the shares are reduced through centralized bidding transactions, the total number of shares reduced within any consecutive 90 days shall not exceed 1% of the total number of shares of the Company; if the shares are reduced through block transactions, the total number of shares reduced in any consecutive 90 days shall not exceed 2% of the total shares of Energy China. In case of reduction through centralized bidding transaction, the reduction plan shall be filed and announced to the stock exchange prior to the 15th trading days after the first trading of the shares, and the progress of reduction shall be disclosed in accordance with laws, regulations and the provisions of the stock exchange. If the shares are reduced through transfer by agreement and the reduction results in the Company being no longer the controlling shareholder or not holding more than 5% shares, the undertaking party shall continue to abide by the provisions of the undertakings within 6 months after the reduction. If the undertaking party reduces the shares through the transfer by agreement and causes the undertaking party being no longer the controlling shareholder or not holding more than 5% shares of CEEC, the undertaking party shall continue to abide by the provisions of articles (1) and (2) of the undertakings within 6 months after the reduction.

Significant Events

- Note 5: Within three years from the date of A share listing of the Company, if the closing prices of the A shares of the Company for 20 consecutive trading days (excluding any trading day(s) on which trading in the A shares has been suspended for the whole day, the same hereinafter) are lower than the latest audited net assets per share of the Company (if there occurs any activities resulting in the change in the Company's net assets or total number of shares, such as profit distribution, conversion of capital reserve into share capital, issuance of new shares or rights issue, etc., the value of net assets per share shall be adjusted accordingly), the simultaneous satisfaction of the requirements of the CSRC other regulatory authorities regarding actions of share repurchase, increase in shareholding and other share changes, the undertaking parties will initiate share price stabilization measures.
- Note 6: The undertaking parties undertake to perform their duties faithfully and diligently, to safeguard the legitimate rights and interests of the Company and all the shareholders. The undertaking parties undertake that they will not harm the Company's interests by tunnelling to other units or individuals free of charge or unfairly; they will restrict the position related consumption; they will not use the Company's assets for investment or consumption that are unrelated with the performance of their duties; the remuneration policies formulated by the Board or the Remuneration and Assessment Committee will be linked with the implementation of the Company's replenishment measures; the conditions for exercising the share incentives will be linked with the implementation of the Company's replenishment measures in the event of implementation of share incentives; if the CSRC promulgates new regulations on replenishment measures and their commitments, the undertaking parties will issue supplementary commitments.
- Note 7: The undertaking party undertakes not to interfere with the operation and management activities of the Company, nor encroach on the interests of the Company, and to effectively implement the relevant replenishment measures formulated by the Company and the relevant commitments.
- Note 8: The undertaking party tries to avoid and reduce related party transactions with the Company. For related party transactions that are unavoidable or occur for reasonable reasons, the undertaking party will enter into the standardized related party transaction agreement according to the laws, conduct transactions at fair and reasonable market prices, and perform decision-making procedures and information disclosure obligations of related party transaction. The undertaking party undertakes not to harm the legitimate rights and interests of the Company and other non-related shareholders of the Company through related party transactions. The undertaking party will urge the enterprises controlled by it, other than the Company, to comply with the above undertakings.
- Note 9: The undertaking party undertakes to maintain the independence of the Company, and ensure the independence of the personnel, assets, businesses, finance and organization of the Company. The undertaking party undertakes to ensure that the appointment of the senior management of the Company follows legal procedures; the labor, personnel, social security system and wage management, etc. of the Company are completely independent of the undertaking party and other enterprises controlled by it; all assets of the Company are under the control of the Company and are independently owned and operated by the Company; it will not interfere with the asset management of the Company or occupy the Company's funds and assets; the Company has independent business, conducts business activities independently, signs external contracts and conducts business independently, implements independent accounting for operation and management, independently assumes responsibilities and risks, and has the ability to operate independently and continuously in the market; the Company independently makes financial decisions, and independently makes tax declarations and fulfills tax obligations in accordance with the laws; the Company independently establishes corporate governance structure and internal management organization, and independently exercises its respective functions and powers; there is no confusion between the operation and management organization of the Company and the undertaking party and other enterprise operation organizations under its control.
- Note 10: The undertaking party guarantees that the Company and its subsidiaries have the business system related to operation and relevant independent and complete assets, and guarantees not to illegally occupy the Company's funds and assets in any way, nor use the company's assets as the guarantee for debt violations of the undertaking party and other enterprises controlled by it.

Significant Events

- Note 11: If there are actual losses due to the ownership of the land use rights and real estate assets held before the absorption and merger, or the Company and its subsidiaries have incurred expenses, loss of assets or compensation due to the operation of defective land use rights and real estate after the completion of the absorption and merger, the undertaking party will bear the relevant costs, financial compensation or indemnity.
- Note 12: The full text of the above undertakings is available in the Report of the Absorption and Merger of China Gezhouba Group Stock Company Limited Through Share Swap by China Energy Engineering Corporation Limited and Related Transactions published on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>).
- Note 13: The undertaking parties undertake to safeguard the independence of Nanling Industry Explosive, and maintain asset independence, personnel independence, financial independence, institutional independence and business independence with Nanling Industry Explosive; undertake to strictly comply with the regulations of the CSRC on the independence of listed companies and does not use its controlling position to violate the standard operating procedures of Nanling Industry Explosive, does not interfere with the operating decisions of Nanling Industry Explosive, nor harm the legitimate interests of Nanling Industry Explosive and other shareholders.
- Note 14: There is certain overlap between the mine construction general contracting business or blasting operation related business currently undertaken by the subsidiaries of the undertaking party and Nanling Industry Explosive's main business, and the undertaking party undertakes to use Nanling Industry Explosive as its sole platform for implementing mine construction general contracting and blasting operation related business in the future. As for Ningxia Tianchangmin Explosive Equipment Co., Ltd. (寧夏天長民爆器材有限責任公司) and Liaoyuan Zhuoli Petrochemical Co., Ltd. (遼源卓力化工有限責任公司), in which the Company's subsidiaries hold equity interests, the Company will coordinate with those subsidiaries to appoint Nanling Industry Explosive and/or its subsidiaries under effective control to take over the shares of these companies on their behalf; and the undertaking parties shall, within five years from the date of issuance and listing of the shares of Nanling Industry Explosive acquired by Gezhouba through the Transaction, eliminate competition by cancelling and shutting down of Ningxia Tianchangmin Explosive Equipment Co., Ltd. (寧夏天長民爆器材有限責任公司) and Liaoyuan Zhuoli Petrochemical Co., Ltd. (遼源卓力化工有限責任公司) or transferring their shares to Nanling Industry Explosive and/or its subsidiaries under effective control, or to third parties not related to the undertaking party. If, as a result of the further expansion of the business scope of the Company or the enterprises controlled by the Company, or the further expansion of the business scope of Nanling Industry Explosive, the enterprises controlled by the undertaking party compete with the main business of Nanling Industry Explosive, the undertaking party will actively negotiate with Nanling Industry Explosive to adopt measures including, but not limited to, stopping other enterprises controlled by the undertaking parties from producing or operating the competing business, or to incorporate competing businesses into Nanling Industry Explosive, or to transfer competing businesses to unaffiliated third parties, or to adopt other solutions, to avoid competing with Nanling Industry Explosive. And if the undertaking parties or any enterprise under its control becomes aware of any new business opportunity that constitutes or may constitute direct or indirect competition with the principal business of Nanling Industry Explosive and any enterprise under its control, it shall notify Nanling Industry Explosive in writing as far as reasonably practicable and cause such business opportunity to be offered to Nanling Industry Explosive and any enterprise under its control on reasonable and fair terms and conditions.

Significant Events

Note 15: The undertaking party undertakes that itself and enterprises under its control will minimize the occurrence of related party transactions with Nanling Industry Explosive and the enterprises under its control. In the event of unavoidable or reasonably justifiable related party transactions, the undertaking party and other enterprises under their control will enter into agreements with Nanling Industry Explosive and enterprise under its control in accordance with the principles of fairness, equity and equitability in accordance with the laws. The transaction price will be determined at a reasonable price recognized by the market, and the transaction approval procedures and information disclosure obligations will be fulfilled in accordance with the relevant laws, regulations and regulatory documents. The undertaking party will perform the decision-making procedures of the related party transactions in accordance with the relevant laws, regulations and other regulatory documents and the provisions of the Articles of Association of Nanling Industry Explosive and the decision-making system of the related party transactions, make timely information disclosure, and not to damage the legitimate rights and interests of Nanling Industry Explosive and other shareholders of Nanling Industry Explosive through the related party transactions; The Company will exercise corresponding rights and undertake corresponding obligations in accordance with Nanling Industry Explosive's Articles of Association and will not use its status as a related party to obtain improper benefits. The undertaking party will not use the related party transactions to illegally transfer the funds and profits of Nanling Industry Explosive, nor will the undertaking party illegally occupy the funds of Nanling Industry Explosive by borrowing, repaying debts, advancing money on behalf of the undertaking parties or in any other way, nor will the undertaking party require Nanling Industry Explosive and the enterprises under its control to provide guarantees in violation of the law for the undertaking party and enterprises under its control. The Company will not harm the legitimate rights and interests of Nanling Industry Explosive and other shareholders of Nanling Industry Explosive.

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

Achieved Not Achieved Not Applicable

During the Reporting Period, according to the reorganization and listing plan of Gezhouba Explosive, the subsidiary of the Company, Nanling Industry Explosive acquired 95.54% of the equity of Gezhouba Explosive by way of issuance of shares. According to the Profit Forecast Compensation Agreement of the Framework Agreement for Acquisition of Assets by Way of Issuance of Shares and its supplementary agreement, it is committed that the net profit attributable to owners of the parent company after deducting non-recurring gains and losses of Gezhouba Explosive in 2023, 2024 and 2025 will be RMB502.2822 million, RMB539.3771 million and RMB564.6462 million, respectively.

According to the Validation Report on the Fulfillment of the Performance Commitment of China Gezhouba Group Explosive Co., Ltd.* (中國葛洲壩集團易普力股份有限公司) issued by Pan-China Certified Public Accountants LLP, Gezhouba Explosive achieved the net profit attributable to owners of the parent company after deducting non-recurring gains and losses of RMB586 million in 2023, realized the performance commitment.

Significant Events

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

Applicable Not Applicable

As audited by Pan-China Certified Public Accountants LLP, in 2023, the audited net profit attributable to owners of the parent company after deducting non-recurring gains and losses of Gezhouba Explosive partially achieved the performance commitment.

The acquisition of 95.54% of the equity of Gezhouba Explosive by way of issuance of shares by Nanling Industry Explosive in 2023 resulted in goodwill of RMB386,115,916.43. According to the Asset Appraisal Report on the Recoverable Amount of Assets Group Including Goodwill of Former Hunan Nanling Industry Explosive Material Co., Ltd.* (湖南南嶺民用爆破器材股份有限公司) Involved in the Goodwill Impairment Test to be Conducted by Explosive Co., Ltd. (Zhong Qi Hua Ping Bao Zi No. (2024) 6137-09) issued by Beijing Zhong Qi Hua Assets Valuation Co., Ltd., the goodwill impairment test was conducted by comparing the recoverable amount of the asset group related to goodwill with the carrying amount of the asset group including goodwill. After calculation, there was no indication of impairment.

(IV) Compliance with OFAC Undertakings

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

II. NON-OPERATING APPROPRIATION OF FUNDS BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

Applicable Not Applicable

III. ILLEGAL GUARANTEES

Applicable Not Applicable

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

Applicable Not Applicable

Significant Events

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

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

Applicable Not Applicable

Since 1 January 2023, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding the requirement of “Accounting Treatment for Initial Recognition Exemption Applicable to Deferred Income Tax Related to Assets and Liabilities Related to Single Transactions”, the Article 11 (2) and Article 13 of the “Accounting Standards for Business Enterprises No. 18 – Income Tax” that meet this requirement do not apply to the provisions on exemption from the initial recognition of deferred income tax liabilities and deferred income tax assets. For the taxable temporary differences and deductible temporary differences arising from the initial recognition of assets and liabilities for the transaction, the enterprise shall, in accordance with the relevant provisions of the “Accounting Standards for Business Enterprises No. 18 – Income Tax”, recognize the corresponding deferred income tax liabilities and deferred income tax assets when the transaction occurs. The impact of the accounting policy change on the items of the Company’s consolidated balance sheet and consolidated income statement on 31 December 2022 is as follows:

Unit: '000 Currency: RMB

Item	As at 31 December 2022		
	Before the change	Adjustments	After the change
Deferred income tax assets	2,549,900	192,522	2,742,422
Deferred income tax liabilities	1,595,761	218,310	1,814,071
Undistributed profits	24,654,274	-25,758	24,628,516
Minority interests	65,592,554	-30	65,592,524
Income tax expense	3,268,445	-13,869	3,254,576

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

Applicable Not Applicable

(III) Communication with Former Auditor

Applicable Not Applicable

(IV) Approval Procedures and Other Explanation

Applicable Not Applicable

Significant Events

VI. APPOINTMENT AND REMOVAL OF AUDITORS

Unit: Yuan Currency: RMB

	Existing Auditor
Name of domestic auditor	Pan-China Certified Public Accountants LLP
Remuneration of domestic auditor	11,608,236
Term of audit services of domestic auditor	1 year
Name of certified public accountant of the domestic accounting firm	Wang Wenfeng, An Changhai
The number of accumulated years of audit services of certified public accountants of domestic accounting firm	2 years

	Name	Remuneration
Auditor for internal control	Pan-China Certified Public Accountants LLP	1,060,000

Explanation on appointment and removal of auditors

Applicable Not Applicable

- On 8 June 2021, as approved at the Company's 2020 annual general meeting, the Company appointed KPMG and Da Hua Certified Public Accountants as the Company's auditors for the year 2021 under International Financial Reporting Standards and China Accounting Standards for Business Enterprise, respectively; among which, Da Hua Certified Public Accountants provided audit services for the Company's financial reporting to the SASAC of the State Council in accordance with the relevant regulations of the SASAC of the State Council.
- Pursuant to relevant requirements of the Ministry of Finance of the PRC, the CSRC and the Hong Kong Listing Rules, a company incorporated in Mainland China and listed on the Hong Kong Stock Exchange is permitted to adopt the PRC GAAP Standards to prepare its financial statements and to engage a domestic accounting firm recognized by the Ministry of Finance and the CSRC to provide relevant services according to the PRC auditing standards since 15 December 2010. Therefore, considering that the Company has achieved the listing of A+H shares, the Company appointed only one auditor as its external auditor (no division of domestic and overseas) each year since FY2021. Starting from the Company's annual report for the year ended 31 December 2021, the Company uniformly adopts the China Accounting Standards for Business Enterprise to prepare its financial reports. The financial position and operating performance of the Company will not be materially affected by the uniform adoption and disclosure of financial accounting reports prepared in accordance with the China Accounting Standards for Business Enterprise.

Significant Events

3. On 8 December 2021, as approved by the Fourth Extraordinary General Meeting of 2021 of the Company, the Company appointed KPMG Huazhen LLP as the auditor of its A-share financial report for 2021 and appointed ShineWing Certified Public Accountants LLP as the auditor of internal control for 2021. KPMG resigned as the international auditor of the Company with effect from 17 January 2022 due to the unified adoption of China Accounting Standards for Business Enterprise in the preparation of financial accounting reports of the Company. KPMG has confirmed that there are no matters relating to its resignation that need to be brought to the attention of the shareholders of the Company. The Board of the Company confirmed that there are no disagreements or unresolved issues between the Company and KPMG and is not aware of any circumstances relating to the resignation of the international auditor that need to be brought to the attention of the shareholders of the Company.
4. On 28 June 2022, the Resolution on Engagement of the Auditor for the Year 2022 has been considered and approved at the 2021 annual general meeting of the Company, the Company has engaged Pan-China Certified Public Accountants LLP as the auditor of A-share and H-share financial report of 2022, to provide audit service for 2022 annual financial report and internal control and review service for other regular reports in accordance with relevant requirements of the CSRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange, the audit fee for 2022 did not exceed RMB12.67 million.
5. KPMG Huazhen LLP, the former auditor of the Company, has provided audit service for annual report for consecutively five years, and ShineWing Certified Public Accountants LLP has provided audit services for internal control for the Company since 2021. each of KPMG Huazhen LLP and ShineWing Certified Public Accountants LLP issued the auditor's report with standard unqualified opinions in 2021. There does not exist any circumstances where the Company terminated the services of the former accounting firm after having engaged it to carry out part of the audit. Since the term of office of the former auditors expired, the Company proposed to engage Pan-China to serve as the auditor for financial report of 2022 and internal control of the Company. In accordance with Section 20ZT of the Hong Kong Financial Reporting Council Ordinance (Cap. 588), Pan-China Certified Public Accountants LLP is an eligible external auditor.
6. On 11 May 2023, the Resolution on Engagement of the Auditor for the Year 2023 has been considered and approved at the 2022 annual general meeting of the Company, the Company has re-appointed Pan-China Certified Public Accountants LLP as the auditor of A-share and H-share financial report of 2023, to provide audit service for 2023 annual financial report and internal control and review service for other regular reports in accordance with relevant requirements of the CSRC, the Hong Kong Stock Exchange and the Shanghai Stock Exchange, the audit fee for 2023 did not exceed RMB12.67 million.

Explanation on replacement of auditors during the audit period

Applicable Not Applicable

Explanation on the decrease in audit fees by more than 20% (including 20%) compared with the previous year

Applicable Not Applicable

Significant Events

VII. RISK OF DELISTING

(I) Reasons for Delisting Risk Warning

Applicable Not Applicable

(II) Measures to Be Taken by the Company

Applicable Not Applicable

(III) Situation of and Reasons for Termination of Listing

Applicable Not Applicable

VIII. MATTERS RELATING TO INSOLVENCY OR RESTRUCTURING

Applicable Not Applicable

IX. MATERIAL LITIGATION AND ARBITRATION

There existed material litigation and arbitration during the Reporting Period No material litigation and arbitration occurred during the Reporting Period

For the information on pending litigations of the Company, please refer to the Note VII. 35 to the financial statements of the Company.

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

Applicable Not Applicable

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

Applicable Not Applicable

Significant Events

XII. MATERIAL RELATED PARTY TRANSACTIONS

During the Reporting Period, Energy China Group was the controlling shareholder of the Company, and Asset Management Company, Financial Leasing Company, Nengjian Fund Company and EPPE Company were the subsidiaries of the controlling shareholder, all of which are connected persons (connected person(s)) under Chapter 14A of the Hong Kong Listing Rules and the SSE Listing Rules. Ping An Fund is owned as to more than 30% by Energy China Group, which is only a connected person under Chapter 14A of the Hong Kong Listing Rules. Hubei Provincial Communications Investment Group Co., Ltd. did no longer constitute a connected person under the Hong Kong Listing Rules since 1 January 2023, thus the transactions between it and the Company did not constitute connected transactions.

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

Except for the connected transactions with the aforesaid connected persons described in this section, there are no other connected transactions that need to be disclosed in accordance with the requirements of the Hong Kong Listing Rules and the SSE Listing Rules. The connected transactions conducted by the Company under the Hong Kong Listing Rules and the SSE Listing Rules complies with the relevant disclosure requirements.

During the Reporting Period, the continuing connected transactions of the Company included the connected transactions under the six continuing connected transactions framework agreements, including the Daily Production And Operation Services Framework Agreement with Energy China Group, the Property Lease Framework Agreement with Energy China Group, the Financial Services Framework Agreement between Finance Company and Energy China Group, the Financial Leasing Service Framework Agreement with Financial Leasing Company, the Private Fund Service Framework Agreement with Fund Company and Ping An Fund and the 2023-2025 Commercial Factoring Service Framework Agreement with Factoring Company; and the one-off connected transactions involving the transfer of equity interests in seven enterprises from subsidiaries of the Company to Asset Management Company..

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

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

Applicable Not Applicable

Significant Events

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

✓ Applicable Not Applicable

- 1) **Continuing connected transactions of daily production and operation services with Energy China Group.** In order to improve the operation efficiency and reduce the operation costs and risks of the Company, and enable the Company to conduct its business more extensively and fully master the industry development information, as considered and approved at the twenty-fourth meeting of the second session of the Board of the Company, the Company and Energy China Group entered into the Daily Production and Operation Framework Agreement 2021-2023 on 27 October 2020, and made an announcement on the Hong Kong Stock Exchange on the same day. Pursuant to the agreement, the Company and Energy China Group and its subsidiaries will provide each other with daily production and operation services, including project survey and design, planning and consulting, labor services, integrated information services, construction, installation and other daily services related to the principal businesses from 2021 to 2023. The annual cap of fee for services provided to the Company by Energy China Group and its subsidiaries is RMB0.9 billion; the annual cap of fee for services provided to Energy China Group and its subsidiaries by the Company is RMB0.9 billion. The relevant service charges shall be based on the relevant quota standards of China and the industry, as well as the relevant fees charged by independent third-party manufacturers.

On 27 October 2023, as considered and approved at the twenty-eighth meeting of the third session of the Board of the Company, the Company and Energy China Group entered into the Daily Production and Operation Framework Agreement 2024-2026, and made announcements on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. It came into effect after consideration and approval at the 2023 second extraordinary general meeting of the Company on 12 December 2023. Pursuant to the agreement, the Company and Energy China Group and its subsidiaries will provide each other with daily production and operation services, including project survey and design, planning and consulting, labor services, integrated information services, construction, installation and other daily services related to the principal businesses from 2024 to 2026. The annual cap of fee for services provided to the Company by Energy China Group and its subsidiaries is RMB0.9 billion; the annual cap of fee for services provided to Energy China Group and its subsidiaries by the Company is RMB0.9 billion. The relevant service charges shall be based on the relevant quota standards of China and the industry, as well as the relevant fees charged by independent third-party manufacturers.

In 2023, the total fee for services provided to the Company by Energy China Group and its subsidiaries was RMB200 million; the total fee for services provided to Energy China Group and its subsidiaries by the Company was RMB68 million.

Significant Events

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

On 27 October 2023, as considered and approved at the twenty-eighth meeting of the third session of the Board of the Company, the Company and Energy China Group entered into the Property Lease Framework Agreement 2024-2026, and made announcements on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. It came into effect after consideration and approval at the 2023 second extraordinary general meeting of the Company on 12 December 2023. Pursuant to the agreement, the Company will lease relevant properties from Energy China Group and its subsidiaries from 2024 to 2026 and the annual cap for lease amounts is RMB500 million. The relevant rental pricing shall be determined fairly and reasonably with reference to the relevant laws and regulations and local market value, as well as historical rental.

In 2023, the actual rents of the Company's leased properties from Energy China Group and its subsidiaries amounted to RMB169 million.

3. Events not disclosed in the temporary announcements

Applicable Not Applicable

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

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

Applicable Not Applicable

Significant Events

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

Applicable Not Applicable

In order to speed up the transformation and upgrading as well as collective and professional development of the Company's equipment manufacturing business, optimize the resources allocation of the equipment manufacturing business, and improve the asset utilization efficiency of the Company, based on the principles of "to advance or to retreat" and "to do or not to do", the Company divested equity from the subsidiaries with poor operation in the equipment manufacturing business segment, so as to promote the equipment manufacturing business segment of the Company to improve operation quality and maintain sustainable development. As considered and approved at the twenty-seventh meeting of the third session of the Board of the Company, on 30 August 2023, China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司), China Energy Engineering Group Anshan Iron Tower Manufacturing Co., Ltd. (中國能源建設集團鞍山鐵塔有限公司), China Energy Engineering Group Shenyang Electric Machinery General Factory Co., Ltd. (中國能源建設集團瀋陽電力機械總廠有限公司) and China Energy Engineering Northwest Power Equipment Co. Ltd. (中能建西北電力裝備有限公司) (as the transferors) entered into the Equity Transfer Agreement and the Settlement Agreement with Asset Management Company (as the transferee), all wholly-owned subsidiaries of the Company, in relation to the transfer of 100% equity interests in seven companies which have basically ceased production at a net asset valuation price of RMB2.086 million. Please refer to the relevant announcements published by the Company on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on 30 August 2023 for details.

During the Reporting Period, both parties advanced the settlement and payment and other related work in accordance with the agreement, and the transfer of all property rights has not yet been completed.

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

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

Applicable Not Applicable

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

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

Applicable Not Applicable

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

Applicable Not Applicable

3. *Events not disclosed in the temporary announcements*

Applicable Not Applicable

Significant Events

(IV) Claims and Liabilities between Related Parties

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

Applicable Not Applicable

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

Applicable Not Applicable

3. Events not disclosed in the temporary announcements

Applicable Not Applicable

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

Applicable Not Applicable

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

Significant Events

On 27 October 2023, as considered and approved at the twenty-eighth meeting of the third session of the Board of the Company, Finance Company, a subsidiary of the Company, and Energy China Group entered into the Financial Services Framework Agreement 2024-2026, and made announcements on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. It came into effect after the approval at the 2023 second extraordinary general meeting of the Company on 12 December 2023. Pursuant to the agreement, Finance Company will provide deposit and comprehensive credit and other financial services to Energy China Group and its subsidiaries from 2024 to 2026. Among them, the maximum daily credit balance limit provided by Finance Company to Energy China Group and its subsidiaries is RMB3.89 billion (inclusive). Among them, the interest rates and rates for the credit services shall be determined in accordance with the floating range of loan interest rates with the same type and term stipulated by PBOC with reference to the interest rates of major domestic commercial banks for the loans with the same type and term, and shall be no less favorable than the interest rate and rate of similar credit services offered by Finance Company to the Company under the same conditions.

In 2023, the maximum daily credit balance provided by Finance Company to Energy China Group and its subsidiaries was RMB3.957 billion (inclusive); Finance Company charged RMB55,000 for other financial services provided to Energy China Group and its subsidiaries.

1. Deposit business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Daily maximum deposit limit	Deposit interest rate range	Opening balance	Amount for the current period		Closing balance
					Total amount deposited in the current period	Total amount drawn in the current period	
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	4,473,485	0.4%-2.25%	2,661,209	38,342,049	38,516,606	2,486,652
Total	/	/	/	2,661,209	38,342,049	38,516,606	2,486,652

2. Loan business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Loan limit	Loan interest rate range	Opening balance	Amount for the current period		Closing balance
					Total amount granted in the current period	Total amount recovered in the current period	
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	3,262,200	2.30%-3.65%	3,719,000	4,262,200	4,719,000	3,262,200
Total	/	/	/	3,719,000	4,262,200	4,719,000	3,262,200

Significant Events

3. Credit business or other financial business

Applicable Not Applicable

Unit: '000 Currency: RMB

Related party	Related relationship	Business type	Total	Actual amount
Energy China Group and its subsidiaries	Controlling shareholder and fellow subsidiary	Other credit business	276,969	464,839

4. Other explanation

Applicable Not Applicable

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

On 27 October 2023, as considered and approved at the twenty-eighth meeting of the third session of the Board of the Company, the Company and Financial Leasing Company renewed the Financial Leasing Service Framework Agreement 2024-2026, and made announcements on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. It came into effect after the approval at the 2023 second extraordinary general meeting of the Company on 12 December 2023. Pursuant to the agreement, from 2024 to 2026, Financial Leasing Company will provide various types of financial leasing services to the Group, including direct lease, sale and leaseback services as well as other consulting services relating to financial leasing. The annual cap for the additional direct lease services provided by Financial Leasing Company to the Company will be RMB2.5 billion, and the annual cap for the balance of sale and leaseback services will be RMB2.0 billion. The lease rate is comprehensively determined mainly with reference to the Loan Prime Rate (LPR), the cost of Financial Leasing Company and the cost of independent third-party financial leasing companies for providing similar services.

In 2023, the additional direct lease services of the Company amounted to RMB403 million, and the maximum balance of sale and leaseback services was RMB227 million.

Significant Events

- 2) **Continuing connected transactions of accepting private fund subscription services.** In order to optimize finance business management, improve capital utilisation efficiency, reduce investment costs and investment risk and maximize the benefit of investing and financing, as considered and approved at the sixth meeting of the third session of the Board of the Company, the Company entered into the Private Fund Service Continuing Connected Transaction Framework Agreement with Fund Company and Ping An Fund on 17 October 2021, and made announcements simultaneously on the Hong Kong Stock Exchange and the Shanghai Stock Exchange on the same day. The agreement became effective after the approval at the fourth extraordinary general meeting of 2021 of the Company on 8 December 2021. Pursuant to the agreement, the Company will accept private fund subscription services. The annual caps of the fund units subscribed by the Company from 2021 to 2023 were RMB15 billion, RMB18 billion and RMB20 billion, respectively. The Company subscribed fund units without paying subscription fees. In the process of investment and operation of private funds, the management fees shall be deducted from the operation according to specific agreements, and the related management fees refer to the range of fee charged by the fund industry and shall not higher than the fees charged by independent third-party fund management companies for the same project.

On 27 October 2023, as considered and approved at the twenty-eighth meeting of the third session of the Board of the Company, the Company and Fund Company renewed the Private Fund Service Framework Agreement 2024-2026, and made announcements on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. It came into effect after the approval at the 2023 second extraordinary general meeting of the Company on 12 December 2023. Pursuant to the agreement, the Company will accept the private fund subscription services. The annual cap of the fund units subscribed by the Company from 2024 to 2026 is RMB3.89 billion. The Company subscribed fund units without paying subscription fees. In the process of investment and operation of private funds, the management fees shall be deducted from the operation according to specific agreements, and the related management fees will be determined with reference to the relevant standards of the Asset Management Association of China and shall not higher than the fees charged by independent third-party fund management companies for the same project.

In 2023, there was no fund subscription service occurred in the Company.

Significant Events

- 3) **Continuing connected transactions of accepting commercial factoring services.** The Company strengthened the supply chain financial management, expanded financing channels, increased funding sources, and improved the overall level and efficiency of corporate capital operation, as well as efficiently and conveniently obtained low-cost financing by making good use of the resources and business advantages of Factoring Company, so as to promote the high-quality development of the Group. As considered and approved at the twenty-seventh meeting of the third session of the Board of the Company, the Company and Factoring Company entered into the 2023-2025 Commercial Factoring Service Framework Agreement on 30 August 2023, and made announcements simultaneously on the Shanghai Stock Exchange and the Hong Kong Stock Exchange on the same day. Pursuant to the agreement, from 2023 to 2025, the additional amount for non-recourse factoring services accepted by the Group from Factoring Companies will not exceed RMB2 billion each year, the maximum cumulative balance of the recourse factoring services accepted by the Group will not exceed RMB400 million, and the additional fees of financial consulting services related to commercial factoring accepted by the Group will not exceed RMB10 million each year. The fees for related factoring services shall be determined with reference to the relevant interest rates or service fees for the same type and term provided by major domestic commercial banks or institutions that conduct commercial factoring business in accordance with the laws, and shall be on terms no less favorable than those offered to the Company by independent third parties. The fees for other transactions such as consulting and services shall be determined by agreement between both parties with reference to the relevant fees charged by comparable third parties in conjunction with the content of the services and shall be on terms no less favorable than those offered to the Company by independent third parties.

In 2023, the additional amount for non-recourse factoring services accepted by the Group was RMB288 million during the year, and the maximum cumulative balance of the recourse factoring services accepted by the Group was RMB172 million.

Confirmation of independent non-executive Directors

Pursuant to Rule 14A.55 of the Hong Kong Listing Rules, the independent non-executive Directors of the Company have reviewed the Company's continuing connected transactions, and confirmed that:

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

Significant Events

Confirmation of the auditor of the Company

Pursuant to Rule 14A.56 of the Hong Kong Listing Rules, the Board engaged the auditor of the Company to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants, and the auditor has issued the letter of unqualified opinions including its investigation results against continuing connected transactions.

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

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

(VI) Others

Applicable Not Applicable

XIII. MAJOR CONTRACTS AND PERFORMANCE

(I) Trusteeship, Contracting and Leasing Matters

1. Information on trusteeship

Applicable Not Applicable

2. Information on contracting

Applicable Not Applicable

3. Information on leasing

Applicable Not Applicable

Significant Events

(II) Related Guarantee

✓ Applicable Not Applicable

Unit: Yuan Currency: RMB

External guarantees (Other than guarantees for subsidiaries)														
Guarantor	Relationship with the listed company	Party guaranteed	Guarantee amount	Date of guarantee occurrence (date of signing the agreement)	Guarantee commencement date	Guarantee due date	Guarantee type	Collateral (if any)	Performance completed or not	Overdue or not	Overdue amount	Counter guaranteed or not	Guarantee by Related party relationship	
China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司)	Wholly-owned subsidiary	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	4,287,500,000.00	2021-03-31	2021-03-31	2055-03-30	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	23,000,000.00	2018-06-27	2018-06-27	2028-06-26	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	Controlling subsidiaries	Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	320,000,000.00	2013-06-07	2013-06-07	2043-06-07	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	9,200,000.00	2019-04-03	2019-04-03	2024-04-03	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	22,000,000.00	2021-01-08	2021-01-08	2024-04-03	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	Controlling subsidiary	Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	24,800,000.00	2022-03-11	2022-03-11	2024-04-03	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司)	Wholly-owned subsidiary	Ministry of Finance of Argentina	1,478,960,653.2	2015-01-28	2015-01-28	2034-01-28	Joint liability guarantee	Nil	No	No	0	No counter guarantee	No	Nil
China Electric Power Engineering Consulting Group Zhongnan Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團中南電力設計院有限公司)	Wholly-owned subsidiary	Vietnam Zhenqiang Wind Power Co., Ltd. (越南正強風電有限公司)	17,980,614.40	2022-03-31	2022-03-31	2037-03-31	Joint liability guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate
China Energy Engineering Group Jiangsu Electric Power Design Institute Co., Ltd. (中國能源建設集團江蘇省電力設計院有限公司)	Wholly-owned subsidiary	Jiangsu Yantu Yinbao New Energy Co., Ltd. (江蘇鹽亭銀寶新能源有限公司)	75,200,000.00	2018-07-26	2018-07-26	2032-03-21	General guarantee	Nil	No	No	0	No counter guarantee	Yes	Associate

Significant Events

Total amount of guarantees for the Reporting Period (exclusive of the guarantees for subsidiaries)	1,170,204,452.07
Total balance of guarantees as at the end of the Reporting Period (A) (exclusive of the guarantees for subsidiaries)	6,258,641,267.60
Guarantees for subsidiaries by the Company and its subsidiaries	
Total amount of guarantees for subsidiaries for the Reporting Period	4,509,121,923.81
Closing balance of guarantees for subsidiaries as at the end of the Reporting Period (B)	35,830,397,585.40
Total guarantees by the Company (inclusive of such guarantees to its subsidiaries)	
Total guarantees (A+B)	42,089,038,853.00
Proportion of total guarantees in net assets of the Company (%)	38.10
Among which:	
Amount of guarantees provided for shareholders, actual controllers and their related parties (C)	0
Debt guarantees directly or indirectly to guaranteed objects with the gearing ratio higher than 70% (D)	10,727,314,316.00
Of total guarantees, the portion in excess of 50% net assets (E)	0
Total of the above three categories of guarantees (C+D+E)	10,727,314,316.00
Explanation on the potential joint liability arising from the guarantees not due	Matters not involved potential joint liability as at the Reporting Date
Explanation on the guarantees	As of the end of the Reporting Period, the balance of external guarantee of the Company was RMB6.259 billion, excluding the mortgage guarantee provided by the Company for home buyers due to real estate business. The balance of guarantee provided by the Company for the mortgage of homeowners was RMB5.455 billion (i.e., the guarantee provided by the Company for the mortgage loan of the commercial house purchaser from the bank. Purchaser uses purchased commercial house as collateral. During the Reporting Period, the purchaser did not default, and the provision of such guarantees brought relatively little risk to the Company).

Significant Events

(III) Entrusted Others to Manage Cash Assets

1. *Entrusted wealth management*

(1) Overall entrusted wealth management

Applicable Not Applicable

Others

Applicable Not Applicable

(2) Individual entrusted wealth management

Applicable Not Applicable

Others

Applicable Not Applicable

(3) Provisions for impairment of entrusted wealth management

Applicable Not Applicable

2. *Entrusted loans*

(1) Overall entrusted loans

Applicable Not Applicable

Others

Applicable Not Applicable

(2) Breakdown of individual entrusted loans

Applicable Not Applicable

Others

Applicable Not Applicable

(3) Provisions for impairment of entrusted loans

Applicable Not Applicable

3. *Others*

Applicable Not Applicable

(IV) Other Major Contracts

Applicable Not Applicable

Significant Events

XIV. EXPLANATION ON PROGRESS OF THE USE OF PROCEEDS

Applicable Not Applicable

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

Applicable Not Applicable

- 1. Fixed Assets and Construction in Progress.** For details of changes in fixed assets and construction in progress of the Group, please refer to Note VII. 17 and Note VII.18 to the financial statement as set out in the annual report.
- 2. Surplus Reserve and Special Reserve.** For details of changes in surplus reserve and special reserve of the Group during the year, please refer to the consolidated statement of changes in shareholders' equity as set out in the financial statements in the annual report.
- 3. Retained Earnings.** For details of retained earnings of the Group as at 31 December 2023, please refer to the consolidated balance sheet as set out in the annual report.
- 4. Donations.** The Company made external donations totaling RMB35.9537 million in 2023, mainly to targeted alleviation districts, educational service, medical and healthy service, public relief and public welfare services through People's Government at the county level or above, other public welfare social organizations, etc.
- 5. Information on Tax Reduction and Exemption for Holders of H Shares.**

Significant Events

(1) Individual investors

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

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

(2) Enterprises

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

Significant Events

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

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

Pursuant to the Notice on Taxation Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) issued by the Ministry of Finance, the State Administration of Taxation and the CSRC, for dividends and bonuses received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, H share companies shall withhold individual income tax at a tax rate of 20% for the investors. For mainland securities investment funds investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends and bonuses derived therefrom. H share companies will not withhold dividends and bonuses received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, and the enterprises will be required to file tax returns on their own. For dividends and bonuses received by mainland resident enterprises where the relevant H shares have been continuously held for more than 12 months, the enterprise income tax thereon may be exempt according to the tax law.

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

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

Significant Events

6. **Property, Plant and Equipment.** Details of the movement in property, plant and equipment of the Company are set out in Note VII.17 to the Financial Statements of this annual report.
7. **Reserves.** The changes in the reserve of the Company for the year are set out in the Consolidated Statement of Changes in Equity of this annual report.
8. **Distributable Reserve.** Details of distributable reserve as at 31 December 2023 are set out in Note II to the Financial Statements of this annual report.
9. **Subsidiaries, Joint Ventures and Associates.** Details of the subsidiaries, joint ventures and associates of the Company for the year ended 31 December 2023 are set out in Note X to the Consolidated Financial Statements of this annual report, respectively.
10. **Independence Confirmation of Independent Non-executive Directors.** The term of office of independent non-executive Directors of the Company is three years for each session. The Company has received the independence confirmation from each independent non-executive Director pursuant to the Rule 3.13 of the Hong Kong Listing Rules, and the Company has confirmed the independence of each independent non-executive Director.
11. **Service Contracts with Directors and Supervisors.** None of the Directors and supervisors of the Company has entered into a service contract with the Company which is not determinable within one year without the payment of compensation (other than statutory compensation).
12. **Rights of Directors and Supervisors to Acquire Shares or Debentures.** As of the end of the Reporting Period, none of the Company, controlling shareholders of the Company or the companies under the same controlling shareholders as the Company was a party to any arrangement to entitle the Directors, supervisors of the Company or their respective minor children to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.
13. **Interests of Directors and Supervisors in Contracts.** Save as the service contracts, no Directors or supervisors or entities connected with Directors or supervisors of the Company have material interests, either directly or indirectly, in any transaction, arrangement or contract of significance to the Company to which the Company, any of its subsidiaries or fellow subsidiaries or its holding company is a party during the Reporting Period based on the information available to the Company.
14. **Major Contracts.** Save as disclosed in this annual report, at any time during the year, there were no major contracts entered into between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Hong Kong Listing Rules) or any of its subsidiaries, or any major contracts for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

Significant Events

- 15. Permitted Indemnity Provision.** The Company has purchased effective insurances for Directors, supervisors and senior management for an insurance period from 23 November 2022 to 22 November 2023 in an amount of US\$40 million in accordance with code provision C.1.8 of the Corporate Governance Code. Besides, the Company has no valid permitted indemnity provisions (as defined in Companies (Directors' Report) Regulation of the Chapter 622D of Hong Kong Laws) during the Reporting Period and at the time of approval of this report.
- 16. Management Contracts.** During the Reporting Period, there were no management and/or administrative contracts (other than employment contracts) entered into or existing in connection with all or any significant part of the Company's businesses.
- 17. Interest of Directors in Competing Businesses.** Except as disclosed below, none of the Directors of the Company or their associates directly or indirectly has any interest in the businesses which constitute or may constitute competition with the businesses of the Company. For information on the same or similar businesses with the Company among Energy China Group and its controlling subsidiaries, please refer to "Specific Measures for the Controlling Shareholder and De Facto Controller of the Company to Ensure Independence in terms of Assets, Personnel, Finance, Organization, Business of the Company, and Solutions, Work Progress and Follow-Up Work Plans that Affect the Independence of the Company" as set out in section headed "Corporate Governance (Corporate Governance Report) "

Names of Director	Company	Energy China Group
Song Hailiang	Executive Director and Chairman of the Board	Chairman of the Board

- 18. Purchase, Sale or Redemption of the Company's Listed Securities.** Save as disclosed in the section headed Bonds in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities as of the end of the Reporting Period.
- 19. Equity-linked Agreement.** During the Reporting Period, the Company and its subsidiaries neither entered into any agreements in relation to equity-linked products nor participated in any arrangements to purchase equity-linked wealth management products.
- 20. Public Float.** According to publicly available information, as of the latest practicable date before the printing of this report, the Company has sufficient public float and meets the minimum requirements for public float under the Hong Kong Listing Rules.

Significant Events

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

Except for the supervisors of the Company, Mr. He Jiansheng and Mr. Wu Daozhan, who have interests in 264,000 H shares and 214,000 H shares of the Company through the restricted stock incentive plan, and the Director Mr. Si Xinbo, who is deemed to have interests in 4,000 A shares of the Company held by his spouse, as at 31 December 2023, based on the information available to the Company and to the best knowledge of the Directors, none of the Directors, supervisors and chief executives of the Company had any interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

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

23. Corporate Culture. The outstanding culture of the Company is based on excellent traditional culture, with the core of "five cultures" based on striving, practising, innovation, synergy and compliance, and with the action orientation of "one innovation, three transformations (一創三轉)", i.e. innovation, green, digital and intelligence, and integration, to enhance the executive force, synergy and fighting capacity of the leadership, enhance the ideological identity, emotional identity and value identity of cadres and staff, highlight cultural empowerment, expand cultural extension, and create a world-class corporate culture with clear main line, distinct genes, thick diversity, openness and inclusive and unique characteristics. The specific measures to practice the ideal corporate culture in daily operation mainly include:

- (1) Strengthening leadership. The Company deeply grasped the publicity of ideological and cultural work which is related to the future and destiny of the Party, the long-term stability of the country, and the national cohesion and centripetal force, took a clear-cut stand and insist on the ideology, propaganda and media under the Party's leadership, and ensured its implementation within the Company from the strategic level of cultural management.
- (2) Striving for becoming the first. By benchmarking world-class enterprises and advanced enterprises in the industry, and focusing on the key elements of cultural construction and the core measurement standards of cultural construction level, the Company carried out benchmarking analysis and evaluation throughout the whole process of cultural construction, so as to meet the standards by benchmarking and formulating standards by meeting standards.

Significant Events

- (3) Empowering development. The Company practiced the “1466” strategy, applied engineering logic, management logic and cultural logic thinking in the process of high-quality development, integrated development and integration development, promoted the integration of culture into management, promoted the formation of management culture, and transformed it into the advantage of promoting high-quality development of the Company, thereby realizing the mutual support and coordinated development of hard power and soft power.
- (4) Preserving and innovating. The Company inherited excellent traditional Chinese culture, carried forward the great spirit of Party building, inherited the good traditions of the Company, absorbed all outstanding achievements, and built a “great culture” development pattern that reflects the characteristics of the era, conforms to the international trend, adapts to the integration trend, has its own characteristics, and matches the “three-new” Energy Engineering.

24. Practising Progress and Achievements of Corporate Culture. Firstly, the Company promoted the cultural and economic integration and strengthened the guiding force. The Company implemented the requirements of “promoting high-quality development, culture is an important fulcrum”, shouldered the great mission of shaping beauty for the country and the world, established the implementation mechanism, policies and procedures of the cultural network in the “seven-network integration”, established and improved the top-level structure and system of cultural empowerment high-quality development of the Company that is compatible with the digital economy and matches the needs of high-quality development of “three-new” Energy Engineering, and created a new civilized and healthy format of Energy China. Secondly, the Company deeply explored the cultural value and activated the creativity. Focusing on the new trend of shifting from a functional city to a cultural city, the Company enhanced the cultural aesthetic heritage and quality of solutions with culture, so as to enhance the economic value, cultural value and social value of solutions. The Company continued to explore the value of cultural tourism of major projects, explored new modes such as “energy + cultural tourism”, “engineering + cultural tourism” and “project + cultural tourism”, and promoted the integrated development. Thirdly, the Company innovated cultural expressions and enhanced the competitiveness. The Company highlighted the cultural supply of “six comprehensive fields” and “twelve principal businesses”, promoted the return of engineering planning, design, construction and equipment manufacturing to the essential attributes of functionality, cultural embodiment and emotional expression, made culture become the value creation point and business competitiveness of products in engineering scenarios, demonstrated the beauty of innovation, green, digital and intelligence, integration and humanity, and realized the harmonious unity of economic attributes and social and cultural values of industrial engineering.

25. Compliance with Corporate Governance Code. Save as disclosed in this report, the Company has complied with all code provisions set out in the Corporate Governance Code during the Reporting Period. Details are set out in the section headed “Corporate Governance Report” of this annual report.

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of changes in shares

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

2. Particulars of changes in shares

Applicable Not Applicable

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

Applicable Not Applicable

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

Applicable Not Applicable

(II) Changes in Shares subject to Trading Moratorium

Applicable Not Applicable

II. ISSUE AND LISTING OF SECURITIES

(I) Issue of Securities during the Reporting Period

Applicable Not Applicable

Unit: shares Currency: RMB

Type of shares and their derivatives	Date of issuance	Issuance price (or interest rate)	Quantity issued	Date of listing	Quantity approved to be listed for trading	Expiration date
Ordinary shares						
Convertible corporate bonds, detachable convertible bonds						
Bonds (including enterprise bonds, corporate bonds and debt financing instruments of non-financial institutions)						
CEEC YK01	2023-6-28	3.08%	10,000,000	2023-7-6	10,000,000	
CEEC YK02	2023-10-23	3.25%	20,000,000	2023-10-30	20,000,000	
GZ YK05	2023-6-13	3.03%	20,000,000	2023-6-20	20,000,000	
GZ YKV1	2023-8-17	2.87%	10,000,000	2023-8-28	10,000,000	
GZ YKV2	2023-8-17	3.19%	10,000,000	2023-8-28	10,000,000	
23 CGGC MTN001	2023-10-25	3.44%	10,000,000	2023-10-30	10,000,000	
Other derivatives						

Changes In Shares and Particulars of Shareholders

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

Applicable Not Applicable

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

Applicable Not Applicable

(III) Description of Existing Internal Staff Shares

Applicable Not Applicable

III. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER

(I) Total Number of Shareholders

Total number of ordinary Shareholders as at the end of the Reporting Period (account)	410,499
Total number of ordinary Shareholders at the end of the previous month before the disclosure date of the annual report (account)	396,038
Total number of Shareholders of preferred shares whose voting rights have been restored as at the end of the Reporting Period (account)	N/A
Total number of shareholders of preferred shares whose voting rights have been restored at the end of the previous month before the disclosure date of the annual report (account)	N/A

Changes In Shares and Particulars of Shareholders

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

Unit: shares

Shareholding of the top ten Shareholders (excluding borrowed Shares through refinancing)							
Name of Shareholder (full name)	Change during the Reporting Period	Number of Shares held as at the end of the period	Percentage (%)	Number of Shares held subject to selling restrictions	Pledged, marked or frozen Status of Shares	Number of Shares	Nature of Shareholder
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	0	18,686,568,022	44.82	18,107,684,022	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	100	8,438,039,751	20.24	0	Unknown	0	Others
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	0	2,029,378,794	4.87	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	0	613,374,538	1.47	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	-27,680,397	455,735,497	1.09	0	Nil	0	Others
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	0	306,593,601	0.74	0	Nil	0	State-owned legal person
Beijing Chengtong Financial Control Investment Co., Ltd. (北京誠通金控投資有限公司)	-161,702,028	304,808,230	0.73	0	Nil	0	State-owned legal person
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	0	243,722,000	0.58	0	Unknown	0	Overseas legal person
Yan Xiaohu (閻小虎)	-75,714,694	200,000,000	0.48	0	Nil	0	Domestic natural person
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	0	98,542,651	0.24	0	Nil	0	State-owned legal person

Changes In Shares and Particulars of Shareholders

Shareholding of the top ten shareholders of non-restricted shares				
Name of Shareholder	Number of tradable Shares held not subject to selling restrictions	Class and number of Shares		
		Class of Shares	Number of Shares	
HKSEE NOMINEES LIMITED	8,438,039,751	Overseas-listed foreign shares	8,438,039,751	
China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司)	2,029,378,794	RMB-denominated ordinary shares	2,029,378,794	
China Securities Finance Corporation Limited	613,374,538	RMB-denominated ordinary shares	613,374,538	
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	578,884,000	Overseas-listed foreign shares	578,884,000	
Hong Kong Securities Clearing Company Limited	455,735,497	RMB-denominated ordinary shares	455,735,497	
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	306,593,601	RMB-denominated ordinary shares	306,593,601	
Beijing Chengtong Financial Control Investment Co., Ltd. (北京誠通金控投資有限公司)	304,808,230	RMB-denominated ordinary shares	304,808,230	
HUADIAN FUXIN INTERNATIONAL INVESTMENT COMPANY LIMITED	243,722,000	Overseas-listed foreign shares	243,722,000	
Yan Xiaohu (閻小虎)	200,000,000	RMB-denominated ordinary shares	200,000,000	
Bank of Communications Co., Ltd. – GF China Securities Trading – Index Securities Investment Open-ended Fund (交通銀行股份有限公司–廣發中證基建工程交易型開放式指數證券投資基金)	85,463,441	RMB-denominated ordinary shares	85,463,441	
Explanation on the securities account designated for share repurchase of the top ten shareholders	Not applicable			
Explanation on entrusting, being entrusted voting rights or waiving voting rights of the aforesaid shareholders	Not applicable			
Explanation on the relationship or acting in concert among the aforesaid shareholders	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司), the largest shareholder of the Company, does not have connected relations or perform concerted actions among the above other shareholders. The Company is not aware of any related relationships or concerted action relationships among the above other shareholders.			
Explanation on shareholders of preference shares with restoration of voting rights and their shareholding	Not applicable			

Changes In Shares and Particulars of Shareholders

Notes:

1. Energy China Group holds a total of 18,686,568,022 shares of the Company, including 18,107,684,022 A shares and 578,884,000 H shares. In December 2023, as the share price of the Company triggered the conditions of share price stabilization measures, in order to fulfill the relevant undertakings of stabilizing the share price, Energy China Group, the controlling shareholder of the Company, decided to increase the shares held by it. As of the date of this report, the share increase plan has not yet been completed. For details, please refer to the Announcement of China Energy Engineering Group Co., Ltd. on the Implementation Progress of Share Price Stabilization Measures (Announcement No. Lin 2024-002) issued by the Company on the Shanghai Stock Exchange on 1 February 2024.
2. H shares held by HKSCC Nominees Limited are held on behalf of its various clients, and the number of H shares held by China Energy Engineering Group Co., Ltd. has already been deducted.
3. A shares held by Hong Kong Securities Clearing Company Limited are held on behalf of multiple clients.
4. China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司), a subsidiary of China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司), holds 633,704,000 H shares of the Company. China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司) and its controlling subsidiary hold a total of 2,663,082,794 shares of the Company, representing 6.39% of the total share capital of the Company.
5. Yan Xiaohu (閔小虎), a shareholder of the Company, holds 200,000,000 shares through margin financing and securities lending and refinancing business.

Information of participation in borrowed shares through refinancing business by top ten shareholders

Applicable Not Applicable

Unit: shares

Information of participation in borrowed shares through refinancing by top ten shareholders								
Name of Shareholder (full name)	Shareholding of general account and credit account at the beginning of the period		Borrowed shares but not returned through refinancing at the beginning of the period		Shareholding of general accounts and credit accounts at the end of the period		Borrowed shares but not returned through refinancing at the end of the period	
	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)
Bank of Communications Co., Ltd.- GF China Securities Trading – Index Securities Investment Open-ended Fund (交通銀行股份有限公司—廣發中證基建 工程交易型開放式指數證券投資基金)	162,479,441	0.39	3,846,600	0.009	85,463,441	0.20	15,574,900	0.037

Changes In Shares and Particulars of Shareholders

Change of top ten shareholders over the last period

Applicable Not Applicable

Unit: shares

Change of top ten shareholders over the end of last period					
Name of Shareholder (full name)	New issuance/ withdrawn during the Reporting Period	Number of borrowed shares but not returned through refinancing at the end of the period		Number of shares held by general accounts and credit accounts and borrowed shares but not returned through refinancing at the end of the period	
		Total number	Percentage (%)	Total number	Percentage (%)
Bank of Communications Co., Ltd.- GF China Securities Trading – Index Securities Investment Open-ended Fund (交通銀行股份有限公司—廣發 中證基建工程交易型開放式指數證券投資基金)		85,463,441	0.20	101,038,341	0.24

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

Applicable Not Applicable

Unit: shares

No.	Name of shareholders subject to selling restrictions	Number of restricted shares held	Listing and trading of restricted shares		Restrictions
			Time for listing and trading of restricted shares	Number of new shares can be listed and traded	
1	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	18,107,684,022	28 September 2024		Note
2	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	98,542,651	28 September 2024		Note
Explanation on the relationship or acting in concert among the aforesaid shareholders		EPPE Company is a wholly-owned subsidiary of Energy China Group.			

Notes:

- During the period of the absorption and merger of CGGC by the Company, Energy China Group and EPPE Company have committed that: within 36 months from the date when the A shares of the Company are listed and traded (i.e., from 28 September 2021 to 27 September 2024), they shall not transfer or entrust to others to manage the issued shares directly or indirectly held by them prior to the absorption and merger (excluding H shares), nor shall the Company repurchase such shares. Within six months after the listing of A shares of the Company, if the closing prices of A shares of the Company for 20 consecutive trading days are lower than the issue price, or the closing price at the end of six months after the listing is lower than the issue price, the lock-up period shall be automatically extended for six months.
- Please refer to the reminder announcement of the Company issued on the Shanghai Stock Exchange on 2 June 2023, pursuant to which, EPPE Company proposed to transfer all 98,542,651 A shares of the Company held by it to Energy China Group for nil consideration. As of the date of this report, the transfer has not been completed.

Changes In Shares and Particulars of Shareholders

(III) Strategic Investors or General Legal Persons Became One of the Top 10 Shareholders As a Result of Placing New Shares

Applicable Not Applicable

(IV) Interests and Short Positions of Substantial Shareholders and Other Persons in Shares and Underlying Shares

As at 31 December 2023, after the reasonable enquiry by the Directors of the Company, the persons below (other than the Directors, supervisors and chief executives of the Company) have interests or short positions in the shares or underlying shares which will have to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and which will be required to record in the register maintained by the Company pursuant to section 336 of the SFO:

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

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

Changes In Shares and Particulars of Shareholders

1. The calculation is based on the approximate shareholding in 9,262,436,000 issued H shares of the Company, 32,428,727,636 issued A shares of the Company and 41,691,163,636 shares of the total issued share capital of the Company as at 31 December 2023.
2. EPPE Company is a wholly-owned subsidiary of Energy China Group and is interested in 98,542,651 A shares of the Company, representing 0.30% of the A share capital of the Company. Therefore, Energy China Group is deemed to be interested in the A shares held by EPPE Company.
3. These shares are directly held by China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司). China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司) is a wholly-owned subsidiary of China Huaxing Group Company (中國華星集團公司); and China Huaxing Group Company (中國華星集團公司) is a wholly-owned subsidiary of China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司). Therefore, China Huaxing Group Company (中國華星集團公司) and China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司) are deemed to be interested in shares held by China Huaxing (Hong Kong) International Co., Ltd. (中國華星(香港)國際有限公司).
4. These shares are directly held by Silk Road Fund Co., Ltd. Buttonwood Investment Holding Company Ltd. holds 65% equity interests in Silk Road Fund Co., Ltd. Therefore, Buttonwood Investment Holding Company Ltd. is deemed to be interested in shares held by Silk Road Fund Co., Ltd.
5. Central Huijin Investment Ltd. holds 57.31% equity interests in China Construction Bank Corporation. Therefore, Central Huijin Investment Ltd. is deemed to be interested in shares held by China Construction Bank Corporation.
6. These shares are directly held by State Grid International Development Limited. State Grid International Development Limited is wholly-owned subsidiary of State Grid International Development Co., Ltd.; while the latter is wholly-owned subsidiary of State Grid Corporation of China. Therefore, State Grid International Development Co., Ltd. and State Grid Corporation of China are deemed to be interested in the shares held by State Grid International Development Limited.

Changes In Shares and Particulars of Shareholders

IV. CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLERS

(I) Controlling Shareholder

1 Legal person

Applicable Not Applicable

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

Changes In Shares and Particulars of Shareholders

2 *Natural person*

Applicable Not Applicable

3 *Special explanation on the Company not having any controlling shareholder*

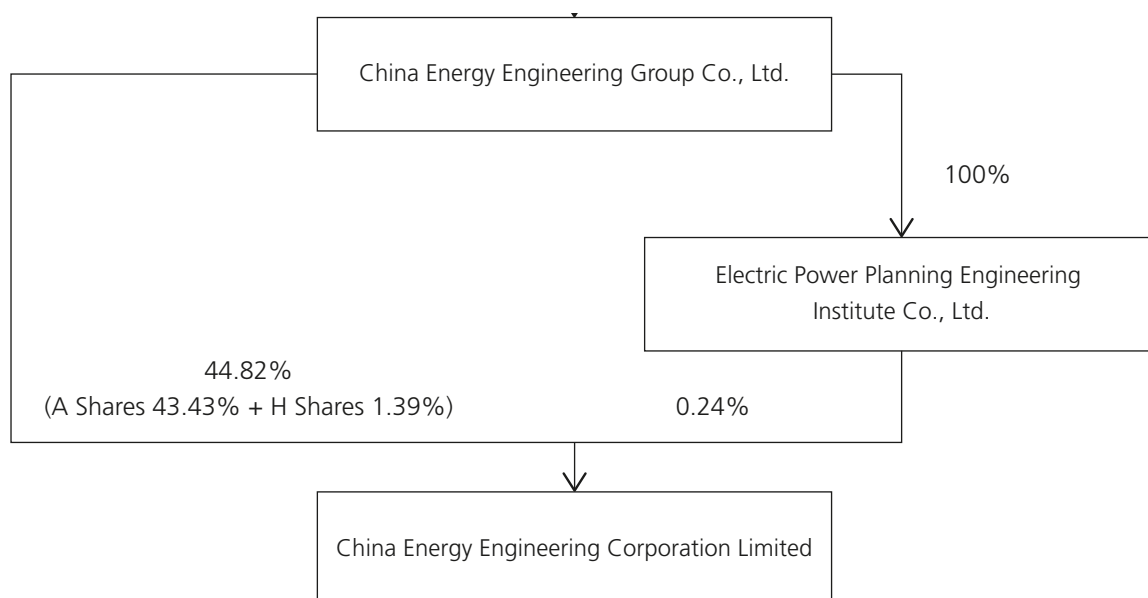
Applicable Not Applicable

4 *Explanation on changes in controlling shareholder during the Reporting Period*

Applicable Not Applicable

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

Applicable Not Applicable



Changes In Shares and Particulars of Shareholders

(II) De Facto Controller

1 Legal person

Applicable Not Applicable

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

2 Natural person

Applicable Not Applicable

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

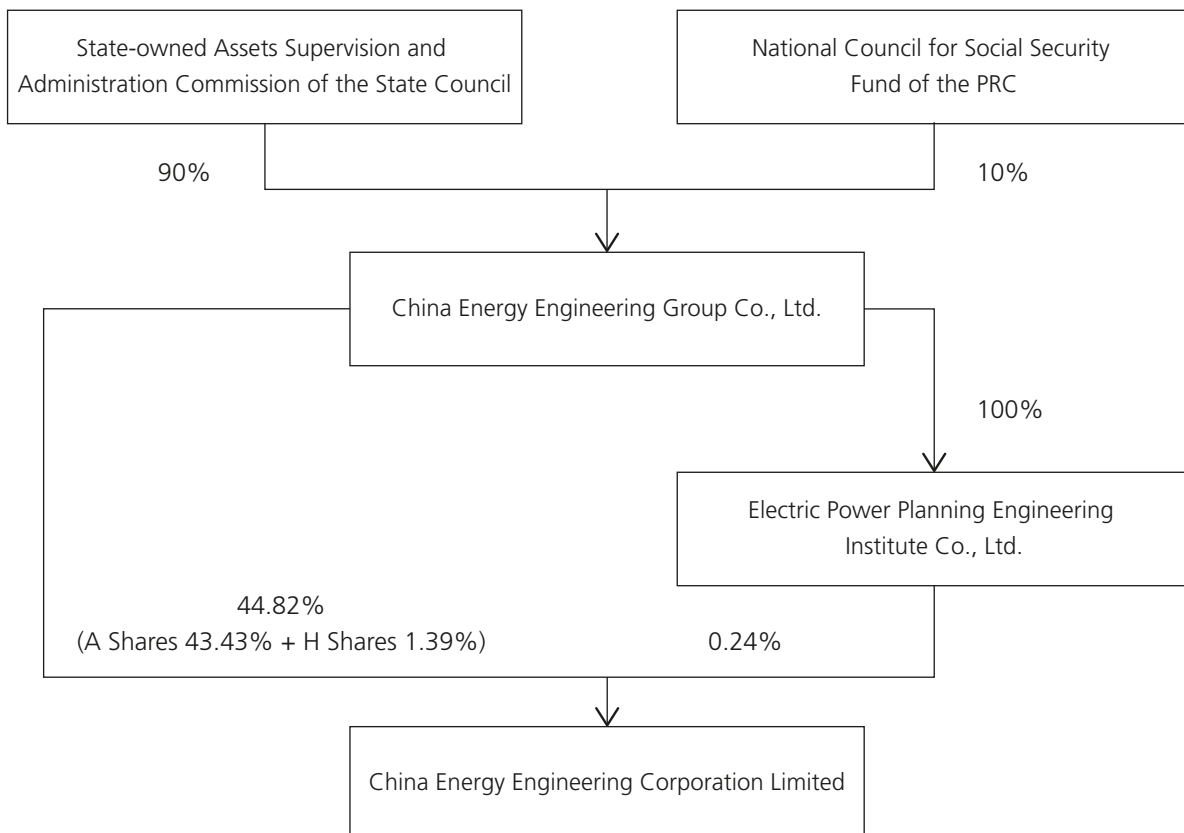
Applicable Not Applicable

4 Explanation on change in control of the Company during the Reporting Period

Applicable Not Applicable

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

Applicable Not Applicable



Changes In Shares and Particulars of Shareholders

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

Applicable Not Applicable

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

Applicable Not Applicable

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

Applicable Not Applicable

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

Applicable Not Applicable

VII. RESTRICTION ON REDUCTION IN SHAREHOLDING

Applicable Not Applicable

VIII. SPECIFIC IMPLEMENTATION OF SHARE REPURCHASE DURING THE REPORTING PERIOD

Applicable Not Applicable

PREFERENCE SHARES

Applicable Not Applicable

BONDS

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

Applicable Not Applicable

(I) Enterprise Bonds

Applicable Not Applicable

(II) Corporate Bonds

Applicable Not Applicable

1. Basic information of corporate bonds

Unit: '00 million Currency: RMB

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (First Tranche) (Type II) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鉤債券(第一期)(品種一))	22 CEEC 01	137535	2022-7-21	2022-7-22	2025-7-22	15	2.70	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Professional institutional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	CEEC YK01	115590	2023-6-28	2023-6-29	-	10	3.08	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Type II) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券第二期)(品種一)	CEEC YK02	240133	2023-10-23	2023-10-24	-	20	3.25	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2019 Housing Leasing Special Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年住房租賃專項公司債券第一期)	19 GZ 01	155129	2019-1-9	2019-1-9	2024-1-9	10	3.85	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2019 Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2019年公司債券第一期)	19 GZ 02	155223	2019-3-12	2019-3-13	2024-3-13	15	4.10	The interests of the corporate bond are paid in installments annually and the final phase will be paid with the principal, which is due at maturity.	Shanghai Stock Exchange	Qualified institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2021 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2021年可續期公司債券面向專業投資者)(第一期)	21 GZ Y1	175964	2021-4-7	2021-4-8	-	30	3.80	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2021 Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司發行2021年公司債券面向專業投資者(第一期))	21 GZ 01	188082	2021-4-28	2021-4-29	2026-4-29	30	3.53	The interests of the corporate bonds are paid in installments annually and the final phase will be paid with the principal, which is due at maturity. The term of the bonds is 5 years, with the option to adjust the coupon rate and investor's resale option at the end of the third year.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2021 Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司發行2021年公司債券面向專業投資者(第二期))	21 GZ 02	188109	2021-5-17	2021-5-18	2026-5-18	30	3.40	The interests of the corporate bonds are paid in installments annually and the final phase will be paid with the principal, which is due at maturity. The term of the bonds is 5 years, with the option to adjust the coupon rate and investor's resale option at the end of the third year.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司發行2022年面向專業投資者公開發行可續期公司債券第一期)	22 GZ Y1	185830	2022-6-1	2022-6-2	-	20	3.04	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司發行2022年面向專業投資者公開發行可續期公司債券第二期)	22 GZ Y2	185931	2022-6-21	2022-6-22	-	20	3.13	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhoubao Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券第一期(低碳轉型掛鈎品種一))	22 GZ Y3	137782	2022-9-1	2022-9-2	-	15	2.76	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhoubao Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券第一期(低碳轉型掛鈎品種二))	22 GZ Y4	137783	2022-9-1	2022-9-2	-	15	3.21	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhoubao Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券第二期(低碳轉型掛鈎品種一))	GZ YK01	137857	2022-9-20	2022-9-21	-	18	2.70	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券第二期(低碳轉型掛鈎)品種二))	GZ YK02	137858	2022-9-20	2022-9-21	-	12	3.21	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 "One Belt and One Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行"一帶一路"可續期公司債券第三期))	ZZ GZ Y5	137971	2022-10-20	2022-10-21	-	20	3.18	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券第四期(品種一))	GZ YK03	138614	2022-11-25	2022-11-28	-	30	3.18	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年面向專業投資者公開發行科技創新可續期公司債券第一期))	GZ YK05	115512	2023-6-13	2023-6-14	-	20	3.03	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type I) publicly issued by China Gezhouba Group Company Limited (中国葛洲坝集团有限公司2023年公开发行科技创新乡村振兴可续期公司债券(支持革命老区)(品种一))	GZ YKVI	115847	2023-8-17	2023-8-18	-	10	2.87	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type II) publicly issued by China Gezhouba Group Company Limited (中国葛洲坝集团有限公司2023年公开发行科技创新乡村振兴可续期公司债券(支持革命老区)(品种二))	GZ YKV2	115848	2023-8-17	2023-8-18	-	10	3.19	The interests of the corporate bond are paid in installments annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to repay the bonds in full in a year of exercising the renewal option, the interest payment date shall be the repayment date of the bonds.	Shanghai Stock Exchange	Professional institutional investor	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Bonds

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

Applicable Not Applicable

Overdue unsettled bonds

Applicable Not Applicable

Interest payment of bonds during the Reporting Period

Applicable Not Applicable

Name of bonds	Interest and Principal Payment
2020 Renewable Corporate Bonds (First Tranche) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2020年公開發行可續期公司債券(第一期))	On 19 June 2023, the Company paid in full of the interest and the principal of the bond of 20 CEEC Y1 for the period from 19 June 2022 to 18 June 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 CEEC Y1.
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鈎債券)(第一期)(品種一))	On 24 July 2023 (22 July 2023 was a rest day, so postponed to the first trading day thereafter), the Company paid in full of the interest of 22 CEEC 01 for the period from 22 July 2022 to 21 July 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 CEEC 01.
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	During the Reporting Period, CEEC YK01 did not involve payment of interest due or payment of principal.
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第二期)(品種一))	During the Reporting Period, CEEC YK02 did not involve payment of interest due or payment of principal.
2019 Housing Leasing Special Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2019年住房租賃專項公司債券(第一期))	On 9 January 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ 01 for the period from 9 January 2022 to 8 January 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 01.
2019 Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2019年公司債券(第一期))	On 13 March 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 19 GZ 02 for the period from 13 March 2022 to 12 March 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 19 GZ 02.
2020 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券(面向專業投資者)(第一期))	On 28 August 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest and the principal amount of the bond 20 GZ Y1 for the period from 28 August 2022 to 27 August 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y1.

Bonds

Name of bonds	Interest and Principal Payment
2020 Renewable Corporate Bonds for Professional Investors (Third Tranche) (Type II) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2020年可續期公司債券(面向專業投資者)(第三期)(品種二))	On 30 October 2023 (28 October 2023 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest and the principal amount of the bond 20 GZ Y5 for the period from 28 October 2022 to 27 October 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 20 GZ Y5.
2021 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年可續期公司債券(面向專業投資者)(第一期))	On 10 April 2023 (8 April 2023 was a rest day, so postponed to the next trading day), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ Y1 for the period from 8 April 2022 to 7 April 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ Y1.
2021 Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第一期))	On 4 May 2023 (29 April 2023 was a rest day, so postponed to the next trading day), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ 01 for the period from 29 April 2022 to 28 April 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ 01.
2021 Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第二期))	On 18 May 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 21 GZ 02 for the period from 18 May 2022 to 17 May 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 21 GZ 02.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第一期))	On 2 June 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 22 GZ Y1 for the period from 2 June 2022 to 1 June 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 GZ Y1.
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第二期))	On 26 June 2023 (22 June 2023 was a holiday, so postponed to the first trading day thereafter), China Gezhouba Group Stock Company Limited, a subsidiary of the Company, paid in full of the interest of 22 GZ Y2 for the period from 22 June 2022 to 21 June 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 GZ Y2.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種一))	On 4 September 2023 (2 September 2023 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of 22 GZ Y3 for the period from 2 September 2022 to 1 September 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 GZ Y3.
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種二))	On 4 September 2023 (2 September 2023 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of 22 GZ Y4 for the period from 2 September 2022 to 1 September 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 GZ Y4.

Bonds

Name of bonds	Interest and Principal Payment
2022 "One Belt and One Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行“一帶一路”可續期公司債券(第三期))	On 23 October 2023 (21 October 2023 was a rest day, so postponed to the first trading day thereafter), China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of 22 GZ Y5 for the period from 21 October 2022 to 20 October 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of 22 GZ Y5.
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種一))	On 21 September 2023, China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of GZ YK01 for the period from 21 September 2022 to 20 September 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of GZ YK01.
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種二))	On 21 September 2023, China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of GZ YK02 for the period from 21 September 2022 to 20 September 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of GZ YK02.
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第四期)(品種一))	On 28 November 2023, China Gezhouba Group Company Limited, a subsidiary of the Company, paid in full of the interest of GZ YK03 for the period from 28 November 2022 to 27 November 2023. During the Reporting Period, there was no late payment of due interest or late payment of principal of GZ YK03.
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	During the Reporting Period, GZ YK05 did not involve payment of interest due or payment of principal.
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年公開發行科技創新鄉村振興可續期公司債券(支持革命老區)(品種一))	During the Reporting Period, GZ YK1 did not involve payment of interest due or payment of principal.
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年公開發行科技創新鄉村振興可續期公司債券(支持革命老區)(品種二))	During the Reporting Period, GZ YK2 did not involve payment of interest due or payment of principal.

Bonds

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

✓ Applicable Not Applicable

On 19 June 2023, the Company chose to waive the issuer renewal option of "20 CEEC Y1", and redeemed all the "20 CEEC Y1" with payment of principal totaled RMB1 billion.

On 28 August 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, chose to waive the issuer renewal option of "20 GZ Y1", and redeemed all the "20 GZ Y1" with payment of principal totaled RMB1 billion.

On 30 October 2023, China Gezhouba Group Stock Company Limited, a subsidiary of the Company, chose to waive the issuer renewal option of "20 GZ Y5", and redeemed all the "20 GZ Y5" with payment of principal totaled RMB1 billion.

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

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Pan-China Certified Public Accountants LLP	6/F, No. 128, Xixi Road, Xihu District, Hangzhou City, Zhejiang Province	Wang Wenfeng, An Changhai	Xie Xiaoliu	010-62167760
KPMG Huazhen LLP	8th Floor, E2 Tower, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing	Wu Xuchu, Guo Chengzhuang	Li Xin	010-85085131
Zhongxinghua Certified Public Accountants LLP	20/F, Building B, Lize SOHO, Building 1, Yard 20, Lize Road, Fengtai District, Beijing	Wang Kedong, Kang Lili	Wang Kedong	010-51423818
Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.	13-14/F, Huasheng Building, No. 398 Hankou Road, Huangpu District, Shanghai	/	Jiang Wei Shi Xun, Lei Jiayue Wang Li	021-63501349 13918597887 021-63501349
China Lianhe Credit Rating Co., Ltd	17/F, PICC Building, No. 2 Jianwai Street, Chaoyang District, Beijing	/	Luo Yi	010-85679696
China Lianhe Equator Environmental Impact Assessment Co., Ltd.	7/F, United Credit Building, No. 80 Qufu Road, Heping District, Tianjin	/	Chen Jinlong	13299986532
China Securities Co., Ltd. (中信建投證券股份有限公司)	Taikang Group Building, No.1 Building, No. 16 Jinghui Street, Chaoyang District, Beijing	/	Xu Ke, Wang Wenwen, Fan Weijie, Li Yulong, Hong Hao, Hu Peiran, Wang Lu, Guo Xiangyu, Feng Wei, Hu Haonan	010-56051955

Bonds

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Haitong Securities Co., Ltd.	15/F, Tianyuan Xiangtai Building, No. 5 Anding Road, Chaoyang District, Beijing	/	Yu Ying, Zheng Yunqiao Li Xuejun, Ying Jianxiong, Qiu Yi	010-88027168 010-57061507
Citic Securities Co., Ltd.	22/F, CITIC Securities Building, No. 48 Liangmaqiao Road, Chaoyang District, Beijing	/	Du Han, Zhu Xingyu, Rong Chang, Wang Zifan	010-60834580
China International Capital Corporation Limited	33/F, Tower 2, China World Trade Center, Jianguomenwai Avenue, Chaoyang District, Beijing	/	Chen Xiaodong, Tan Pan, Yao Yicong, Wang Kaizheng	010-65051166
GF Securities Company Limited	GF Securities Building, No. 26 Machang Road, Tianhe District, Guangzhou City, Guangdong Province	/	Yang Dongchen, Cai Zhuojiong	020-66338888
Ping An Securities Company Limited	22-25/F, Tower B, Ping An Financial Centre, No. 5023 Yitian Road, Futian Street, Futian District, Shenzhen	/	Hu Zhengjin, Wang Fangping	0755-22627723
Shenwan Hongyuan Securities Co., Ltd.	6/F, Block C, Heng'ao Centre, No. 26 Jinshifang Street, Xicheng District, Beijing	/	Qiu Yuan, Yang Lindai	010-88013859
Changjiang Securities Company Limited	No. 88 Huaihai Road, Jiangnan District, Wuhan City, Hubei Province	/	Song Zhiwen, Fu Piaoran	027-65799705
Everbright Securities Company Limited	15/F, Everbright Building, No.6 Fuxingmenwai Avenue, Xicheng District, Beijing	/	Zhang Zhan	010-58377874
Huatai United Securities Co., Ltd.	6/F, Block B, Fengming International Building, No. 22 Fengsheng Hutong, Xicheng District, Beijing	/	Li minxuan, Ding Wenya	18510958344
Huatai United Securities Co., Ltd.	7/F, Block B, Fengming International Building, No.22 Fengsheng Hutong, Xicheng District, Beijing	/	Jiang Jiaxiang	010-57615900
Geosen Securities Co., Ltd.	29/F, Guoxin Financial Building, No. 125 Fuhua First Road, Futian District, Shenzhen	/	Ke Fangyu, Zhao Yu	0755-81983098
Guotai Junan Securities Co. Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	/	Xiang Junfu, Dai Tangyu	021-38677889

Bonds

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Beijing Jia Yuan Law Offices	F408, 4th Floor, Ocean Plaza, No. 158 Fuxingmennei Avenue, Beijing	/	Qi Man	010-66413377
Beijing Da Cheng Law Offices	16-21/F, Tower B, ZT International Center, No. 10, Chaoyangmen Nandajie Chaoyang District, Beijing	/	Zhuang Guofang	010-58137799
Hubei Shouyi Law Firm (湖北首義律師事務所)	12/F, Building 1, Shuian International, Sanjiao Road, Heping Avenue, Wuchang District, Wuhan City	/	Wang Zhongbin	13871116260

Changes in the above-mentioned intermediary agencies

Applicable Not Applicable

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

Applicable Not Applicable

Unit: RMB'00 million Currency: RMB

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
2022 Corporate Bonds (Low-carbon Transformation-linked Bonds) (First Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年公開發行公司債券(低碳轉型掛鉤債券)(第一期)(品種一))	15	15	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	10	10	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Type I) publicly issued by China Energy Engineering Corporation Limited (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第二期)(品種一))	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2019 Housing Leasing Special Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2019年住房租賃專項公司債券(第一期))	10	10	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2019 Corporate Bonds (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2019年公司債券(第一期))	15	15	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2021 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年可續期公司債券(面向專業投資者)(第一期))	30	30	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2021 Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第一期))	30	30	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
2021 Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司公開發行2021年公司債券(面向專業投資者)(第二期))	30	30	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第一期))	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司2022年面向專業投資者公開發行可續期公司債券(第二期))	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種一))	15	15	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Renewable Corporate Bonds for Professional Investors (First Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行可續期公司債券(第一期)(低碳轉型掛鉤)(品種二))	15	15	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種一))	18	18	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) (Low-carbon Transformation-linked) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第二期)(低碳轉型掛鉤)(品種二))	12	12	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 "One Belt and One Road" Renewable Corporate Bonds for Professional Investors (Third Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行“一帶一路”可續期公司債券(第三期))	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2022 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Fourth Tranche) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2022年面向專業投資者公開發行科技創新可續期公司債券(第四期)(品種一))	30	30	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type I) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年公開發行科技創新鄉村振興可續期公司債券(支持革命老區)(品種一))	10	7.24	2.76	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
2023 Scientific and Technological Innovation and Rural Revitalization Renewable Corporate Bonds (Supporting Old Revolutionary Areas) (Type II) publicly issued by China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年公開發行科技創新鄉村振興可續期公司債券(支持革命老區)(品種二))	10	10	10	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

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

Applicable Not Applicable

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

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

Applicable Not Applicable

Other explanation

Applicable Not Applicable

5. Adjustments of credit rating results

Applicable Not Applicable

Other explanation

Applicable Not Applicable

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

Applicable Not Applicable

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

Bonds

7. *Explanations of other situations of corporate bonds*

Applicable Not Applicable

For CEEC YK01, CEEC YK02, 21 GZ Y1, 22 GZ Y1, 22 GZ Y2, 22 GZ Y3, 22 GZ Y4, GZ YK01, GZ YK02, 22 GZ Y5, GZ YK03, GZ YK05, GZ YKV1, GZ YKV2, the issuer's renewal option has not been exercised, the interest rate jump has not been triggered, the right to deferred payment of interest has not been exercised, the option of redemption has not been exercised, a mandatory payment event has not been triggered, and the bonds are still included in equity.

The issuers of CEEC YK01, CEEC YK02, GZ YK01, GZ YK02, GZ YK03, GZ YK05, GZ YKV1, GZ YKV2 are all issuers of science and innovation enterprises, they are not involved in the progress of science and innovation projects, and are not involved in the operation of related fund products. The uses of the proceeds are consistent with those agreed in the prospectus.

Bonds

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

✓ Applicable Not Applicable

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

Unit: '00 million Currency: RMB

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
First tranche of medium-term notes in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年第一期中期票據)	21 CEEC MTN001	102102154	2021-10-25	2021-10-27	-	20	3.67	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No
First tranche of green medium-term notes (Carbon Neutral Bonds) in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期綠色中期票據(碳中和債))	21 CEEC GN001	132100150	2021-11-16	2021-11-18	-	15	3.33	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No

Bonds

Name of bonds	Short name	Stock code	Issue date	Value date	Expiry date	Bond balance	Interest rate (%)	Method to pay principal and interest	Stock exchange	Investor suitability arrangements (if any)	Transaction mechanism	Risk of termination of listing and trading
First tranche of medium-term notes in 2022 of China Energy Engineering Corporation Limited (中国能源建设股份有限公司2022年第一期中期票据)	22 CEEC MTN001	102282647	2022-12-5	2022-12-7	-	30	3.85	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No
First tranche of medium-term notes in 2023 of China Gezhouba Group Company Limited (中国葛洲坝集团有限公司2023年第一期中期票据)	23 CGGC MTN001	102300529	2023-10-25	2023-10-27	-	10	3.44	The interests are paid annually if the issuer does not exercise the right of deferred payment of interest. If the issuer chooses to redeem the bonds in full on a certain redemption date of the bonds, the interest payment date of the interest-bearing year shall be the repayment date of the bonds.	Inter-bank Bond Market of the PRC	Institutional investors in the interbank market (apart from those prohibited by national laws and regulations)	Implemented pursuant to relevant provisions released by the National Interbank Funding Center	No

Bonds

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

Applicable Not Applicable

Overdue bonds

Applicable Not Applicable

Interest payment during the Reporting Period

Applicable Not Applicable

Name of bonds	Interest and Principal Payment
First tranche of medium-term notes in 2013 of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司2013年度第一期中期票據)	On 18 January 2023, the Company paid in full of the interest and principal of 13 CEEC MTN1 for the period from 18 January 2022 to 17 January 2023. During the Reporting Period, 13 CEEC MTN1 did not involve payment of interest due or payment of principal.
First tranche of medium-term notes in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期中期票據)	On 27 October 2023, the Company paid in full of the interest of 21 CEEC MTN001 for the period from 27 October 2022 to 26 October 2023. During the Reporting Period, 21 CEEC MTN001 did not involve payment of interest due or payment of principal.
First tranche of green medium-term notes (Carbon Neutral Bonds) in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期綠色中期票據(碳中和債))	On 20 November 2023 (18 November 2023 was a rest day, so postponed to the first trading day thereafter), the Company paid in full of the interest of 21 CEEC GN001 (Carbon Neutral Bonds) for the period from 18 November 2022 to 17 November 2023. During the Reporting Period, 21 CEEC GN001 (Carbon Neutral Bonds) did not involve payment of interest due or payment of principal.
First tranche of medium-term notes in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第一期中期票據)	On 7 December 2023, the Company paid in full of the interest of 22 CEEC MTN001 for the period from 7 December 2022 to 6 December 2023. During the Reporting Period, 22 CEEC MTN001 did not involve payment of interest due or payment of principal.

Bonds

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

Applicable Not Applicable

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

Name of agency	Office address	Name of signing accountant	Contact person	Contact number
Agricultural Bank of China Limited	No. 69, Jianguomennei Avenue, Dongcheng District, Beijing	/	Wang Bingshan	010-85106292
China Merchants Bank Co., Ltd.	No. 2016, Shennan Avenue, Futian District, Shenzhen, Guangdong Province	/	Zhang Lianming	0755-89278572
China CITIC Bank Corporation Limited	Building 1, Yard No.10, Guanghua Road, Chaoyang District, Beijing	/	Yuan Shanchao	010-66635929
Beijing Jia Yuan Law Offices	F408, 4/F Ocean Plaza, No. 158 Fuxingmennei Avenue, Beijing	/	Qi Man	010-66413377

Changes in the above intermediary agencies

Applicable Not Applicable

Bonds

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

Applicable Not Applicable

Unit: RMB'00 million Currency: RMB

Name of bonds	Total proceeds	Proceeds used	Proceeds not yet used	Operation of the special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Consistent with the purpose, use plan and other agreements promised in the prospectus
First tranche of medium-term notes in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期中期票據)	20	20	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
First tranche of green medium-term notes (Carbon Neutral Bonds) in 2021 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2021年度第一期中期票據)	15	15	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
First tranche of medium-term notes in 2022 of China Energy Engineering Corporation Limited (中國能源建設股份有限公司2022年度第一期中期票據)	30	30	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes
First tranche of medium-term notes in 2023 of China Gezhouba Group Company Limited (中國葛洲壩集團有限公司2023年度第一期中期票據)	10	10	0	During the Reporting Period, the Company managed and used the special account for proceeds in accordance with the relevant provisions of the prospectus	Not involved	Yes

Bonds

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

Applicable Not Applicable

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

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

Applicable Not Applicable

Other explanation

Applicable Not Applicable

5. Adjustment of credit rating results

Applicable Not Applicable

Other explanation

Applicable Not Applicable

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

Applicable Not Applicable

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

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

Applicable Not Applicable

Bonds

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

Applicable Not Applicable

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

Applicable Not Applicable

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

Applicable Not Applicable

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

Applicable Not Applicable

Unit: '000 Currency: RMB

Major indicators	2023	2022	Increase or decrease in the current period as compared with the corresponding period of last year (%)
Net profit excluding non-recurring profit or loss attributable to shareholders of the listed company	7,162,814	5,721,581	25.19
Current ratio	1.02	1.11	-8.11
Quick ratio	0.86	0.93	-7.53
Gearing ratio (%)	75.96	74.80	1.55
EBITDA to total debts ratio	0.05	0.05	0.00
Interest coverage ratio	3.37	3.43	-1.75
Cash interest coverage ratio	1.61	1.41	14.18
EBITDA interest coverage ratio	4.64	4.02	15.42
Loan repayment rate (%)	100.00	100.00	0.00
Interest repayment ratio (%)	100.00	100.00	0.00

II. CONVERTIBLE CORPORATE BONDS

Applicable Not Applicable

Financial Report

I. AUDITORS' REPORT

Applicable Not Applicable

Auditors' Report

Tianjian Shen [2024] No. 1-126

The Shareholders of China Energy Engineering Corporation Limited:

I. AUDIT OPINION

We have audited the financial statements of China Energy Engineering Corporation Limited ("CEEC"), which comprise the consolidated and company balance sheets as at 31 December 2023, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year 2023, and relevant notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of CEEC as at 31 December 2023, and the consolidated and company financial performance and cash flows of CEEC for the year 2023 in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of CEEC in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(I) Revenue Recognition for Construction Contracts

1. Descriptions

The related disclosures are described in Notes V. 25, VII. 51 and XVII. 1 to the financial statements.

CEEC's operating revenues are mainly derived from the provision of construction services to customers. For the year 2023, CEEC's operating revenue amounted to RMB406.032 billion, of which, the revenue from construction and contracting business amounted to RMB325.497 billion, accounting for 80.17% of operating revenue.

CEEC's construction and contracting business is a performance obligation to be performed within a certain period of time. The progress of performance is determined based on the proportion of accumulative costs actually incurred to the estimated total costs, and revenue is recognized based on the progress of performance. When determining the progress of performance, the management of CEEC (the management) shall make a reasonable estimate of the expected total costs.

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

Auditors' Report

III. KEY AUDIT MATTERS (CONTINUED)

(I) Revenue Recognition for Construction Contracts (Continued)

2. *Audit response*

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

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

Auditors' Report

III. KEY AUDIT MATTERS (CONTINUED)

(I) Revenue Recognition for Construction Contracts (Continued)

2. Audit response (Continued)

- (10) to select supporting documents related to project inspection and actual cost incurred, including purchase contracts, subcontracts, purchase invoices, warehouse receipts, progress confirmations, subcontractor statements, etc.;
- (11) to verify the amount of construction settlement for the current period by correspondence to major customers based on the correspondence of accounts receivable;
- (12) to implement cut-off tests to check whether the relevant contract costs are recognized in the proper period;
- (13) to check if information related to revenue were appropriately presented in financial statements.

(II) Provision for Impairment of Trade Receivables and Contract Assets

1. Descriptions

The related disclosures are described in Notes V. 11, VII. 4 and VII. 5 to the financial statements.

As of 31 December 2023, the book balance of trade receivables of CEEC was RMB84.266 billion and the provision for bad debts was RMB6.048 billion, with a carrying value of RMB78.218 billion; the book balance of contract assets was RMB116.015 billion and the provision for impairment was RMB2.799 billion, with a carrying value of RMB113.216 billion.

The management measures the provision for losses based on the credit risk characteristics of various accounts receivable and contract assets, on a single or combined basis, at the amount equivalent to the lifetime ECL. We identified impairment of receivables and contract assets as a critical audit matter because the amounts of receivables and contract assets are significant and the impairment testing of receivables and contract assets involves significant management judgment.

2. Audit response

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

- (1) to understand the key internal controls related to the impairment of accounts receivable and contract assets, evaluate the design of those controls, determine whether they are implemented, and test the operating effectiveness of the related internal controls;
- (2) to review the results of the estimates made by the management regarding bad debt provisions and impairment provisions in previous years, or any subsequent re-estimates thereof made by the management;
- (3) to review the relevant considerations and objective evidence of the management's credit risk assessment of accounts receivable and contract assets, and evaluate whether the management has appropriately identified the credit risk characteristics of various accounts receivable and contract assets;

Auditors' Report

III. KEY AUDIT MATTERS (CONTINUED)

(II) Provision for Impairment of Trade Receivables and Contract Assets (Continued)

2. Audit response (Continued)

- (4) for accounts receivable and contract assets for which expected credit losses are measured on a portfolio basis, to evaluate the reasonableness of management's classification of the portfolio according to credit risk characteristics; to evaluate the reasonableness of the expected credit loss rate of accounts receivable and contract assets determined by the management, including the appropriateness of significant assumptions used and the appropriateness, relevance and reliability of data; and to test the accuracy of the calculation of the provisions for bad debts and impairment;
- (5) to check the correspondence of accounts receivable and contract asset certificates as well as sales return records after the balance sheet date, and evaluate the reasonableness of the management's provisions for bad debts and impairment;
- (6) to check if information related to the impairment of accounts receivable and contract assets were appropriately presented in financial statements.

IV. OTHER INFORMATION

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

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

Those charged with governance of CEEC (the governance) are responsible for overseeing CEEC's financial reporting process.

Auditors' Report

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (IV) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on CEEC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause CEEC to cease to continue as a going concern.
- (V) Evaluate the overall presentation, structure and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within CEEC to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditors' Report

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

We communicate with the governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Pan-China Certified Public Accountants LLP

Chinese Certified Public Accountant: Wang Wenfeng
(Engagement Partner)

Hangzhou, the PRC

Chinese Certified Public Accountant: An Changhai

28 March 2024

Financial Report

II. FINANCIAL STATEMENTS

Consolidated Balance Sheet

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	Unit: '000 Currency: RMB	
		As at 31 December 2023	As at 31 December 2022
Current assets:			
Cash at bank and on hand	VII.1	77,288,541	73,111,604
Settlement reserves fund			
Placements with banks and other financial institutions			
Financial assets held for trading	VII.2	421,629	3,080,541
Derivative financial assets			
Bills receivables	VII.3	5,229,040	7,175,219
Trade receivables	VII.4	78,218,261	73,010,592
Receivables financing	VII.6	980,144	849,501
Prepayments	VII.7	34,818,545	30,343,711
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserve receivable			
Other receivables	VII.8	30,820,723	24,964,153
Financial asset purchased under resold agreement			2,196,000
Inventories	VII.9	67,957,770	61,381,160
Contract assets	VII.5	113,216,189	89,402,926
Assets classified as held for sale			
Non-current assets due within one year	VII.10	3,004,839	2,254,962
Other current assets	VII.11	14,114,289	10,990,943
Total current assets		426,069,970	378,761,312

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Non-current assets:			
Loans and advances to customers		3,191,045	3,635,752
Debt investments			
Other debt investments			
Long-term receivables	VII.12	34,303,656	34,998,414
Long-term equity investments	VII.13	46,548,804	40,697,175
Other investment in equity instruments	VII.14	2,371,845	2,185,285
Other non-current financial assets	VII.15	10,726,518	8,699,355
Investment properties	VII.16	784,644	670,091
Fixed assets	VII.17	57,580,226	42,934,534
Construction in progress	VII.18	25,484,577	16,337,524
Bearer biological assets			
Oil and gas assets			
Right-of-use assets	VII.19	4,499,674	2,746,190
Intangible assets	VII.20	82,464,208	67,804,984
Development expenditure		183,214	63,740
Goodwill	VII.21	2,626,544	2,198,256
Long-term prepaid expenses	VII.22	829,511	1,021,735
Deferred income tax assets	VII.23	3,260,692	2,742,422
Other non-current assets	VII.24	82,231,065	59,055,383
Total non-current assets		357,086,223	285,790,840
Total assets		783,156,193	664,552,152

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Current liabilities:			
Short-term borrowings	VII.26	35,014,887	25,549,582
Borrowings from central bank			
Placements from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payables	VII.27	14,387,077	14,947,381
Trade payables	VII.28	203,325,386	166,095,073
Receipts in advance	VII.29	21,280	29,813
Contract liabilities	VII.30	70,089,061	60,442,484
Financial asset sold under repurchase agreement			
Receipts of deposits and deposits from other banks		3,091,611	3,191,860
Brokerage for trading securities			
Brokerage for consigning securities			
Employee benefits payable	VII.31	2,646,100	3,256,431
Taxes payable	VII.32	6,856,792	7,037,574
Other payables	VII.33	41,855,110	36,815,734
Fee and commission payable			
Reinsurance accounts payables			
Liabilities held for sale			
Non-current liabilities due within one year	VII.34	33,108,322	17,407,623
Other current liabilities	VII.35	6,612,924	6,786,014
Total current liabilities		417,008,550	341,559,569

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	VII.36	157,944,145	132,123,527
Bonds payable	VII.37	1,500,000	9,800,000
Including: Preference shares			
Perpetual bonds			
Lease liabilities	VII.38	3,121,594	1,963,619
Long-term payables	VII.39	4,682,761	1,363,010
Long-term employee benefits payable	VII.40	7,182,125	7,588,908
Accrued liabilities	VII.41	158,213	73,874
Deferred revenue	VII.42	601,807	518,507
Deferred income tax liabilities	VII.23	2,272,998	1,814,071
Other non-current liabilities	VII.43	431,121	279,683
Total non-current liabilities		177,894,764	155,525,199
Total liabilities		594,903,314	497,084,768

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Balance Sheet (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)	VII.44	41,691,164	41,691,164
Other equity instruments	VII.45	9,500,000	9,500,000
Including: Preference shares			
Perpetual bonds		9,500,000	9,500,000
Capital reserves	VII.46	17,677,805	16,840,282
Less: Treasury shares			
Other comprehensive income	VII.47	964,415	760,043
Special reserve	VII.48	1,257,717	904,579
Surplus reserve	VII.49	9,525,293	7,544,573
General risk reserve			
Undistributed profits	VII.50	29,848,343	24,630,811
Total equity attributable to owners of the parent company (or Shareholders' equity)		110,464,737	101,871,452
Minority interests		77,788,142	65,595,932
Total owners' equity (or Shareholders' equity)		188,252,879	167,467,384
Total liabilities and owners' equity (or Shareholders' equity)		783,156,193	664,552,152

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	Unit: '000 Currency: RMB	
		As at 31 December 2023	As at 31 December 2022
Current assets:			
Cash at bank and on hand		367,535	975,225
Financial assets held for trading			
Derivative financial assets			
Bills receivables			
Trade receivables			
Receivables financing			
Prepayments		1,989	957
Other receivables	XVIII.1	3,724,932	4,069,202
Inventory			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		116	3,586,000
Total current assets		4,094,572	8,631,384

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	XVIII.2	94,016,499	91,062,042
Other investment in equity instruments		13,000	13,000
Other non-current financial assets		278,557	169,313
Investment properties			
Fixed assets		45,891	32,015
Construction in progress		7,737	3,254
Bearer biological assets			
Oil and gas assets			
Right-of-use assets			
Intangible assets		64,538	23,608
Development expenditure		58,616	34,519
Goodwill			
Long-term prepaid expenses		525	670
Deferred income tax assets			
Other non-current assets		64,507	50,638
Total non-current assets		94,549,870	91,389,059
Total assets		98,644,442	100,020,443

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Current liabilities:			
Short-term borrowings		3,500,000	
Financial liabilities held for trading			
Derivative financial liabilities			
Bills payables		28,626	
Trade payables		6,398	4,449
Receipts in advance			
Contract liabilities			
Employee benefits payable		48,943	38,881
Taxes payable		2,223	2,258
Other payables		5,198,790	5,782,248
Including: Interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities due within one year		22,701	3,183,801
Other current liabilities			
Total current liabilities		8,779,055	9,040,263
Non-current liabilities:			
Long-term borrowings		2,100,000	3,000,000
Bonds payable		1,500,000	1,500,000
Including: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables		95,536	105,001
Long-term employee benefits payable			
Accrued liabilities			
Deferred income		601	601
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		3,696,137	4,605,602
Total liabilities		12,475,192	13,645,865

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Balance Sheet of the Parent (Continued)

As at 31 December 2023

Prepared by: China Energy Engineering Corporation Limited

Item	Note	As at 31 December 2023	As at 31 December 2022
Owners' equity (or Shareholders' equity):			
Paid-in capital (or Share capital)		41,691,164	41,691,164
Other equity instruments		9,500,000	9,500,000
Including: Preference shares			
Perpetual bonds		9,500,000	9,500,000
Capital reserves		32,087,877	32,087,877
Less: Treasury shares			
Other comprehensive income			
Special reserve			
Surplus reserve		1,312,009	1,190,312
Undistributed profits		1,578,200	1,905,225
Total owners' equity (or Shareholders' equity)		86,169,250	86,374,578
Total liabilities and owners' equity (or Shareholders' equity)		98,644,442	100,020,443

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement

January to December 2023

Item	Note	Unit: '000 Currency: RMB	
		2023	2022
I. Total operating revenue		406,031,848	366,395,814
Including: Operating revenue	VII.51	406,031,848	366,395,814
Interest income			
Premiums earned			
Fee and commission income			
II. Total operating cost		390,455,510	353,061,270
Including: Operating cost	VII.51	354,726,606	320,891,131
Interest expenses			
Fee and commission expenses			
Surrender payment			
Net expenditure for compensation			
Net provision for insurance contracts			
Expenditures for policy dividend			
Reinsurance expenditures			
Tax and surcharges	VII.52	1,415,875	1,703,298
Selling and distribution expenses	VII.53	1,900,349	1,687,317
Administrative expenses	VII.54	14,752,164	13,722,279
Research and development expenses	VII.55	12,980,155	10,441,637
Finance costs	VII.56	4,680,361	4,615,608
Including: Interest expenses		5,899,961	5,618,003
Interest income		1,309,435	612,327

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (Continued)

January to December 2023

Item	Note	2023	2022
Add: Other gains	VII.57	745,668	1,154,114
Investment income (loss represented by “-”)	VII.58	320,736	997,075
Including: Gains from investment in associates and joint ventures		-289,757	-542,101
Gains on derecognition of financial assets at amortized cost		-136,444	-166,658
Gains from exchange (loss is represented by “-”)			
Net exposure hedging income (loss is represented by “-”)			
Gains on changes in fair value (loss is represented by “-”)	VII.59	331,108	71,387
Credit impairment losses (loss is represented by “-”)	VII.60	-2,325,172	-1,039,361
Assets impairment losses (loss is represented by “-”)	VII.61	-907,588	-1,483,090
Gains on disposals of assets (loss is represented by “-”)	VII.62	304,971	716,681
III. Operating profit (loss is represented by “-”)		14,046,061	13,751,350
Add: Non-operating income	VII.63	308,795	323,815
Less: Non-operating expense	VII.64	344,289	398,101
IV. Total profit (total loss is represented by “-”)		14,010,567	13,677,064
Less: Income tax expense	VII.65	2,755,060	3,254,880
V. Net profit (net loss is represented by “-”)		11,255,507	10,422,184
(I) Classified by continuity of operations			
1. Net profit from continuing operations (net loss is represented by “-”)		11,255,507	10,422,184
2. Net profit from discontinued operations (net loss is represented by “-”)			
(II) Classified by ownership of equity			
1. Net profit attributable to shareholders of the parent (net loss is represented by “-”)		7,986,116	7,824,139
2. Minority interests (net loss is represented by “-”)		3,269,391	2,598,045

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (Continued)

January to December 2023

Item	Note	2023	2022
VI. Other comprehensive income, net of tax	VII.67	912,647	934,216
(I) Other comprehensive income attributable to the owners of the parent, net of tax		809,970	777,927
1. Other comprehensive income that cannot be reclassified to profit or loss		342,797	18,637
(1) Changes arising from the re-measurement of defined benefit plan		4,010	182,816
(2) Other comprehensive income that cannot be reclassified to profit or loss under equity method			
(3) Change in fair value of other investment in equity instrument		338,787	-164,179
(4) Change in fair value of credit risk of corporate			
2. Other comprehensive income that will be reclassified to profit or loss		467,173	759,290
(1) Other comprehensive income that will be reclassified into profit or loss under the equity method			
(2) Changes in fair value of other debt investments			
(3) Financial assets reclassified into other comprehensive income			
(4) Credit impairment provision for other debt investments			
(5) Hedging reserves from cash flows			
(6) Translation differences on translation of foreign currency financial statements		467,173	759,290
(7) Others			
(II) Other comprehensive income attributable to minority interests, net of tax		102,677	156,289

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Income Statement (Continued)

January to December 2023

Item	Note	2023	2022
VII. Total comprehensive income		12,168,154	11,356,400
(I) Total comprehensive income attributable to the owners of the parent		8,796,086	8,602,066
(II) Total comprehensive income attributable to minority interests		3,372,068	2,754,334
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.18	0.18
(II) Diluted earnings per share (RMB/share)		0.18	0.18

For the business combination under common control in the period, the net profit realized by the merged party before the combination was RMB1,063,632.66, and the net profit realized by the merged party in the previous period was RMB1,592,244.36.

Legal representative:

Song Hailiang

Principal in charge of accounting:

Li Lai Nar

Head of accounting department:

Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Income Statement of the Parent

January to December 2023

Item	Note	Unit: '000 Currency: RMB	
		2023	2022
I. Operating revenue	XVIII.3	107,689	118,861
Less: Operating cost	XVIII.3	9,946	7,189
Tax and surcharges		622	8,580
Selling and distribution expenses			
Administrative expenses		460,495	441,258
Research and development expenses			330
Finance costs		112,377	200,516
Including: Interest expenses		140,443	233,441
Interest income		33,813	41,586
Add: Other gains		480	
Investment income (loss represented by "--")	XVIII.4	1,678,236	2,782,365
Including: Gains from investment in associates and joint ventures		196	60
Gains on derecognition of financial assets at amortized cost			
Net exposure hedging income (loss is represented by "--")			
Gains on changes in fair value (loss is represented by "--")		14,050	
Credit impairment losses (loss is represented by "--")			
Assets impairment losses (loss is represented by "--")			
Gains on disposals of assets (loss is represented by "--")			
II. Operating profit (loss is represented by "--")		1,217,015	2,243,353
Add: Non-operating income			10,639
Less: Non-operating expense		43	
III. Total profit (total loss is represented by "--")		1,216,972	2,253,992
Less: Income tax expense		4	8
IV. Net profit (net loss is represented by "--")		1,216,968	2,253,984
(I) Net profit from continuing operations (net loss is represented by "--")		1,216,968	2,253,984
(II) Net profit from discontinued operations (net loss is represented by "--")			

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Income Statement of the Parent (Continued)

January to December 2023

Item	Note	2023	2022
V. Other comprehensive income, net of tax			
(I) Other comprehensive income not reclassified to profit or loss			
1. Changes arising from the re-measurement of defined benefit plan			
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method			
3. Change in fair value of other investment in equity instrument			
4. Change in fair value of credit risk of corporate			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that will be reclassified into profit or loss under the equity method			
2. Changes in fair value of other debt investments			
3. Financial assets reclassified into other comprehensive income			
4. Credit impairment provision for other debt investments			
5. Hedging reserves from cash flows			
6. Translation differences on translation of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		1,216,968	2,253,984
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement

January to December 2023

Item	Note	Unit: '000 Currency: RMB	
		2023	2022
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		358,408,210	336,504,014
Net increase in deposits from customer and interbank			
Net increase in borrowings from central bank			
Net increase in placements from other financial institutions			
Cash received from premiums under original insurance contracts			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interest, fee and commission			
Net increase in placements			
Net increase in capital from repurchase business			
Net cash from brokerage for trading securities			
Refund of taxes and surcharges		1,151,666	2,378,583
Cash from other operation related activities	VII.67	937,082	1,116,815
Sub-total of cash inflows from operating activities		360,496,958	339,999,412
Cash paid for goods and services		300,687,829	285,826,809
Net increase in loans and advances to customers			
Net increase in deposits with central bank and other banks			
Cash paid for compensation payments under original insurance contracts			
Net increase in placements with banks and other financial institutions			
Cash paid for interest, fee and commission			
Cash paid for policyholder dividends			
Cash paid to and on behalf of employees		31,534,241	28,206,437
Tax and charges paid		11,136,045	10,856,303
Cash paid for other operation related activities	VII.67	7,652,811	7,173,102
Sub-total of cash outflows from operating activities		351,010,926	332,062,651
Net cash flows from operating activities		9,486,032	7,936,761

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement (Continued)

January to December 2023

Item	Note	2023	2022
II. Cash flows from investing activities:			
Cash received from disposal of investments		9,196,984	2,556,035
Cash received from returns on investments		407,982	271,559
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		645,791	803,180
Net cash received from disposal of subsidiaries and other business units		10,000	2,060,726
Cash received from other investment-related activities	VII.67	3,187,540	3,363,927
Sub-total of cash inflows from investing activities		13,448,297	9,055,427
Cash paid for purchasing and constructing fixed assets, intangible assets and other long-term assets		31,129,600	19,982,714
Cash paid for investment		19,949,426	33,827,261
Net increase in pledged loans			
Net cash paid to acquire subsidiaries and other business units			98,959
Cash paid relating to other investing activities	VII.67	3,897,590	4,172,265
Sub-total of cash outflows from investing activities		54,976,616	58,081,199
Net cash flows from investing activities		-41,528,319	-49,025,772

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Cash Flows Statement (Continued)

January to December 2023

Item	Note	2023	2022
III. Cash flow from financing activities:			
Cash received from capital contribution		12,330,865	28,164,482
Including: Cash received from capital contributions by minority shareholders of subsidiaries		12,330,865	21,164,482
Cash received from borrowings		118,040,601	110,992,956
Cash received relating to other financing activities	VII.67	4,360,106	1,853,239
Sub-total of cash inflows from financing activities		134,731,572	141,010,677
Cash repayments of borrowings		77,549,951	57,279,007
Cash payments for distribution of dividends, profits or interest expenses		11,360,259	10,478,823
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries		2,797,178	2,439,960
Cash paid relating to other financing activities	VII.67	9,770,857	20,928,616
Sub-total of cash outflows from financing activities		98,681,067	88,686,446
Net cash flows from financing activities		36,050,505	52,324,231
IV. Effect of foreign exchange rate changes on cash and cash equivalents		119,100	565,095
V. Net increase in cash and cash equivalents		4,127,318	11,800,315
Add: Balance of cash and cash equivalent at the beginning of the period		64,008,702	52,208,387
VI. Balance of cash and cash equivalents at the end of the Period		68,136,020	64,008,702

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Cash Flows Statement of the Parent

January to December 2023

Item	Note	Unit: '000 Currency: RMB	
		2023	2022
I. Cash flows from operating activities:			
Cash received from the sales of goods and the rendering of services		12,638	7,221
Refund of taxes and surcharges			10,186
Cash from other operation related activities		191,623	308,928
Sub-total of cash inflows from operating activities		204,261	326,335
Cash paid for goods and services			918
Cash paid to and on behalf of employees		268,505	179,707
Tax and charges paid		2,110	25,398
Cash paid for other operation related activities		392,613	554,012
Sub-total of cash outflows from operating activities		663,228	760,035
Net cash flows from operating activities		-458,967	-433,700
II. Cash flows from investing activities:			
Cash received from disposal of investments			289,651
Cash received from returns on investments		2,445,434	1,796,428
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investment-related activities		4,216,000	2,220,000
Sub-total of cash inflows from investing activities		6,661,434	4,306,079
Cash paid for purchasing and constructing fixed assets, intangible assets and other long-term assets		102,494	20,250
Cash paid for investment		3,948,233	2,139,408
Net cash paid to acquire subsidiaries and other business units			
Cash paid relating to other investing activities		630,000	4,996,000
Sub-total of cash outflows from investing activities		4,680,727	7,155,658
Net cash flows from investing activities		1,980,707	-2,849,579

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Cash Flows Statement of the Parent (Continued)

January to December 2023

Item	Note	2023	2022
III. Cash flow from financing activities:			
Cash received from capital contribution			3,000,000
Cash received from borrowings		10,100,000	7,053,848
Cash received relating to other financing activities			
Sub-total of cash inflows from financing activities		10,100,000	10,053,848
Cash repayments of borrowings		10,500,000	6,558,226
Cash payments for distribution of dividends, profits or interest expenses		1,729,664	1,305,119
Cash paid relating to other financing activities			10
Sub-total of cash outflows from financing activities		12,229,664	7,863,355
Net cash flows from financing activities		-2,129,664	2,190,493
IV. Effect of foreign exchange rate changes on cash and cash equivalents		236	2,714
V. Net increase in cash and cash equivalents		-607,688	-1,090,072
Add: Balance of cash and cash equivalent at the beginning of the period		975,225	2,065,297
VI. Balance of cash and cash equivalents at the end of the period		367,537	975,225

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity

January to December 2023

Unit: '000 Currency: RMB

Item	2023													Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Equity attributable to owners of the parent							Sub-total	Minority interests	
Preferred shares		Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits	Others			
I. Balance at the end of previous year	41,691,164	9,500,000		16,840,282		760,043	904,579	7,544,573		24,630,811		101,871,452	65,595,932	167,467,384
Add: Change in accounting policies														
Correction of previous accounting errors														
Others														
II. Opening balance for the year	41,691,164	9,500,000		16,840,282		760,043	904,579	7,544,573		24,630,811		101,871,452	65,595,932	167,467,384
III. Changes for the period (decrease represented by "-")				837,523		204,372	353,138	1,980,720		5,217,532		8,593,285	12,192,210	20,785,495
(I) Total comprehensive income						809,970				7,986,116		8,796,086	3,372,068	12,168,154
(II) Contribution from owners and reduction of capital				837,523								28,835	866,358	11,490,053
1. Injection of ordinary shares from owners														12,330,865
2. Capital contribution by other equity instrument holders														
3. Amount of share-based payments included in owner's equity														
4. Others				837,523								28,835	866,358	-840,812
(III) Profit distribution								1,980,720		-3,403,017		-1,422,297	-2,700,690	-4,122,987
1. Withdrawn from surplus reserve								1,980,720		-1,980,720				
2. Withdrawn from general risk reserve														
3. Distribution to owners (or shareholders)										-1,050,617		-1,050,617	-2,700,690	-3,751,307
4. Others										-371,680		-371,680		-371,680
(IV) Internal carry-forward of owners' equity						-605,598				605,598				
1. Capital reserve converting to capital (or share capital)														
2. Surplus reserve converting to capital (or share capital)														
3. Surplus reserve used to compensate deficit														
4. Changes in defined benefit scheme carried forward to retained earnings														
5. Other comprehensive income carried forward to retained earnings						-605,598				605,598				
6. Others														
(V) Special reserve							353,138					353,138	30,779	383,917
1. Withdrawn during the period								5,392,249				5,392,249	314,699	5,706,948
2. Utilized during the period								-5,039,111				-5,039,111	-283,920	-5,323,031
(VI) Others														
IV. Balance at the end of the period	41,691,164	9,500,000		17,677,805		964,415	1,257,717	9,525,293		29,848,343		110,464,737	77,788,142	188,252,879

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Consolidated Statement of Changes in Owners' Equity (Continued)

January to December 2023

Item	2022													Minority interests	Total owners' equity
	Equity attributable to owners of the parent											Sub-total			
	Paid-in capital (or share capital)	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profits		Others		
I. Balance at the end of previous year	41,691,164		9,500,000		16,731,128		-77,521	648,786	5,563,652		20,141,471	94,198,680	55,535,320	149,734,000	
Add: Change in accounting policies											-39,654	-39,654		-39,654	
Correction of previous accounting errors															
Others					905						1,394	2,299	2,208	4,507	
II. Opening balance for the year	41,691,164		9,500,000		16,732,033		-77,521	648,786	5,563,652		20,103,211	94,161,325	55,537,528	149,698,853	
III. Changes for the period (decrease represented by "-")					108,249		837,564	255,793	1,980,921		4,527,600	7,710,127	10,058,404	17,768,531	
(I) Total comprehensive income							777,927				7,824,139	8,602,066	2,754,334	11,356,400	
(II) Contribution from owners and reduction of capital					108,249							108,249	9,692,697	9,800,946	
1. Injection of ordinary shares from owners													10,359,454	10,359,454	
2. Capital contribution by other equity instrument holders															
3. Amount of share-based payments included in owner's equity															
4. Others					108,249							108,249	-666,757	-558,508	
(III) Profit distribution									1,980,921		-3,236,902	-1,255,981	-2,449,819	-3,705,800	
1. Withdrawn from surplus reserve									1,980,921		-1,980,921				
2. Withdrawn from general risk reserve															
3. Distribution to owners (or shareholders)											-938,051	-938,051	-2,449,819	-3,387,870	
4. Others											-317,930	-317,930		-317,930	
(IV) Internal carry-forward of owners' equity							59,637				-59,637				
1. Capital reserve converting to capital (or share capital)															
2. Surplus reserve converting to capital (or share capital)															
3. Surplus reserve used to compensate deficit															
4. Changes in defined benefit scheme carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings							59,637				-59,637				
6. Others															
(V) Special reserve								255,793				255,793	61,192	316,985	
1. Withdrawn during the period								3,064,145				3,064,145	1,065,910	4,130,055	
2. Utilized during the period								-2,808,352				-2,808,352	-1,004,718	-3,813,070	
(VI) Others															
IV. Balance at the end of the period	41,691,164		9,500,000		16,840,282		760,043	904,579	7,544,573		24,630,811	101,871,452	65,595,932	167,467,384	

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Statement of Changes in Owners' Equity of the Parent

January to December 2023

Unit: '000 Currency: RMB

Item	2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
I. Balance at the end of previous year	41,691,164		9,500,000		32,087,877				1,190,312	1,905,225	86,374,578
Add: Change in accounting policies											
Correction of previous accounting errors											
Others											
II. Opening balance for the year	41,691,164		9,500,000		32,087,877				1,190,312	1,905,225	86,374,578
III. Changes for the period (decrease represented by "-")									121,697	-327,025	-205,328
(I) Total comprehensive income										1,216,968	1,216,968
(II) Contribution from owners and reduction of capital											
1. Injection of ordinary shares from owners											
2. Capital contribution by other equity instrument holders											
3. Amount of share-based payments included in owner's equity											
4. Others											
(III) Profit distribution									121,697	-1,543,993	-1,422,296
1. Withdrawn from surplus reserve									121,697	-121,697	
2. Distribution to owners (or shareholders)										-1,050,616	-1,050,616
3. Others										-371,680	-371,680

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II. FINANCIAL STATEMENTS (CONTINUED)

Statement of Changes in Owners' Equity of the Parent (Continued)

January to December 2023

Unit: '000 Currency: RMB

Item	2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
(IV) Internal carry-forward of owners' equity											
1. Capital reserve converting to capital (or share capital)											
2. Surplus reserve converting to capital (or share capital)											
3. Surplus reserve used to compensate deficit											
4. Changes in defined benefit scheme carried forward to retained earnings											
5. Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Withdrawn during the period											
2. Utilized during the period											
(VI) Others											
IV. Balance at the end of the period	41,691,164		9,500,000		32,087,877				1,312,009	1,578,200	86,169,250

Financial Report

II. FINANCIAL STATEMENTS (CONTINUED)

Statement of Changes in Owners' Equity of the Parent (Continued)

January to December 2023

Unit: '000 Currency: RMB

Item	2022										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Total owners' equity
(V) Special reserve											
1. Withdrawn during the period											
2. Utilized during the period											
(VI) Others											
IV. Balance at the end of the period	41,691,164		9,500,000		32,087,877				1,190,312	1,905,225	86,374,578

Legal representative:
Song Hailiang

Principal in charge of accounting:
Li Lai Nar

Head of accounting department:
Liu Aijun

Financial Report

III. GENERAL INFORMATION OF THE COMPANY

1. Company Profile

China Energy Engineering Corporation Limited (the “Company”) is a joint stock limited company established by way of promotion by China Energy Engineering Group Co., Ltd. (“Energy China Group”) and Electric Power Planning & Engineering Institute Co., Ltd. as our promoters, and as approved by the State-owned Assets Supervision and Administration Commission of the State Council (“SASAC”), and registered with the Beijing Municipal Administration for Market Regulation on 19 December 2014, with its headquarter in Beijing. The Company holds the business license with unified social credit code of 911100007178398156, with registered capital of RMB30,020,396,364, a total of 41,691,163,636 shares with a par value of RMB1. Of which, the number of restricted tradable shares comprises of 14,222,500,963 A shares and 9,262,436,000 H shares; the number of unrestricted tradable shares comprises of 18,206,226,673 A shares. The shares of the Company have been listed and traded on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange on 29 December 2015 and 21 September 2021, respectively.

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

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Preparation Basis

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

2. Going Concern

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates indication:

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

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

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

2. Accounting Period

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

3. Operating Cycle

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

4. Reporting Currency

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Determination Method and Selection Basis of Materiality Standards

Item	Materiality standards
Significant accounts receivable written off	The amount written off on an individual basis accounts for more than 20% of the total amount written off of accounts receivable in the period and is more than RMB6 million.
Significant dividends receivable aged over one year	The book balance of dividends receivable aged over one year on an individual basis is more than RMB10 million.
Provisions for significant bad debts of other receivables on an individual basis	The book balance of provisions for bad debts of other receivables on an individual basis is more than RMB200 million.
Recovery or reversal of provisions for significant bad debts of other receivables	The amount recovered or reversed on an individual basis is more than RMB4 million.
Significant prepayments aged over one year	The closing amount exceeds RMB300 million.
Significant projects under construction	The closing amount exceeds RMB650 million.
Significant subsidiaries	The registered capital exceeds RMB2 billion.
Significant joint ventures and associates	The total assets at the end of the period are more than RMB2 billion.

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

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

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Judgement Criteria of Control and Preparation Method of Consolidated Financial Statements

(1) *Judgement of control*

Control is recognized when the investor has the power over the investee, enjoys variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

(2) *Preparation method of consolidated financial statements*

The Company includes all subsidiaries under its control in the consolidation scope for consolidated financial statements, which are prepared by the Company pursuant to the Accounting Standard for Business Enterprises No. 33 – Consolidated Financial Statements based on the financial statements of the Company and its subsidiaries and other relevant information.

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

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

9. Standards for Determination of Cash and Cash Equivalents

Cash presented in the statement of cash flows represents cash on hand and deposits that are readily available for disbursement. Cash equivalents are investments held by an enterprise that have short maturities, are highly liquid, are readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**10. Foreign Currency Transactions and Translation of Foreign Currency Financial Statements****(1) Translation of foreign currency transactions**

Transactions denominated in foreign currency are translated into RMB at the spot exchange rate at the date of transaction upon initial recognition. At the balance sheet date, monetary items denominated in foreign currency are translated at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognized in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the construction or production of qualifying assets. Foreign currency non-monetary items measured at historical cost are translated at the spot exchange rate at the date of transaction, without changing its RMB amount; foreign currency non-monetary items measured at fair value are translated at the spot exchange rate at the date of determination of fair value, with the difference included in profit or loss for the current period or other comprehensive income.

(2) Translation of foreign currency financial statements

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

11. Financial Instruments**(1) Classification of financial assets and financial liabilities**

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

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

1) *Recognition criteria and initial measurement method of financial assets and financial liabilities*

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

2) *Subsequent measurement of financial assets*

① Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost and is not part of a hedging relationship shall be included in profit or loss when the financial asset is derecognized, reclassified, amortized using the effective interest method or recognized in respect of impairment.

② Debt instrument investments at fair value through other comprehensive income

These debt instrument investments are subsequently measured at fair value. Interest, impairment losses or gains or foreign exchange gains and losses calculated using the effective interest method are included in profit or loss in the current period. Other gains or losses are included in other comprehensive income. On derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to profit or loss for the current period.

③ Equity instrument investments at fair value through other comprehensive income

These debt instrument investments are subsequently measured at fair value. Dividends obtained (excluding those obtained as investment costs recovered) are included in profit or loss for the current period, while other gains or losses are included in other comprehensive income. On derecognition, cumulative gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

④ Financial assets at fair value through profit or loss

These financial assets are subsequently measured at fair value, and any gain or loss therefrom (including interest and dividend income) is included in profit or loss for the current period, unless such financial assets are part of the hedging relationship.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

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

① Financial liabilities at fair value through profit or loss

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

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

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

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

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

④ Financial liabilities measured at amortized cost

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

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

4) *Derecognition of financial assets and financial liabilities*

- ① Financial assets are derecognized when one of the following conditions is met:
 - i. The contractual right to the cash flows from such financial assets has expired;
 - ii. The financial asset has been transferred and the transfer satisfies the requirements for derecognition of financial assets under Accounting Standard for Business Enterprise No. 23 – Transfer of Financial Assets.
- ② A financial liability (or part of it) is derecognized accordingly where its present obligation (or part of it) is discharged.

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

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

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

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

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

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

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

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

(5) Impairment of financial instruments (continued)

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

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

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

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

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

Financial instruments that have low credit risk

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

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition, to determine the relative change in the risk of default occurring on the financial instrument during the expected duration.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

(5) Impairment of financial instruments (continued)

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

Significant increases in credit risk (continued)

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

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

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

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

Credit-impaired financial assets

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

(5) Impairment of financial instruments (continued)

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

Credit-impaired financial assets (continued)

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

Write-off

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

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

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

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (continued)

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

Write-off (continued)

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

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

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

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

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

12. Inventories

Categories, accounting method of inventories, inventory system, and amortisation method of low-value consumables and packages(1) *Categories of inventories*

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

(2) *Accounting method for dispatching inventories*

Dispatched inventories are measured using the first-in-first-out method, the weighted average method and the individual pricing method.

(3) *Inventory system*

Perpetual inventory method is adopted.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Inventories (continued)

Categories, accounting method of inventories, inventory system, and amortisation method of low-value consumables and packages (continued)

(4) Amortisation method of low-value consumables and packages

1) Low-value consumables

Amortized over a period of time based on the number of times it is used or amortized by the lump-sum transfer method.

2) Packages

Amortized over a period of time based on the number of times it is used or amortized by the lump-sum transfer method.

Recognition criteria and method of provision for inventory impairment

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

13. Contract Assets

Recognition method and criteria of contract assets

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term Equity Investments

(1) *Judgement on common control and significant influence*

Common control is recognised as control held for a certain arrangement under the relevant agreement, the relevant activity of which should be unanimously agreed by the parties sharing the control. Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or common control over those policies.

(2) *Determination of investment cost*

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term Equity Investments (continued)

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

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

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

- ① In separate financial statements, investment cost which is accounted for using the newly adopted cost method is initially recognised at the book value of the previously held long-term equity investments plus the newly increased initial investment cost.
- ② In consolidated financial statements, the Company determines whether it is a “package deal”. If it is a “package deal”, transactions as a whole are treated as one transaction obtaining the right to control in accounting treatment. If it is not a “package deal”, the book value of the acquirer’s previously held equity interest in the acquiree is remeasured at the acquisition-date fair value, and the difference between the fair value and the book value is recognised in investment income; when the acquirer’s previously held equity interest in the acquiree involves other comprehensive income under equity method, the related other comprehensive income is reclassified as income for the acquisition period, excluding other comprehensive income arising from changes in net liabilities or net assets from pre-measurement of defined benefit plan of the acquiree.
- 3) Long-term equity investment obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to “Accounting Standards for Business Enterprises No.12 – Debt Restructuring”; and that obtained through non-cash assets exchange is determined according to “Accounting Standards for Business Enterprises No. 7 – Non-cash Assets Exchange”.

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term Equity Investments (continued)

(4) *Accounting treatment of disposal of investment in a subsidiary to loss of control in stages through various transactions*1) *Principles for determining whether a transaction is a “package deal” or not*

In the event of a step-by-step disposal of an equity investment in a subsidiary through multiple transactions until the Company loses control, the Company determines whether a step-by-step transaction is a “package deal” by taking into account the terms and conditions of the transaction agreement for each step of the step-by-step transaction, the disposal consideration received, the target of the sale of the equity interest, the method of disposal, and the point of time of disposal. The terms, conditions and economic effects of each transaction meet one or more of the following conditions, which generally indicate that a multiple-transaction event is a “package deal”:

- ① The transactions are made simultaneously or with consideration of each other’s influence;
- ② The transactions as a whole can achieve a complete business outcome;
- ③ The occurrence of a transaction depends on the occurrence of at least one other transaction;
- ④ A transaction is uneconomic alone, but it is economic when considered together with other transactions.

2) *Accounting treatment for transactions that are not a “package deal”*① *Separate financial statements*

For the equity interest being disposed of, the difference between its carrying amount and actual proceeds obtained is included in profit or loss for the current period. For the remaining equity interest, if it still exercises significant influence on or, in conjunction with other parties, has a joint control in the investee, it is accounted for using the equity method instead; or it is accounted for in accordance with Accounting Standard for Business Enterprise No. 22 – Recognition and Measurement of Financial Instrument if it can no longer exercise control, joint control or significant influence on the investee.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term Equity Investments (continued)

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

2) *Accounting treatment for transactions that are not a "package deal" (continued)*

② Consolidated financial statements

Prior to the loss of control, the differences between the proceeds from the disposal and the subsidiary's net assets attributable to the disposed long-term equity investment since acquisition date or combination date are adjusted against the capital reserve (capital premium). If the capital reserve is insufficient to offset the difference, any excess is adjusted against the retained earnings.

When the control over the former subsidiary is lost, the remaining equity interest is remeasured at its fair value at the date when control over the subsidiary has been lost. The difference between the sum of consideration received from the disposal of the equity interest and the fair value of the remaining equity interest less the net assets in the former subsidiary as calculated by the previous percentage of shareholding since acquisition date or combination date is included in investment income during the period in which the control on the investee was lost, offsetting the goodwill at the same time. Other comprehensive income associated with the investment in equity interest in the former subsidiary is transferred to investment income for the period when the control on the investee was lost.

3) *Accounting treatment for transactions that are a "package deal"*

① Separate financial statements

All transactions are collectively accounted for as a transaction for the disposal of a subsidiary in which the control on the investee is lost. Nonetheless, prior to the loss of control, the difference between each of the amounts of the disposal proceeds and the carrying amount of the long-term equity investment corresponding is recognized as other comprehensive income in the Separate financial statements, and is transferred collectively to profit or loss during the period when the control on the investee has been lost.

③ Consolidated financial statements

All transactions are collectively accounted for as a transaction for the disposal of a subsidiary in which the control on the investee is lost. Nonetheless, prior to the loss of control, the difference between each of the amounts of the disposal proceeds and the corresponding amounts of the subsidiary's net assets attributable to the investment being disposed of is recognized as other comprehensive income in the consolidated financial statements, and is transferred collectively to profit or loss during the period when the control on the investee has been lost.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Investment Properties

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

16. Fixed Assets

(1). Recognition criteria

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

(2). Depreciation method

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Construction in Progress

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

Category	Criteria and time point at which construction in progress is carried forward as fixed assets
Buildings and structures	Criteria of buildings and structures of passing the initial inspection and being qualified and ready for intended use or meeting the contract requirements
Machinery and equipment	Criteria of meeting the design requirements or contract requirements after installation and commissioning
Electronic equipment	Criteria of meeting the design requirements or contract requirements after installation and commissioning

18. Borrowing Costs

(1) *Recognition principles on capitalisation of borrowing costs*

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

(2) *Capitalisation period of borrowing costs*

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Borrowing Costs (continued)

(3) Capitalisation rate and amount of borrowing costs

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

19. Intangible Assets

(1) Useful life and its basis of determination, estimation, amortisation method or review procedures

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

2) Method of amortization

① For concessions other than mining rights and concessions related to highway tolling rights, the intangible assets with definite useful lives are reasonably and systematically amortised over their useful lives based on the pattern of the economic benefits relating to the intangible assets that are expected to be realised. Intangible assets whose economic benefits realisation pattern cannot be reliably anticipated are amortised on a straight-line basis over the following useful life:

Item	Amortisation period (years)
Land use rights	Land use certificate registration period
Patent, unpatented technology and software	2-15
Concession rights	The franchise period stipulated in the contract
Others	10-50

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

② The amortization of mining rights with definite useful life is provided for amortization based on the proved mine reserves using the workload method.

③ The concession rights related to highway toll rights is amortized according to the traffic flow, and is provided over their expected useful lives or the remaining concession period, whichever is the shorter, commencing from the date of commencement of commercial operation of the toll roads, based on a units-of-usage basis, which is the ratio of actual traffic volume compared to the total expected traffic volume of the toll roads as estimated by the management or by reference to traffic projection reports prepared by independent traffic consultants.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Intangible Assets (continued)

(2). *Collection scope of R&D expenses and related accounting treatment methods*

1). *Collection scope of R&D expenses*

① Expenditure on research and development materials

Expenditures on research and development materials refer to the actual expenditures incurred by the Company for the implementation of research and development activities on related materials. It includes: 1) expenses on materials, fuel and power directly consumed; 2) development and manufacturing costs of molds and process equipment used for intermediate tests and product trial production, acquisition costs of samples, sampling machines and general testing means that do not constitute fixed assets, and inspection costs of trial products; and 3) expenses on the operation and maintenance, adjustment, inspection, testing and repair of instruments and equipment used in research and development activities.

② Staff costs

Staff costs include the wages and salaries, basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund of the R&D personnel of the Company, as well as the labor costs of external R&D personnel.

If the R&D personnel serves several R&D projects concurrently, the recognition of staff costs shall be based on the record of working hours of the R&D personnel of each R&D project provided by the administrative department of the Company, and distributed in proportion among different R&D projects.

For personnel engaged in R&D activities directly and external R&D personnel concurrently engaged in non-R&D activities, the Company shall, based on the record of working hours of the R&D personnel in different positions, distribute the staff costs actually occurred between the R&D expenses and the production and operation expenses under reasonable methods such as the proportion of actual working hours.

③ External R&D expenses

External R&D expenses refer to the expenses incurred in R&D activities conducted by other domestic and overseas institutions or individuals commissioned by the Company (the results of the R&D activities are attributable to the Company and closely related to the main businesses of the Company).

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Intangible Assets (continued)

(2). Collection scope of R&D expenses and related accounting treatment methods (continued)

1). Collection scope of R&D expenses (continued)

④ Depreciation expense and amortization of intangible assets

Depreciation expense refers to the depreciation expense of instruments, equipment and structure used for R&D activities.

For device, equipment and buildings used for R&D activities and concurrently used for non-R&D activities, necessary record of usage of such device, equipment and buildings shall be made, and the actual depreciation shall be allotted between the R&D expenses and production and operation expenses adopting reasonable method according to the actual working hours and usable area.

The amortization expenses of intangible assets refer to the amortization expenses of software, intellectual property rights, non-patented technology (proprietary technology, license, design and calculation methods, etc.) used for the R&D activities.

⑤ Design expenses for new products

Design expenses refer to the expenses incurred in the conception, development and manufacturing of new products and new processes, and in the design of processes, technical specifications, procedures formulation and operational characteristics, including the related expenses incurred in creative design activities to obtain innovative, creative and breakthrough products.

⑥ Miscellaneous expenses

Miscellaneous expenses refer to, apart from the costs above, the other expenses directly related to the R&D activities, including technical books and materials, materials translation, expert consulting, high-tech R&D insurance, the retrieval, demonstration, evaluation, authentication, acceptance, intellectual property application, registration, agency, conference, travel, communication and other expenses.

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Intangible Assets (continued)

(2). *Collection scope of R&D expenses and related accounting treatment methods (continued)*

- 3). Specific criteria for the division of expenses of internal research and development projects into expenses in the research phase and expenses in the development phase:

Research phase: a phase in which innovative and scheduled investigations and research activities are conducted to obtain and understand new scientific or technological knowledge.

Development phase: a phase in which the research outcomes or other knowledge are applied for a plan or a design prior to the commercial production or use in order to produce new or substantially improved materials, devices, products, etc.

20. Certain long-term Asset Impairment

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

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

Once an impairment loss is recognised, it is not reversed in subsequent accounting periods.

21. Long-term Deferred Expenses

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

22. Employee Benefits

- (1). Employee compensation includes short-term compensation, post-employment benefits, termination benefits and other long-term employee' benefits.

(2). *Accounting treatment of short-term compensation*

During the accounting period when the staff provides service, the Company will recognise the short-term compensation incurred as liabilities, and the liabilities would be included in current profit or loss or the relevant costs of assets.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Employee Benefits (continued)

(3). Accounting treatment of post-employment benefits

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

- 1) During the accounting period when the staff provides service, the Company will recognise the amount payable calculated under defined contribution plan as liabilities, and the liabilities would be included in current profit or loss or the relevant costs of assets.
- 2) Accounting treatment of defined benefit plan normally comprises steps as follow:
 - ① According to the projected unit credit method, the Company adopted unbiased and mutually agreed actuarial assumptions to estimate the relevant demographic variables and financial variables, calculate the obligations arising from the defined benefit plan and determine the period of relevant obligations belonging to. Meanwhile, the obligation arising from the defined benefit plan is discounted to determine the present value of such obligation under the defined benefit plan and the service cost for the current period;
 - ② Where there are assets in the defined benefit plan, the deficit or surplus from the present value of the defined benefit plan less the fair value of the defined benefit plan are recognised as a net debt or asset of a defined benefit plan. Where there are surplus in the defined benefit plan, the lower of the surplus of the defined benefit plan and the upper limit of the assets will be used to calculate the net assets of the defined benefit plan;
 - ③ At the end of the period, the cost of employee benefits from the defined benefit plan will be recognised as three parts, such as the service cost, the net interest on the net liabilities or net assets from the defined benefit plan and the changes arising from the remeasurement of the net liabilities or net assets from the defined benefit plan. Of these, the service cost and the net interest on the net liabilities or net assets from the defined benefit plan will be recognised in current profit or loss or relevant assets cost. The changes arising from the remeasurement of the net liabilities or net assets from the defined benefit plan will be recognised in other comprehensive income and shall not be reversed to profit or loss in subsequent accounting periods, but the amounts recognised in other comprehensive income can be transferred within the scope of interests.

(4). Accounting treatment of termination benefits

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Employee Benefits (continued)

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

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

23. Accrued Liabilities

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

24. Other Financial Instruments including Preference Shares, Perpetual Bonds

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

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

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

When the Company's own equity instrument is required to or available to be used for settlement of the financial instrument, it does not include the contractual obligations to settle the Company's own variable equity instruments if it is a non-derivative instrument; If it is a derivative instrument, the Group can only settle the instrument by exchanging certain amount of its own equity instruments with fixed amount of cash or other financial assets.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

25. Revenue

(1). Accounting policies adopted for revenue recognition and measurement disclosed by business type

1) Principles of revenue recognition

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

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

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue (continued)

(1). *Accounting policies adopted for revenue recognition and measurement disclosed by business type (continued)*

2) *Principles of revenue measurement*

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue (continued)

(1). *Accounting policies adopted for revenue recognition and measurement disclosed by business type (continued)*3) *Specific methods for revenue recognition*

The Company has five business segments, namely survey, design and consulting, construction and contracting, industrial manufacturing, build-operate-transfer contracts and real estate sales. Based on the Company's own operation mode and settlement method, specific methods for sales revenue recognition of various businesses are disclosed as follows:

a) Survey, design and consulting

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

b) Construction and contracting

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

c) Industrial manufacturing

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue (continued)

(1). Accounting policies adopted for revenue recognition and measurement disclosed by business type (continued)

3) Specific methods for revenue recognition (continued)

d) Build-operate-transfer contracts

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

According to the PPP project contract, if the Company provides PPP project asset construction services, operation services, maintenance services and other services after completion, it will identify the individual performance obligations in the contract in the manner described above, and amortized the transaction price to each performance obligation based on relative proportion of stand-alone selling price of each performance obligation.

According to the PPP project contract, the Company has the right to charge fees from the objects for obtaining public products and services during the project operation period. However, if the amount of the fees is uncertain, when the PPP project assets reach the predetermined usable state, the relevant PPP project assets will be charged. The amount of consideration or the amount of confirmed construction revenue is recognized as intangible assets.

According to the PPP project contract, during the operation of the project, if the conditions for the right to receive a determinable amount of cash (or other financial assets) are met, it is recognized as a receivable when the Group has the right to receive the consideration (the right depends only on the passage of time). The difference over the cash (or other financial assets) that has the right to receive a determinable amount is recognized as an intangible asset. After the assets of the PPP project reach the intended use state, the Company recognizes the income related to the operation services according to the actual services provided.

e) Real estate sales

Revenue from the sale of commercial properties is recognized when the Company's contractual obligations are fulfilled at a certain point in time, when the delivery of the property to the buyer has been completed, the price has been received or the right to receive payment has been acquired, and it is probable that the related economic benefits will flow in. If the Company has notified the buyer to complete the delivery procedures within the specified time, while the buyer fails to complete the delivery procedures within the specified time without justifiable reasons, if other conditions are met, the Company will recognize the revenue after the expiration of the time limit specified in the notification.

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue (continued)

(1). Accounting policies adopted for revenue recognition and measurement disclosed by business type (continued)

3) Specific methods for revenue recognition (continued)

f) Principal responsible person/agent

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

26. Contract acquisition costs, contract performance costs

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

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

1. the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract;
2. the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future;
3. the costs are expected to be recovered.

Assets related to contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognised in profit or loss for the current period.

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Government Grants

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

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

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

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

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

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

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

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)**28. Deferred Tax Assets/Deferred Tax Liabilities**

- (1) According to the difference between the carrying amount of the assets and liabilities and their tax basis (if the tax basis for items not recognized as assets and liabilities can be determined according to tax law, the difference is that between the tax basis and their carrying amount), the deferred tax assets or deferred tax liabilities should be calculated and recognized as per the prevailing tax rate during the period when the assets are expected to be recovered or the liabilities are liquidated.
- (2) Deferred tax assets should be recognized when it is likely to obtain the taxable income used for deducting a deductible temporary difference. If, on the balance sheet date, there is concrete evidence showing that it is likely to obtain sufficient taxable income for deducting a deductible temporary difference in the future, the deferred tax assets unrecognized in the previous accounting periods should be recognized.
- (3) If, upon review of the book value of the deferred tax assets on the balance sheet date, it is unlikely to obtain sufficient taxable income for deducting the benefit of deferred tax assets in the future, the book value of the deferred tax assets should be written down. If sufficient taxable income is likely to be obtained, the amount written down will be restated.
- (4) The Company's current income tax and deferred income tax should be taken as income tax expense or gain and included in profit or loss, but income tax resulting from the following circumstances should be excluded: 1) M&A of enterprise; 2) transactions or matters directly recognized in the owner's equity.
- (5) Deferred income tax assets and deferred income tax liabilities are presented on a net basis after offsetting when the following conditions are met (1) The enterprise has the legal right to settle current income tax assets and current income tax liabilities on a net basis; (2) Deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity or to different taxable entities, but in each future period in which the deferred income tax assets and deferred income tax liabilities are materially reversed, the taxable entities involved intend to settle the current income tax assets and current income tax liabilities on a net basis or acquire the assets and The taxable entity intends to settle current income tax assets and current income tax liabilities with net amount or acquire assets and settle liabilities simultaneously.

Financial Report

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Lease

(1) *The Company as a lessee*

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

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

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

1) *Right-of-use assets*

The right-of-use asset is initially measured at cost. This cost includes: 1) the initial amount of the lease liability, 2) any lease payments made at or before the commencement date (less any lease incentives received if there is a lease incentive), 3) any initial direct costs incurred by the lessee, and 4) an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease incurred by the lessee.

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

2) *Lease liabilities*

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

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Lease (continued)

(2) *The Company as a lessor*

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

1) *Operating lease*

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

2) *Financial lease*

On the commencement date of the lease term, the Company recognizes the finance lease receivables and derecognizes the financial lease assets based on the net investment in the lease (measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease). During each period of the lease term, the Company calculates and recognizes interest income at a fixed periodic interest rate.

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

(3) *Leaseback*1) *The Company as a lessee*

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

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

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

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V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Lease (continued)

(3) Leaseback (continued)

2) The Company as a lessor

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

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

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

30. Changes in Significant Accounting Policies and Accounting Estimates

Since 1 January 2023, the Company has implemented the provisions of Accounting Standards for Business Enterprises Interpretation No. 16 promulgated by the Ministry of Finance regarding the “Accounting Treatment for Initial Recognition Exemption Not Applicable to Deferred Income Tax Related to Assets and Liabilities Related to Single Transactions”, and adjusted, in accordance with the interpretation, the single transaction occurred from the beginning of the earliest period to the initial implementation date presented in the financial statements in which the interpretation is implemented for the first time, and applicable to the interpretation. With regard to the taxable temporary difference and deductible temporary difference arising from the lease liabilities and right-of-use assets, as well as the estimated liabilities and corresponding assets relating to disposal obligations, recognized as a result of a single transaction (to which the interpretation applies) at the beginning of the earliest period presented in the financial statements in which the interpretation is implemented for the first time, the Company has, in accordance with the interpretation and the requirements of Accounting Standards for Business Enterprises Interpretation No. 18 – Income Tax, adjusted the opening retained earnings, and the other relevant items of the earliest period presented in the financial statements, by the cumulative impact amount. Specific adjustment is as follows:

Unit: '000 Currency: RMB

Content and reasons for the change in accounting policies	Name of items in the statements affected significantly	Affected amount
Implementation of the provisions of Accounting Standards for Business Enterprises Interpretation No. 16 “Accounting Treatment for Initial Recognition Exemption Not Applicable to Deferred Income Tax Related to Assets and Liabilities Related to Single Transactions”	Deferred income tax assets	192,522
	Deferred income tax liabilities	218,310
	Retained earnings	-25,758
	Minority interests	-30
	Income tax expenses	-13,869

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VI. TAXATION

1. Main Types of Taxes and Corresponding Rates

Main types of taxes and corresponding rates

Tax Type	Tax basis	Tax rate
Value-added Tax	Output VAT is calculated on product sales and taxable services revenue according to taxation laws. The remaining balance of output VAT, after subtracting the deductible input VAT of the period, is VAT payable	3%, 5%, 6%, 9%, 13%
Land value added tax	Appreciation value resulting from paid transfer of use right of state-owned land, and property right of above-ground structures and other attachments	30%-60%
Property tax	If levied at value, 1.2% of the original value of the property less 30% of the remaining value at one time; if levied at rent, 12% of the rental income	1.2%, 12%
City maintenance and construction tax	Actual amount of transfer tax paid	1%-7%
Education surcharge	Actual amount of transfer tax paid	3%
Local education surcharge	Actual amount of transfer tax paid	2%
Corporate income tax	Based on taxable profits	25%, 20%, 15%, tax free

2. Tax Incentives

(1) Tax incentives for high-tech enterprises

According to the Announcement of the State Administration of Taxation on Issues Concerning the Implementation of Preferential Income Tax Policies for High-tech Enterprises (Guo Shui [2017] No. 24), a qualified enterprise can be levied corporate income tax at a reduced rate of 15%, starting from the year in which the approval is valid.

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司)	GR202242006324	15%
China Gezhouba Group International Engineering Co., Ltd. (中國葛洲壩集團國際工程有限公司)	GR202311005603	15%
China Gezhouba Group No.1 Engineering Co., Ltd. (中國葛洲壩集團第一工程有限公司)	GR202142000795	15%
China Gezhouba Group Road & Bridge Co., Ltd. (中國葛洲壩集團路橋工程有限公司)	GR202242005270	15%
China Gezhouba Group Construction Engineering Co., Ltd. (中國葛洲壩集團建設工程有限公司)	GR202253000082	15%
China Gezhouba Group Three Gorges Construction Engineering Co., Ltd. (中國葛洲壩集團三峽建設工程有限公司)	GR202142000231	15%
China Gezhouba Group Municipal Engineering Co., Ltd. (中國葛洲壩集團市政工程有限公司)	GR202242001802	15%
China Gezhouba Group Mechanical and Power Construction Co., Ltd. (中國葛洲壩集團機電建設有限公司)	GR202151000417	15%
China Gezhouba Group Machinery & Ship Co., Ltd. (中國葛洲壩集團機械船舶有限公司)	GR202242002575	15%
Gezhouba Oil & Natural Gas Engineering Co., Ltd. (葛洲壩石油天然氣工程有限公司)	GR202351005812	15%
Gezhouba Communication Technology Co., Ltd. (葛洲壩通信技術有限公司)	GR202142002701	15%
China Gezhouba Group Survey and Design Co., Ltd. (中國葛洲壩集團勘測設計有限公司)	GR202242008544	15%
Gezhouba Group Testing and Inspection Co., Ltd. (葛洲壩集團試驗檢測有限公司)	GR202242003201	15%
China Energy Engineering Group Guangxi Hydropower Engineering Bureau Co., Ltd. (中國能源建設集團廣西水電工程局有限公司)	GR202245000250	15%
Gezhouba Shimen Special Cement Co., Ltd. (葛洲壩石門特種水泥有限公司)	GR202243000843	15%
Gezhouba Jiexin (Wuhan) Technology Co., Ltd. (葛洲壩潔新(武漢)科技有限公司)	GR202242003949	15%
Gezhouba Water Affairs Zibo Boshan Co., Ltd. (葛洲壩水務淄博博山有限公司)	GR202337006694	15%
Gezhouba Water Affairs (Qiyang) Co., Ltd. (葛洲壩水務(祁陽)有限公司)	GR202243001818	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
China Gezhoubu Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	GR202251101741	15%
Gezhoubu Explosive Chongqing Lineng Civil Explosive Stock Co., Ltd. (葛洲壩易普力重慶力能民爆股份有限公司)	GR202151101578	15%
Gezhoubu Explosive Hunan Erhua Civil Explosive Co., Ltd. (葛洲壩易普力湖南二化民爆有限公司)	GR202243001726	15%
Gezhoubu Explosive Xinjiang Explosive Engineering Co., Ltd. (葛洲壩易普力新疆爆破工程有限公司)	GR202365000580	15%
Gezhoubu Explosive Hubei Changtai Civil Explosive Co., Ltd. (葛洲壩易普力湖北昌泰民爆有限公司)	GR202142000075	15%
Gezhoubu Yipuli Sichuan Blasting Engineering Co., Ltd. (葛洲壩易普力四川爆破工程有限公司)	GR202251005806	15%
China Energy Engineering Group Heilongjiang Electric Power Design Institute Co., Ltd. (中國能源建設集團黑龍江省電力設計院有限公司)	GR202123001127	15%
China Energy Engineering Group Liaoning Electric Power Survey and Design Institute Co., Ltd. (中國能源建設集團遼寧電力勘測設計院有限公司)	GR202221001516	15%
China Energy Engineering Group Tianjin Electric Power Design Institute Co., Ltd. (中國能源建設集團天津電力設計院有限公司)	GR202212001301	15%
China Energy Engineering Group Shanxi Electric Power Survey and Design Institute Co., Ltd. (中國能源建設集團山西省電力勘測設計院有限公司)	GR202314000606	15%
China Energy Engineering Group Jiangsu Electric Power Design Institute Co., Ltd. (中國能源建設集團江蘇省電力設計院有限公司)	GR202132001353	15%
China Energy Engineering Group Zhejiang Electric Power Design Institute Co., Ltd. (中國能源建設集團浙江省電力設計院有限公司)	GR202133007796	15%
China Energy Engineering Group Anhui Electric Power Design Institute Co., Ltd. (中國能源建設集團安徽省電力設計院有限公司)	GR202334004040	15%
China Energy Engineering Group Hunan Electric Power Design Institute Co., Ltd. (中國能源建設集團湖南省電力設計院有限公司)	GR202143001445	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
China Energy Engineering Group Shaanxi Electric Power Design Institute Co., Ltd. (中國能源建設集團陝西省電力設計院有限公司)	GR202161001922	15%
China Energy Engineering Group Gansu Electric Power Design Institute Co., Ltd. (中國能源建設集團甘肅省電力設計院有限公司)	GR202262000586	15%
China Energy Engineering Group Xinjiang Electric Power Design Institute Co., Ltd. (中國能源建設集團新疆電力設計院有限公司)	GR202165000415	15%
China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd. (中國能源建設集團廣東省電力設計研究院有限公司)	GR202344009329	15%
China Energy Engineering Group Yunnan Electric Power Design Institute Co., Ltd. (中國能源建設集團雲南省電力設計院有限公司)	GR202353000239	15%
China Energy Engineering Group Guangxi Electric Power Design Institute Co., Ltd. (中國能源建設集團廣西電力設計研究院有限公司)	GR202145000670	15%
China Power Engineering Consulting Group New Energy Co., Ltd. (中國電力工程顧問集團新能源有限公司)	GR202111002246	15%
China Energy Construction Group Shenyang Electric Machinery General Factory Co., Ltd. (中國能源建設集團瀋陽電力機械總廠有限公司)	GR202121000976	15%
China Energy Engineering Group Nanjing Wires and Materials Co., Ltd. (中國能源建設集團南京線路器材有限公司)	GR202232011326	15%
China Energy Engineering Group Shaanxi Yinhe Electric Power Line Materials Co., Ltd. (中國能源建設集團陝西銀河電力線路器材有限公司)	GR202261003293	15%
China Energy Engineering Energy Storage Technology (Wuhan) Co., Ltd. (中能建儲能科技(武漢)有限公司)	GR202342002690	15%
Gezhouba Energy and Engineering Co., Ltd. (葛洲壩能源重工有限公司)	GR202111007563	15%
China Energy Engineering Group Northeast No. 1 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第一工程有限公司)	GR202221002351	15%
China Energy Engineering Group Northeast No. 2 Electric Power Engineering Co., Ltd. (中國能源建設集團東北電力第二工程有限公司)	GR202221200557	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
China Energy Engineering Group Tianjin Electric Power Construction Co., Ltd. (中國能源建設集團天津電力建設有限公司)	GR202312000775	15%
China Energy Engineering Group Shanxi Electric Power Construction Co., Ltd. (中國能源建設集團山西電力建設有限公司)	GR202314000111	15%
China Energy Road and Bridge Engineering Co., Ltd. (中能建路橋工程有限公司)	GR202112001082	15%
China Energy Construction Group Co., Ltd. (中能建建築集團有限公司)	GR202134004373	15%
China Energy Engineering Group Hunan Thermal Power Construction Co., Ltd. (中國能源建設集團湖南火電建設有限公司)	GR202243002854	15%
China Energy Engineering Group Northwest Power Construction Co., Ltd. (中國能源建設集團西北電力建設工程有限公司)	GR202361000493	15%
China Energy Engineering Group Northwest Power Construction Gansu Engineering Corporation (中國能源建設集團西北電力建設甘肅工程有限公司)	GR202262000585	15%
China Energy Engineering Group Northwest City Construction Co., Ltd. (中能建西北城市建設有限公司)	GR202361004083	15%
China Energy Engineering (Beijing) Energy Research Institute Co., Ltd. (中能建(北京)能源研究院有限公司)	GR202311001586	15%
China Energy Engineering Group Science and Technology Development Co., Ltd. (中國能源建設集團科技發展有限公司)	GR202112002308	15%
China Energy Engineering Group Huazhong Electric Power Research Institute Co., Ltd. (中國能源建設集團華中電力試驗研究院有限公司)	GR202343001483	15%
China Energy Construction Geothermal Co., Ltd. (中能建地熱有限公司)	GR202211005587	15%
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	GR202361005723	15%
Gezhouba Xinjiang Engineering Bureau (Co., Ltd.) (葛洲壩新疆工程局(有限公司))	GR202365000904	15%
Yichang Zhengxin Construction Engineering Testing Co., Ltd. (宜昌正信建築工程試驗檢測有限公司)	GR202242001273	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
Hubei Yichang Dingcheng Engineering Technology Services Co., Ltd. (湖北省宜昌市鼎誠工程技術服務有限公司)	GR202342008037	15%
Hubei Geke Engineering Testing Co., Ltd. (湖北葛科工程試驗檢測有限公司)	GR202242000153	15%
Guangxi Zhongshui Engineering Testing Co., Ltd. (廣西中水工程檢測有限公司)	GR202145000177	15%
Tianjin Binhai New Area Tanggu Huanke Xinhe Sewage Treatment Co., Ltd. (天津濱海新區塘沽環科新河污水處理有限公司)	GR202312002427	15%
Lianyuan Haichuanda Water Affairs Co., Ltd. (漣源市海川達水務有限公司)	GR202343002938	15%
Hunan Nanling Civil Explosive Fine Chemical Co., Ltd. (湖南南嶺民爆精細化工有限公司)	GR202143002838	15%
Chenzhou 7320 Chemical Co., Ltd. (郴州七三二零化工有限公司)	GR202143003246	15%
Hunan Nanling Civil Explosive Engineering Co., Ltd. (湖南南嶺民爆工程有限公司)	GR202343005182	15%
Hunan Yueyang Nanling Civil Explosive Services Co., Ltd. (湖南岳陽南嶺民用爆破服務有限公司)	GR202343002104	15%
Hunan Nanling Fire Protection Technology Co., Ltd. (湖南南嶺消防科技有限公司)	GR202243000965	15%
China Electric Power Engineering Consulting Group Northeast Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團東北電力設計院有限公司)	GR202222000201	15%
China Electric Power Engineering Consulting Group North China Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團華北電力設計院有限公司)	GR202331001014	15%
Zhongnan Electric Power Project Management Consulting (Hubei) Co., Ltd. (中南電力項目管理諮詢(湖北)有限公司)	GR202242004331	15%
China Electric Power Engineering Consulting Group Zhongnan Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團中南電力設計院有限公司)	GR202142000713	15%
China Electric Power Engineering Consulting Group Northwest Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團西北電力設計院有限公司)	GR202261002263	15%
China Electric Power Engineering Consulting Group Southwest Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團西南電力設計院有限公司)	GR202251004504	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
China Power Construction Engineering Consulting Environmental Project Co., Ltd. (中國電力建設工程諮詢環境工程有限公司)	GR202351006006	15%
China Electric Power Engineering Consulting Group North China Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團華北電力設計院有限公司)	GR202111002437	15%
Beijing Guodian Desheng Engineering Project Management Co., Ltd. (北京國電德勝工程項目管理有限公司)	GR202211007509	15%
Beijing Guodian De'an Electric Power Engineering Co., Ltd. (北京國電德安電力工程有限公司)	GR202211007021	15%
Guoyan North China Engineering Technology (Beijing) Co., Ltd. (國岩華北工程技術(北京)有限公司)	GR202111003329	15%
Beijing Guoxin Youkong System Technology Co., Ltd. (北京國信優控系統技術有限公司)	GR202311010186	15%
Tianjin Jindian Power Supply Design Institute Co., Ltd. (天津津電供電設計所有限公司)	GR202212001345	15%
Jiangsu Keneng Electric Power Engineering Consulting Co., Ltd. (江蘇科能電力工程諮詢有限公司)	GR202232015224	15%
Anhui Huadian Engineering Consulting Design Co., Ltd. (安徽華電工程諮詢設計有限公司)	GR202234000024	15%
Hunan Kexin Power Design Co., Ltd. (湖南科鑫電力設計有限公司)	GR202343003238	15%
Hunan Kechuang Electric Power Engineering Technology Co., Ltd. (湖南科創電力工程技術有限公司)	GR202143001111	15%
Hunan Chemical Engineering Design Institute Co., Ltd. (湖南化工設計院有限公司)	GR202143002835	15%
Guangdong Kenuo Surveying Engineering Co., Ltd. (廣東科諾勘測工程有限公司)	GR202144010719	15%
Guangdong Tianan Project Management Co., Ltd. (廣東天安項目管理有限公司)	GR202244014777	15%
Guangdong Tianlian Power Design Co., Ltd. (廣東天聯電力設計有限公司)	GR202244014602	15%
Guangdong Tianxin Electric Power Engineering Testing Co., Ltd. (廣東天信電力工程檢測有限公司)	GR202144009909	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
Guangxi T-energy Engineering Consulting Co., Ltd. (廣西泰能工程諮詢有限公司)	GR202145001144	15%
Guangxi Guineng Software Co., Ltd. (廣西桂能軟件有限公司)	GR202345000760	15%
China Power Engineering Consulting Corporation (中國電力建設工程諮詢有限公司)	GR202311000508	15%
Beijing General Power Equipment Plant Co., Ltd. (北京電力設備總廠有限公司)	GR202211008860	15%
Beijing Electric Power Automatic Equipment Co., Ltd. (北京電力自動化設備有限公司)	GR202311002384	15%
Guangdong Electric Power Wires and Materials Plant Co., Ltd. (廣東省電力線路器材廠有限公司)	GR202344005932	15%
Lanzhou Electric Power Repair Co., Ltd. (蘭州電力修造有限公司)	GR202162000395	15%
Nanjing Electric Power Fittings Design and Research Institute Co., Ltd. (南京電力金具設計研究院有限公司)	GR202332015900	15%
Zhenjiang East China Electric Power Equipment Company Ltd. (鎮江華東電力設備製造廠有限公司)	GR202332002524	15%
Yangzhou Power Equipment Repair Factory Co., Ltd. (揚州電力設備修造廠有限公司)	GR202132000015	15%
Xi'an Chuangyuan Electric Power Fittings Co., Ltd. (西安創源電力金具有限公司)	GR202261005213	15%
Hangzhou Huadian Huayuan Environmental Engineering Co., Ltd. (杭州華電華源環境工程有限公司)	GR202333003634	15%
Hangzhou Huayuan Frontline Energy Equipment Co., Ltd. (杭州華源前線能源設備有限公司)	GR202233009046	15%
Northeast Electric Power Smoke Tower Engineering Co., Ltd. (東北電力煙塔工程有限公司)	GR202221001501	15%
Tianjin Chengxinda Metal Detection Technology Co., Ltd. (天津誠信達金屬檢測技術有限公司)	GR202312002972	15%
Tianjin Chengshunda Building Material Testing Co., Ltd. (天津誠順達建築材料檢測有限公司)	GR202112000463	15%
Tianjin Lanchao Electric Power Maintenance Co., Ltd. (天津藍巢電力檢修有限公司)	GR202312001836	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
Tianjin Lanchao Special Hoisting Engineering Co., Ltd. (天津藍巢特種吊裝工程有限公司)	GR202312001621	15%
Shanxi Huashi Testing Technology Co., Ltd. (山西華視檢測科技有限公司)	GR202214000124	15%
Jiangsu Jiangnan Testing Co., Ltd. (江蘇江南檢測有限公司)	GR202232011733	15%
Hangzhou Yipu Technology Co., Ltd. (杭州億普科技有限公司)	GR202333010863	15%
Huanye Iron Steel Structure Nuclear Power Equipment Co., Ltd. (華業鋼構核電裝備有限公司)	GR202233004437	15%
Hunan Kexin Testing Co., Ltd. (湖南科信檢測有限公司)	GR202143001612	15%
Guangdong Lite Engineering Machinery Co., Ltd. (廣東力特工程機械有限公司)	GR202244002065	15%
Guangdong Tuoqi Electric Power Technology Development Co., Ltd. (廣東拓奇電力技術發展有限公司)	GR202344010074	15%
Guangzhou South Pipeline Co., Ltd. (廣州南方管道有限公司)	GR202344013746	15%
Guangdong Guangcheng Technology Services Co., Ltd. (廣東光誠技術服務有限公司)	GR202144014955	15%
Northwestern Third Electric Power Construction Co., Ltd. (西北電力建設第三工程有限公司)	GR202261005403	15%
Northwestern First Electric Power Construction Co., Ltd. (西北電力建設第一工程有限公司)	GR202261001519	15%
Anhui Jinli Energy Technology Development Co., Ltd. (安徽津利能源科技發展有限責任公司)	GR202234004429	15%
Chengdu Best Digital Technology Co., Ltd. (成都貝斯特數碼科技有限責任公司)	GR202351004687	15%
Jiangsu Power Equipment Co., Ltd. (江蘇電力裝備有限公司)	GR202132001643	15%
Nanning Xingdian Concrete Co., Ltd. (南寧興典混凝土有限責任公司)	GR202345000499	15%
China Gezhouba Group No.2 Engineering Co., Ltd. (中國葛洲壩集團第二工程有限公司)	GR202151003802	15%
China Gezhouba Group Electric Power Co., Ltd. (中國葛洲壩集團電力有限責任公司)	GR202142000756	15%
Hunan Shenfu Group 169 Chemical Co., Ltd. (湖南神斧集團一六九化工有限責任公司)	GR202143002364	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Certificate No.	Effective tax rate
Shaoyang Sanhua Chemical Co., Ltd. (邵陽三化有限責任公司)	GR202243000697	15%
Hunan Shenfu Group Xianghong Machinery and Chemical Co., Ltd. (湖南神斧集團向紅機械化工有限責任公司)	GR202243000211	15%
Hunan Shenfu Group Xiangnan Explosive Equipment Co., Ltd. (湖南神斧集團湘南爆破器材有限責任公司)	GR202243002568	15%
Gezhouba Epuli Guangxi Weiqi Chemical Co., Ltd. (葛洲壩易普力廣西威奇化工有限責任公司)	GR202345000393	15%
Hunan Lide Metal Structure Co., Ltd. (湖南利德金屬結構有限責任公司)	GR202243002228	15%
Harbin Taisite Inspection Co., Ltd. (哈爾濱泰斯特檢測有限責任公司)	GR202223000198	15%
Hunan Nanling Hengyang Civil Explosive Service Co., Ltd. (湖南南嶺衡陽民用爆破服務有限公司)	GR202343000066	15%
Huaihua Nanling Civil Explosive Service Co., Ltd. (懷化南嶺民用爆破服務有限公司)	GR202343000155	15%
China Energy Construction Group North China Electric Power Research Institute Co., Ltd. (中國能源建設集團華北電力試驗研究院有限公司)	GR202212000385	15%
China Energy Construction Group East China Electric Power Research Institute Co., Ltd. (中國能源建設集團華東電力試驗研究院有限公司)	GR202133003513	15%
China Energy Construction Group South China Electric Power Research Institute Co., Ltd. (中國能源建設集團華南電力試驗研究院有限公司)	GR202144008096	15%
China Energy Construction Group Northwest Electric Power Research Institute Co., Ltd. (中國能源建設集團西北電力試驗研究院有限公司)	GR202161000974	15%
Chongqing Shenfu Jintai Chemical Co., Ltd. (重慶神斧錦泰化工有限公司)	GR202151101509	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

(2) Tax incentives for the Western Development

According to the Announcement No. 23 in 2020 issued by Ministry of Finance, the State Administration of Taxation, and the National Development and Reform Commission, from 1 January 2021 to 31 December 2030, for enterprises in encouraged industries located in the western region, corporate income tax is levied at a reduced rate of 15%. The term "encouraged industrial enterprises" as mentioned in this article refers to enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in the Western Region, and whose main business income accounts for more than 60% of the total enterprise income.

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

Name of entity	Effective tax rate
Gezhouba Chongqing Daxihe Hydropower Development Co., Ltd. (葛洲壩重慶大溪河水電開發有限公司)	15%
Gezhouba Explosive Xinjiang Explosive Engineering Co., Ltd. (葛洲壩易普力新疆爆破工程有限公司)	15%
Gezhouba Epuli Guangxi Weiqi Chemical Co., Ltd. (葛洲壩易普力廣西威奇化工有限責任公司)	15%
Gezhouba Explosive Chongqing Lineng Civil Explosive Stock Co., Ltd. (葛洲壩易普力重慶力能民爆股份有限公司)	15%
Enshi Yuefeng Yunlong River Hydropower Development Co., Ltd. (恩施市越峰雲龍河水電開發有限公司)	15%
Ningxia Tianchang Civil Explosive Equipment Franchise Co., Ltd. (寧夏天長民爆器材專營有限責任公司)	15%
China Gezhouba Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司)	15%
Gezhouba Yipuli Sichuan Blasting Engineering Co., Ltd. (葛洲壩易普力四川爆破工程有限公司)	15%
China Electric Power Engineering Consulting Group Northwest Electric Power Design Institute Co., Ltd. (中國電力工程顧問集團西北電力設計院有限公司)	15%
China Energy Engineering Group Shaanxi Electric Power Design Institute Co., Ltd. (中國能源建設集團陝西省電力設計院有限公司)	15%
China Energy Engineering Group Gansu Electric Power Design Institute Co., Ltd. (中國能源建設集團甘肅省電力設計院有限公司)	15%
Xinjiang Dingyao Engineering Consulting Co., Ltd. (新疆鼎耀工程諮詢有限公司)	15%
China Energy Engineering Group Yunnan Electric Power Design Institute Co., Ltd. (中國能源建設集團雲南省電力設計院有限公司)	15%
Guangxi Guineng Engineering Consulting Group Co., Ltd. (廣西桂能工程諮詢集團有限公司)	15%
Guangxi Hydropower Research Institute Co., Ltd. (廣西水電科學研究院有限公司)	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Effective tax rate
Guangxi Zhongyu Engineering Consulting Co., Ltd. (廣西中宇工程諮詢有限公司)	15%
Lanzhou Kaiyuan Engineering Supervision Co., Ltd. (蘭州開元工程監理有限責任公司)	15%
Northwestern Third Electric Power Construction Co., Ltd. (西北電力建設第三工程有限公司)	15%
Northwest Electric Power Construction Engineering Supervision Co., Ltd. (西北電力建設工程監理有限責任公司)	15%
Honghe County Tongcheng Hydropower Development Co., Ltd. (紅河縣同誠水電開發有限公司)	15%
Guangxi Longjiang Electric Power Development Co., Ltd. (廣西龍江電力開發有限責任公司)	15%
Guangxi Liyuan Engineering Project Management Co., Ltd. (廣西力元工程項目管理有限公司)	15%
Xinjiang Electric Power Construction Co., Ltd. (新疆電力建設有限公司)	15%
China Energy Engineering Group Yunnan Thermal Power Construction Co., Ltd. (中國能源建設集團雲南火電建設有限公司)	15%
Ansai Zhongdian Engineering New Energy Co., Ltd. (安塞中電工程新能源有限公司)	15%
Dali Zhongneng Construction Investment New Energy Co., Ltd. (大荔中能建投新能源有限公司)	15%
Sichuan Nengjian Engineering Technical Service Co., Ltd. (四川能建工程技術服務有限公司)	15%
Yanchi Zhongneng Construction Investment New Energy Co., Ltd. (鹽池縣中能建投新能源有限公司)	15%
Chongqing Shenfu Jintai Chemical Co., Ltd. (重慶神斧錦泰化工有限公司)	15%
China Energy Construction Investment Xilin Gol League New Energy Co., Ltd. (中能建投錫林郭勒盟新能源有限公司)	15%
China Energy Engineering Group Northwest Power Construction Gansu Engineering Corporation (中國能源建設集團西北電力建設甘肅工程有限公司)	15%
Jiuquan Energy Engineering Yuneng Technology Co., Ltd. (酒泉能建玉能科技有限公司)	15%
Chongzuo Jiangzhou District Zhongnengjian New Energy Co., Ltd. (崇左市江州區中能建新能源有限公司)	15%
Guigang Zhongnengjian New Energy Co., Ltd. (貴港中能建新能源有限公司)	15%
Ningming Zhongnengjian New Energy Co., Ltd. (寧明中能建新能源有限公司)	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Effective tax rate
Fusui Zhongnengjian New Energy Co., Ltd. (扶綏中能建新能源有限公司)	15%
Chongzuo Jiangzhou District Zhongneng Lvdian New Energy Co., Ltd. (崇左市江州區中能綠電新能源有限公司)	15%
Tiandeng Zhongnengjian New Energy Co., Ltd. (天等中能建新能源有限公司)	15%
Gonghe Zhongneng Construction Investment Qingjiakong New Energy Co., Ltd. (共和中能建投青交控新能源有限公司)	15%
Jingyuan County Zhongneng Construction Investment New Energy Co., Ltd. (涇源縣中能建投新能源有限公司)	15%
Zhangye Zhongneng Construction Investment New Energy Co., Ltd. (張掖中能建投新能源有限公司)	15%
Yulin Zhongnengjian Juhuang New Energy Co., Ltd. (榆林中能建巨皇新能源有限公司)	15%
Luonan Zhongneng Construction Investment New Energy Co., Ltd. (洛南中能建投新能源有限公司)	15%
Jingchuan Zhongneng Construction Investment New Energy Co., Ltd. (涇川中能建投新能源有限公司)	15%
China Energy Engineering Group Xinjiang Electric Power Design Institute Co., Ltd. (中國能源建設集團新疆電力設計院有限公司)	15%
Guangxi Hechi Xiaosanxia Tourism Co., Ltd. (廣西河池小三峽旅遊有限公司)	15%
Yunnan Hengyi Hydropower Development Co., Ltd. (雲南恒益水電開發有限公司)	15%
China Energy Engineering Group Yongsheng New Energy Co., Ltd. (中國能源建設集團永勝新能源有限公司)	15%
Yichuan Zhongdian Engineering New Energy Co., Ltd. (宜川中電工程新能源有限公司)	15%
Jingjing Jiema Energy Technology Co., Ltd. (涇陽捷茂能源科技有限公司)	15%
Daxin Zhongnengjian New Energy Co., Ltd. (大新中能建新能源有限公司)	15%
Longzhou Zhongnengjian New Energy Co., Ltd. (龍州中能建新能源有限公司)	15%
Guangxi Guigang City Zhongdian New Energy Co., Ltd. (廣西貴港市中電新能源有限公司)	15%

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Effective tax rate
Guangxi Guiping City Zhongdian New Energy Co., Ltd. (廣西桂平市中電新能源有限公司)	15%
Guangxi Pingnan Zhongdian New Energy Co., Ltd. (廣西平南縣中電新能源有限公司)	15%
Chongzuo City Jiangzhou District Zhongdian Intelligent New Energy Co., Ltd. (崇左市江州區中電智慧新能源有限公司)	15%
Daxin County Zhongdian Intelligent New Energy Co., Ltd. (大新縣中電智慧新能源有限公司)	15%
Fusui County Zhongdian Intelligent New Energy Co., Ltd. (扶綏縣中電智慧新能源有限公司)	15%
Ningming County Zhongdian Intelligent New Energy Co., Ltd. (寧明縣中電智慧新能源有限公司)	15%
Tiandeng County Zhongdian Intelligent New Energy Co., Ltd. (天等縣中電智慧新能源有限公司)	15%
Longzhou County Zhongdian Intelligent New Energy Co., Ltd. (龍州縣中電智慧新能源有限公司)	15%
Pingxiang City Zhongdian Intelligent New Energy Co., Ltd. (憑祥市中電智慧新能源有限公司)	15%
Ningming Zhongdian New Energy Co., Ltd. (寧明中電新能源有限公司)	15%

(3) Tax incentives for public infrastructure projects

According to the relevant provisions of Article 27 of the Enterprise Income Tax Law of the People's Republic of China (Order of the President of the People's Republic of China [2007] No. 63), income of the subsidiaries of the Company engaged in the investment and operation of public infrastructure projects supported by the state, shall be exempted from corporate income tax from the first year to the third year, and halved from the fourth to sixth year starting from the tax year in which the project receives the first income from production and operation.

In accordance with the relevant provisions of Article 88 of the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (State Council Order [2007] No. 512), income of the subsidiaries of the Company engaged in environmental protection, energy-saving and water-saving projects such as public sewage treatment, public waste treatment, comprehensive development and utilization of biogas, technological transformation of energy conservation and emission reduction, and seawater desalination, shall be exempted from corporate income tax from the first year to the third year, and halved from the fourth to sixth year starting from the tax year in which the project receives the first income from production and operation.

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Beginning year
Zhucheng Zhongneng Construction Investment New Energy Co., Ltd. (諸城中能建投新能源有限公司)	2023
Zhongneng Construction Investment (Guangrao) New Energy Co., Ltd. (中能建投(廣饒)新能源有限公司)	2023
Jinyang Jiemao Energy Technology Co., Ltd. (涇陽捷茂能源科技有限公司)	2023
Zhongnan Electric Power Wuhan New Energy Co., Ltd. (中南電力武漢新能源有限公司)	2022
Heqing Zhongnengjian New Energy Co., Ltd. (鶴慶中能建新能源有限公司)	2023
Zhongdian Engineering Ye County New Energy Co., Ltd. (中電工程葉縣新能源有限公司)	2022
China Energy Engineering Group Shaoguan Electric Power Co., Ltd. (中國能源建設集團韶關電力有限公司)	2019
Zhongneng Construction Investment Anda New Energy Co., Ltd. (中能建投安達市新能源有限公司)	2022
Xiyang Zhongneng Construction Investment New Energy Co., Ltd. (昔陽中能建投新能源有限公司)	2023
Pingding Zhongneng Construction Investment New Energy Co., Ltd. (Phase I wind power project) (平定中能建投新能源有限公司(一期風力發電項目))	2020
Pingding Zhongneng Construction Investment New Energy Co., Ltd. (Phase II wind power expansion project) (平定中能建投新能源有限公司(二期風力發電擴建項目))	2023
Zhongneng Construction Investment Hami New Energy Co., Ltd. (中能建投哈密新能源有限公司)	2023
Chongzuo Jiangzhou District Zhongnengjian New Energy Co., Ltd. (崇左市江州區中能建新能源有限公司)	2023
Guigang Zhongnengjian New Energy Co., Ltd. (貴港中能建新能源有限公司)	2023
Ningming Zhongnengjian New Energy Co., Ltd. (寧明中能建新能源有限公司)	2023
Fusui Zhongnengjian New Energy Co., Ltd. (扶綏中能建新能源有限公司)	2023
Chongzuo Jiangzhou District Zhongneng Lvodian New Energy Co., Ltd. (崇左市江州區中能綠電新能源有限公司)	2023
Tiandeng Zhongnengjian New Energy Co., Ltd. (天等中能建新能源有限公司)	2022
Gonghe Zhongneng Construction Qingjiaokong New Energy Co., Ltd. (共和中能建青交控新能源有限公司)	2022
Jingyuan County Zhongneng Construction Investment New Energy Co., Ltd. (涇源縣中能建投新能源有限公司)	2023

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Beginning year
Zhongneng Lvdian (Zhejiang Qingyuan) Photovoltaic Energy Co., Ltd. (中能綠電(浙江慶元)光伏能源有限公司)	2023
Lingshan County Zhongneng Construction Investment New Energy Co., Ltd. (靈山縣中能建投新能源有限公司)	2023
Zhongneng Construction Investment (Ziyun) New Energy Electricity Power Co., Ltd. (中能建投(紫雲)新能源發電有限公司)	2023
Zhongneng Lvdian (Zhangye) New Energy Co., Ltd. (中能綠電(張掖)新能源有限公司)	2023
Ansai Zhongdian Engineering New Energy Co., Ltd. (安塞中電工程新能源有限公司)	2022
Dali Zhongneng Construction Investment New Energy Co., Ltd. (大荔中能建投新能源有限公司)	2021
Lianyungang Hefeng Wind Power Co., Ltd. (連雲港和風風電有限公司)	2021
Nangong Zhongneng Green Power New Energy Co., Ltd. (南宮市中能綠電新能源有限公司)	2021
Shenyang Ruicheng New Energy Co., Ltd. (瀋陽瑞誠新能源有限公司)	2021
Shenyang Tongshun New Energy Co., Ltd. (瀋陽通順新能源有限公司)	2021
Shenyang Xiangfeng New Energy Co., Ltd. (瀋陽祥豐新能源有限公司)	2021
Shenyang Xinchuang New Energy Co., Ltd. (瀋陽鑫創新能源有限公司)	2021
Yanchi Zhongneng Construction Investment New Energy Co., Ltd. (鹽池縣中能建投新能源有限公司)	2022
Yongjia Zhongdian Engineering New Energy Co., Ltd. (永嘉中電工程新能源有限公司)	2021
China Energy Construction (Kangping) New Energy Co., Ltd. (中能建(康平)新能源有限公司)	2021
China Energy Construction (Qingtian) New Energy Co., Ltd. (中能建(青田)新能源有限公司)	2021
China Energy Construction Ruyang New Energy Co., Ltd. (中能建汝陽新能源有限公司)	2020
Zhongneng Construction Investment (Shenyang) New Energy Co., Ltd. (中能建投(瀋陽)新能源有限公司)	2021
China Energy Construction Investment Chizhou New Energy Co., Ltd. (中能建投池州新能源有限公司)	2022
China Energy Construction Investment Heilongjiang New Energy Co., Ltd. (中能建投黑龍江新能源有限公司)	2021
China Energy Construction Investment Jinlongshan Wind Power (Nanxiong) Co., Ltd. (中能建投金龍山風電(南雄)有限公司)	2021
China Energy Construction Investment Songyuan New Energy Co., Ltd. (中能建投松原新能源有限公司)	2022

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VI. TAXATION (CONTINUED)

2. Tax Incentives (continued)

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

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

Name of entity	Beginning year
China Energy Construction Investment Wuwei New Energy Co., Ltd. (中能建投無為新能源有限公司)	2021
Qinshui Yuanjing Huihe Wind Power Co., Ltd. (沁水遠景匯合風電有限公司)	2021
Heilongjiang Fengyun Wind Power Co., Ltd. (黑龍江省風雲風力發電有限責任公司)	2020
Hunan Lanshan Zhongdian Engineering New Energy Co., Ltd. (湖南藍山中電工程新能源有限公司)	2020
Hunan Liling CLP Engineering New Energy Co., Ltd. (湖南醴陵中電工程新能源有限公司)	2020
Langxi County Shengshi Energy Investment Management Co., Ltd. (郎溪縣盛世能源投資管理有限公司)	2020
China Energy Construction Group Taihe New Energy Co., Ltd. (中國能源建設集團太和新能源有限公司)	2020
China Energy Construction Investment Xilin Gol League New Energy Co., Ltd. (中能建投錫林郭勒盟新能源有限公司)	2020
Yicheng City Zongdian Engineering New Energy Co., Ltd. (宜城市綜電工程新能源有限公司)	2022
Datang Sheyang New Energy Co., Ltd. (大唐射陽新能源有限公司)	2022
Quzhou City Qujiang District Zhongneng Green Power New Energy Co., Ltd. (衢州市衢江區中能綠電新能源有限公司)	2021

3. Others

- (1) According to the Notice of the Ministry of Finance and the State Administration of Taxation on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises (Cai Shui [2019] No. 13) (《財政部稅務總局關於實施小微企業普惠性稅收減免政策的通知》(財稅[2019]13號)), the annual taxable income of a small low-profit enterprise that is not more than RMB1 million shall be included in its taxable income at the reduced rate of 25%, with the applicable enterprise income tax rate of 20%; the portion of the annual taxable income over RMB1 million but not exceeding RMB3 million shall be calculated at a reduced rate of 50% as taxable income amount and be subject to EIT at 20% tax rate.
- (2) According to the Notice on the Value-Added Tax Policies for Wind Power Generation (Cai Shui [2015] No. 74), starting from 1 July 2015, taxpayer who sales of self-produced power products using wind power will be subject to the policy of 50% VAT refund immediately after collection.
- (3) According to the Notice of State Taxation Administration on Issues Concerning the Enterprise Income Tax Incentives on Enterprises that Recruit the Disabled (《國家稅務總局關於安置殘疾人員就業有關企業所得稅優惠政策問題的通知》)(Cai Shui [2009] No. 70), the enterprise could deduct all the salary payment for the disabled employees in light of true situation and again deduct additional 100% of the aforesaid salary payment.

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VII. NOTES TO ITEMS IN CONSOLIDATED FINANCIAL STATEMENT

1. Cash at Bank and on Hand

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Cash on hand	25,239	68,744
Bank deposits	69,702,752	64,867,438
Other monetary funds	7,560,550	8,175,422
Total	77,288,541	73,111,604
Including: Total amount deposited abroad	5,891,262	4,033,768

Other explanation

- 1) Other currency funds of the Company mainly include deposits for bank acceptance bills, deposits for letters of credit, deposits for letter of guarantee and other funds with limited use, please refer to Note VII. 25 Assets with Restricted Ownership or Right-of-use.
- 2) Some of the currency funds of the Company deposited abroad are subject to foreign exchange controls in relevant countries or regions, and cannot be freely converted into foreign currencies or remitted from these countries or regions.

2. Financial Assets Held for Trading

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Financial assets at fair value and whose changes are included in the profit or loss of the current period	421,629	3,080,541
Including:		
Investment in debt instruments	400,902	3,060,541
Investment in equity instruments	20,727	20,000
Total	421,629	3,080,541

Financial Report

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

3. Bills Receivables

(1). Presentation of bills receivables by classification

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	3,197,220	4,518,214
Commercial acceptance bills	2,031,820	2,657,005
Total	5,229,040	7,175,219

(2). Bills receivables pledged by the Company at the end of the period

Unit: '000 Currency: RMB

Item	Amount pledged at the end of the period
Bank acceptance bills	62,830
Total	62,830

(3). Bills receivables endorsed or discounted by the Company at the end of the period and not yet due at the balance sheet date

Unit: '000 Currency: RMB

Item	Amount derecognized at the end of the period	Amount not derecognized at the end of the period
Bank acceptance bills	3,579,664	1,975,805
Commercial acceptance bills		1,148,302
Total	3,579,664	3,124,107

Financial Report

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

3. Bills Receivables (continued)

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

Unit: '000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value
Provision for bad debts on group basis	5,250,878	100.00	21,838	0.42	5,229,040	7,179,006	100.00	3,787	0.05	7,175,219
Including:										
Bank acceptance bills	3,197,220	60.89			3,197,220	4,518,214	62.94			4,518,214
Commercial acceptances	2,053,658	39.11	21,838	1.06	2,031,820	2,660,792	37.06	3,787	0.14	2,657,005
Total	5,250,878	/	21,838	/	5,229,040	7,179,006	/	3,787	/	7,175,219

Provision for bad debt on group basis:

Unit: '000 Currency: RMB

Name	Closing balance		
	Bills receivables	Provision for bad debt	Provision percentage (%)
Commercial acceptances group	2,053,658	21,838	1.06
Total	2,053,658	21,838	1.06

(5). Provision for bad debts

Unit: '000 Currency: RMB

Category	Opening balance	Provision	Changes for the period			Closing balance
			Recovery or reversal	Written back or write-off	Other changes	
Provision for bad debts on group basis	3,787	17,808			243	21,838
Total	3,787	17,808			243	21,838

Financial Report

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

4. Trade Receivables

(1). Disclosure by aging

Aging	Unit: '000 Currency: RMB	
	Closing book balance	Opening book balance
Within 1 year		
Including: Within 1 year		
Within 1 year	60,797,642	58,766,220
Sub-total within 1 year	60,797,642	58,766,220
1 to 2 years	10,776,436	7,392,343
2 to 3 years	4,414,225	4,254,224
Over 3 years	8,278,077	7,075,885
Total	84,266,380	77,488,672

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

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debt			Book balance		Provision for bad debt		
	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value
Provision for bad debts on group basis	84,266,380	100.00	6,048,119	7.18	78,218,261	77,488,672	100.00	4,478,080	5.78	73,010,592
Including:										
Provision for bad debts on group basis	84,266,380	100.00	6,048,119	7.18	78,218,261	77,488,672	100.00	4,478,080	5.78	73,010,592
Total	84,266,380	/	6,048,119	/	78,218,261	77,488,672	/	4,478,080	/	73,010,592

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

4. Trade Receivables (continued)

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

Provision for bad debts on group basis:

Unit: '000 Currency: RMB

Name	Closing balance		
	Trade receivables	Provision for bad debts	Provision percentage (%)
Central enterprises	32,541,095	325,411	1.00
Local governments and other state-owned enterprises	22,731,937	681,958	3.00
Private enterprises and others	28,993,348	5,040,750	17.39
Total	84,266,380	6,048,119	7.18

(3). Provision for bad debts

Unit: '000 Currency: RMB

Category	Opening balance	Provision	Changes for the period			Closing balance
			Recovery or reversal	Written back or write-off	Other changes	
Provision for bad debts on group basis	4,478,080	1,563,137		29,223	36,125	6,048,119
Total	4,478,080	1,563,137		29,223	36,125	6,048,119

(4). Actual write-off of trade receivables for the period

Unit: '000 Currency: RMB

Item	Write-off amount
Actual write-off of trade receivables	29,223

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

4. Trade Receivables (continued)

(4). Actual write-off of trade receivables for the period (continued)

Write-off of significant trade receivables

Unit: '000 Currency: RMB

Name of entity	Nature of trade receivables	Write-off amount	Write-off reason	Write-off procedure performed	Whether the amount is caused by a related party transaction
Foshan Gaoming Baoshan New Construction Materials Co., Ltd. (佛山市高明寶山新型建材有限公司)	Receivables from product sales	12,666	Bankruptcy of the entity	Decided by the office of the chairman of the secondary company	No
Wuhan Kaidi Power Engineering Co., Ltd. (武漢凱迪電力工程有限公司)	Design and consulting fees	6,880	No executable assets	Decided by the office of the chairman of the secondary company	No
Total	/	19,546	/	/	/

The total closing amount of top five trade receivables and contract assets was RMB15,053,950,000, accounting for 7.52% of the total closing amount of trade receivables and contract assets, and the corresponding provision for bad debts of trade receivables and provision for impairment of contract assets totaled RMB392,283,000.

Other explanation:

Trade receivables derecognized due to the transfer of financial assets

As of 31 December 2023, the trade receivables of the Company derecognized due to the transfer of financial assets totaled RMB1,573,650,000.

5. Contract Assets

(1). Contract assets

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Contract assets	116,015,498	2,799,309	113,216,189	91,976,019	2,573,093	89,402,926
Total	116,015,498	2,799,309	113,216,189	91,976,019	2,573,093	89,402,926

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

5. Contract Assets (continued)

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

Unit: '000 Currency: RMB

Category	Closing balance					Opening balance				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value	Amount	Percentage (%)	Amount	Provision percentage (%)	Book value
Provision for bad debts on group basis	116,015,498	100.00	2,799,309	2.41	113,216,189	91,976,019	100.00	2,573,093	2.80	89,402,926
Including:										
Provision for impairment on group basis	116,015,498	100.00	2,799,309	2.41	113,216,189	91,976,019	100.00	2,573,093	2.80	89,402,926
Total	116,015,498	/	2,799,309	/	113,216,189	91,976,019	/	2,573,093	/	89,402,926

Provision for bad debts on group basis:

Unit: '000 Currency: RMB

Name	Closing balance		
	Contract assets	Provision for bad debts	Provision percentage (%)
Low risk	116,015,498	2,799,309	2.41
Total	116,015,498	2,799,309	2.41

Other explanation:

The contract assets are mainly generated from the construction and contracting business of the Company. The Company provides engineering contracting and construction services in accordance with the engineering construction contracts signed with customers, and recognizes revenue during the contract period based on the performance progress. The Company's customers settle with the Company on the performance progress of engineering contracting and construction service according to contracts, and pay the project costs according to the credit period stipulated in the contracts after settlement. The excess of the revenue recognized by the Company based on the performance progress over the settled costs is recognized as contract assets, and the excess of the settled costs over the revenue recognized by the Company based on the performance progress is recognized as contract liabilities.

Financial Report

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

6. Receivables Financing

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Bank acceptances	980,144	849,501
Total	980,144	849,501

7. Prepayments

(1). Presentation of prepayments by aging

Aging	Closing balance		Unit: '000 Currency: RMB	
	Amount	Percentage (%)	Opening balance	
			Amount	Percentage (%)
Within 1 year	27,018,352	77.60	24,020,973	79.16
1 to 2 years	4,751,656	13.65	4,741,528	15.63
2 to 3 years	1,580,797	4.54	676,694	2.23
Over 3 years	1,467,740	4.22	904,516	2.98
Total	34,818,545	100.00	30,343,711	100.00

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

Name of entity	Closing amount	Reason for unsettled payments
Mingyang Smart Energy Group Co., Ltd. (明陽智慧能源集團股份公司)	406,768	The prepaid construction fees and raw materials will be settled with the progress of the construction
JA Solar (Hefei) PV Technology Co., Ltd. (合肥晶澳太陽能科技有限公司)	323,466	
Sub-total	730,234	

(2). Top five prepayments by closing balance by advances from customers

The closing balance of top five prepayments totaled RMB4,010,206,000, accounting for 11.52% of the total closing balance of prepayments.

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

8. Other Receivables

Breakdown by item

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Interest receivables		118
Dividend receivables	148,017	136,364
Other receivables	30,672,706	24,827,671
Total	30,820,723	24,964,153

Dividend receivables

(1). Dividend receivables

Project (or investee)	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Sinopharm Group Xi'an Bio-Pharmaceutical Co. Ltd. (國藥集團西安生物製藥有限公司)	100,522	100,522
Guangxi Liuzhou Guilu Hydropower Co., Ltd. (廣西柳州市桂柳水電有限公司)	11,989	10,793
Yunnan China Resources Power (Honghe) Co., Ltd. (雲南華潤電力(紅河)有限公司)	9,951	
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	9,175	8,000
Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	6,072	8,966
Datang Wuding New Energy Co., Ltd. (大唐武定新能源有限公司)	4,080	
Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	4,015	4,015
Others	2,213	4,068
Total	148,017	136,364

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

8. Other Receivables (continued)

Dividend receivables (continued)

(2). Significant dividend receivables with aging over 1 year

Unit: '000 Currency: RMB

Project (or investee)	Closing balance	Aging	Reasons for non-recovery	Whether impairment occurred and the basis for its judgment
Sinopharm Group Xi'an Bio-Pharmaceutical Co. Ltd. (國藥集團西安生物製藥有限公司)	100,522	1-2 years	Unexpired	No
Guangxi Liuzhou Guilu Hydropower Co., Ltd. (廣西柳州市桂柳水電有限公司)	10,793	2-3 years	Tight liquidity of the investee company	No
Total	111,315	/ /	/	/

Other Receivables

(1). Disclosure by aging

Unit: '000 Currency: RMB

Aging	Closing book balance	Opening book balance
Within 1 year		
Of which: Within 1 year breakdown		
Within 1 year	12,527,144	12,704,391
Within 1 year subtotal	12,527,144	12,704,391
1-2 years	7,903,204	7,179,840
2-3 years	6,879,305	6,457,529
Over 3 years	7,726,420	2,451,980
Total	35,036,073	28,793,740

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

8. Other Receivables (continued)

Other Receivables (continued)

(2). *Classification by nature of accounts*

Nature of amounts	Unit: '000 Currency: RMB	
	Closing book balance	Opening book balance
Pledge and security deposit	16,020,045	10,462,891
Other advances	11,619,829	12,173,603
Borrowed funds	4,507,875	3,253,109
Tax payable	459,722	543,474
Others	2,428,602	2,360,663
Total	35,036,073	28,793,740

(3). *Provision for bad debts*

Bad debt provision	Unit: '000 Currency: RMB			
	Stage I ECL over the next 12 months	Stage II Lifetime ECL (non-credit impaired)	Stage III Lifetime ECL (credit impaired)	Total
Balance as at 1 January 2023	1,797,482		2,168,587	3,966,069
– Transfer to stage II				
– Transfer to stage III				
– Transfer back to stage II				
– Transfer back to stage I				
Provision made during the period	-49,102		767,074	717,972
Reversed during the period	152,626		11,382	164,008
Offset during the period				
Written off during the period	5,081			5,081
Other changes	-151,585			-151,585
Balance as at 31 December 2023	1,439,088		2,924,279	4,363,367

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

8. Other Receivables (continued)

Other Receivables (continued)(4). *Provision for bad debt*

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

Unit: '000 Currency: RMB

Name of entity	Amount reversed or recovered	Reason for reversal	Method of recovery	Basis for determining the proportion of the original provision for bad debts and its reasonableness
Shangcheng County Zhongzhou Material Co., Ltd. (商城縣中周物資有限公司)	7,524		Bank deposits	Provision made based on expected credit loss
Xiaogan Yida Steel Furnace Material Co., Ltd. (孝感易達鋼鐵爐料有限公司)	5,051		Bank deposits	Provision made based on expected credit loss
Hubei Jiaotou Logistics Group Co., Ltd. (湖北交投物流集團有限公司)	6,910		Bank deposits	Provision made based on expected credit loss
Total	19,485	/	/	/

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

Unit: '000 Currency: RMB

Item	Write-off amount
Other receivables actually written off	5,081

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

The top five other receivables as at the end of the period by the balance collected totaled RMB7,879,747,000, accounting for 22.49% of the total balance of other receivables as at the end of the period. The corresponding provision for bad debts of other receivables totaled RMB1,474,776,000.

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

9. Inventories

(1). Classification of inventories

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for inventory impairment/Impairment provision for contract performance cost	Carrying amount	Book balance	Provision for inventory impairment/Impairment provision for contract performance cost	Carrying amount
Materials in transit	27,757		27,757	36,990		36,990
Raw materials	4,050,551	257,723	3,792,828	4,037,427	203,392	3,834,035
Product in progress	1,782,934	147,277	1,635,657	1,623,000	122,585	1,500,415
Development cost	43,295,591	3,398	43,292,193	42,140,620	188,237	41,952,383
Inventory Products	5,336,728	614,221	4,722,507	6,408,205	211,251	6,196,954
Products under development	14,244,380	23,925	14,220,455	7,576,376		7,576,376
Circulating material	273,482	7,109	266,373	290,969	6,962	284,007
Total	69,011,423	1,053,653	67,957,770	62,113,587	732,427	61,381,160

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

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period		Decrease for the period		Closing balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	203,392	55,515	1,558	2,742		257,723
Product in progress	122,585	56,611	326	32,245		147,277
Development cost	188,237			184,839		3,398
Inventory Products	211,251	420,394	3,400	20,824		614,221
Products under development		23,925				23,925
Circulating material	6,962	213		66		7,109
Total	732,427	556,658	5,284	240,716		1,053,653

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

9. Inventories (continued)

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

Reasons for reversal or transfer of provision for inventory impairment during the period

Item	Specific basis for determination of the net realizable value	Reason for reversal of provision for inventory impairment	Reason for write-off of provision for inventory impairment
Raw materials	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold
Product in progress	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold
Development product	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold
Development cost	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold
Inventory Products	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold
Circulating material	The net realizable value is determined, based on the estimated selling price of relevant products less estimated costs to be incurred for completion, estimated sales expenses and relevant taxes	Increase in the net realizable value of inventories with provision for inventory impairment for prior periods	During the current period, inventories with provision for impairment were sold

Financial Report

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

9. Inventories (continued)

(3). Explanation on inclusion of capitalized amount of the borrowing cost in the closing balance of inventories and the criteria for its calculation

As of 31 December 2023, the amount of capitalised borrowing costs included in closing balance of inventories of the Company was RMB4,866,197,000.

Other explanation

For the inventory seizure and impairment of Gezhouba Huanjia (Dalian) Renewable Resources Company Limited (葛洲壩環嘉(大連)再生資源有限公司), please refer to Note XVII. 2.

10. Non-current assets due within one year

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Long-term receivables due within one year	2,271,915	1,410,809
Other non-current assets due within one year	732,924	844,153
Total	3,004,839	2,254,962

11. Other Current Assets

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
VAT to be deducted	12,273,693	9,519,986
Prepaid taxes	1,692,921	1,386,896
Others	147,675	84,061
Total	14,114,289	10,990,943

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

12. Long-term Receivables

(1). Long-term Receivables

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance			
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount	Discount rate range
Installment receipts for the provision of labor service	33,974,051	396,860	33,577,191	34,842,031	431,440	34,410,591	
Others	726,465		726,465	587,823		587,823	
Total	34,700,516	396,860	34,303,656	35,429,854	431,440	34,998,414	/

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

Unit: '000 Currency: RMB

Item	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Provision ratio (%)		Amount	Proportion (%)	Amount	Provision ratio (%)	
Provision for bad debts on an individual basis	485,700	1.40	127,566	26.26	358,134	485,700	1.37	62,906	12.95	422,794
Including:										
Provision for bad debts on an individual basis	485,700	1.40	127,566	26.26	358,134	485,700	1.37	62,906	12.95	422,794
Provision for bad debts on group basis	34,214,816	98.60	269,294	0.79	33,945,522	34,944,154	98.63	368,534	1.05	34,575,620
Including:										
Provision for bad debts on group basis	34,214,816	98.60	269,294	0.79	33,945,522	34,944,154	98.63	368,534	1.05	34,575,620
Total	34,700,516	/	396,860	/	34,303,656	35,429,854	/	431,440	/	34,998,414

Provision for bad debts on group basis:

Unit: '000 Currency: RMB

Item	Closing balance		
	Long-term Receivables	Provision for bad debts	provision ratio (%)
Project receivables on group basis	34,214,816	269,294	0.79
Total	34,214,816	269,294	0.79

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

13. Long-term Equity Investment

Unit: '000 Currency: RMB

Investee	Changes for the period										
	Opening balance	Increase in investment	Decrease in investment	Investment Gains or losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity	Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provisions for impairment
I. Joint ventures											
Wuhan Gezhoubu Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	2,533,210			-1,073			45,013			2,487,124	
China Coal Fangchenggang Electric Power Co., Ltd. (中煤防城港電力有限公司)	1,531,298			142,496						1,673,794	
Nanjing Gezhoubu Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	1,156,786	159,312								1,316,098	
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	1,172,125			26,637						1,198,762	
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)	854,597			1,388						855,985	
Urumqi Gezhoubu Electric Construction Road & Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	416,327	406,854								823,181	
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	644,099			3,658						647,757	
Yunnan Gezhoubu Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣陽高速公路開發有限公司)	529,942			-114,574						415,368	
Guangxi Qinzhou Gezhoubu Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	230,658	105,924								336,582	
China Energy Engineering (Fengyang) Construction Investment Co., Ltd. (中能建(鳳陽)建設投資有限公司)	204,999			763						205,762	
China Energy Engineering (Jieshou) Investment and Construction Co., Ltd. (中能建(涿州)投資建設有限公司)	107,260	73,248								180,508	
Lingbao Public Urban Road Network Construction and Development Co., Ltd. (靈寶市公共城市道路路網建設發展有限公司)	56,319	94,110		-2,270						148,159	
Others	580,647	376,990	278	-27,345						930,014	544
Subtotal	10,018,267	1,216,438	278	29,680			45,013			11,219,094	544

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

13. Long-term Equity Investment (continued)

Investee	Changes for the period										
	Opening balance	Increase in investment	Decrease in investment	Investment Gains or losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity	Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provisions for impairment
II. Associates											
Hua Ge Neng Rong (Shenzhen) Expressway Investment Partnership Company (華葛能融(深圳)高速公路投資合夥企業(有限合夥))	3,126,832									3,126,832	
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	2,114,554	75,346		163,805						2,353,705	
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	2,293,092			-191,787						2,101,305	
Guangde Railway Construction Daqin Investment Partnership (Limited Partnership) (廣德鐵建大秦投資合夥企業(有限合夥))	1,533,000									1,533,000	
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	855,224	325,312								1,180,536	
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	760,000	326,700		-1,551						1,085,149	
Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	374,960	696,589								1,071,549	
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	977,603			4,808						982,411	
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	674,960	230,650								905,610	
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	649,677	234,686								884,363	
Hebei Chengke Expressway Co., Ltd. (河北承克高速公路有限公司)		800,000								800,000	

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

13. Long-term Equity Investment (continued)

Investee	Changes for the period										
	Opening balance	Increase in investment	Decrease in investment	Investment Gains or losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity	Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provisions for impairment
Huyu Infrastructure Development and Construction Investment (Wuhan) Center (Limited Partnership) (漢禹基礎設施開發建設投資(武漢)中心(有限合夥))	675,200	85,400								760,600	
Guizhou Liu'an Expressway Co., Ltd. (貴州省六安高速公路有限公司)	464,600	253,600								718,200	
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	529,406	162,611								692,017	
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	1,691,163		600,000	-15,555			388,000			687,608	
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	662,000	21,376								683,376	
Baihe No.6 (Shenzhen) Investment Partnership Enterprise (Limited Partnership) (百和六號(深圳)投資合夥企業(有限合夥))	439,879	225,118								664,997	
Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	600,336									600,336	
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	601,864			-4,077						597,787	
Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	449,350	136,509								585,859	
Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	456,730	52,306								509,036	
Xinjiang Haoyuan Water Supply Co. Ltd. (新疆浩源供水有限公司)		500,000								500,000	
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	699,160			-218,667						480,493	
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	265,208	178,060								443,268	
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	680,321		414,310	136,837						402,848	

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

13. Long-term Equity Investment (continued)

Investee	Changes for the period										
	Opening balance	Increase in investment	Decrease in investment	Investment Gains or losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity	Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provisions for impairment
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	558,529			-173,495						385,034	
Zhongge (Luohe) Construction Engineering Co., Ltd. (中葛(漯河)建設工程有限公司)	288,235	95,604								383,839	
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	371,900									371,900	
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	274,505	97,026								371,531	
Others	7,707,341	2,046,712	41,172	-19,755		610	127,580			9,566,156	99,091
Subtotal	30,775,629	6,543,605	1,055,482	-319,437		610	515,580			35,429,345	99,091
Total	40,793,896	7,760,043	1,055,760	-289,757		610	560,593			46,648,439	99,635

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

14. Other Equity Instrument Investment

(1). Other equity instrument investment

Unit: '000 Currency: RMB

Item	Opening balance	Increase in investment	Decrease in investment	Changes for the period		Others	Closing balance	Dividend income recognized in the period	Accumulated gains or losses included in other comprehensive income
				Gains or losses included in other comprehensive income in the period					
Equity investment in listed companies:									
Changjiang Securities Co., Ltd. (長江證券股份有限公司)	724,236		782,819	58,583				10,250	
Shenergy Company Limited (申能股份有限公司)	35,447			505			35,952	1,033	26,649
Giti Tire Corporation (佳通輪胎股份有限公司)	29,756			1,348			31,104		26,590
Guangxi Guiguan Electric Power Co., Ltd. (廣西桂冠電力股份有限公司)	24,730			-928			23,802	1,202	19,210
Wuhan Department Store Group Co., Ltd. (武漢武商集團股份有限公司)	11,072			-2,650			8,422	49	7,741
Beijing Jingneng Power Co., Ltd. (北京能電力股份有限公司)	2,150			-133			2,017	79	1,581
Bank of Communications Co., Ltd. (交通銀行股份有限公司)	50,284		50,284						
Kaidi Ecological and Environmental Technology Co., Ltd. (凱迪生態環境科技股份有限公司)	966					-966			
Xinjiang Xuefeng Technology (Group) Co. Ltd. (新疆雪峰科技(集團)股份有限公司)				-27,800		165,800	138,000	3,000	73,000
Equity investment in non-listed companies:									
China Power New Energy Limited (中國電力新能源有限公司)	199,537			7,006			206,543	407	6,543
D&C Engineering Ltd. (D&C工程有限公司)	4,273			200,752			205,025	23,021	200,752
Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	102,379			36,874			139,253	15,038	101,515
Kaidi Ecological and Environmental Technology Co., Ltd. (凱迪生態環境科技股份有限公司)						966	966		
Others	1,000,455	562,630	120,593	118,896	19,373		1,580,761	35,380	97,264
Total	2,185,285	562,630	953,696	392,453	185,173		2,371,845	89,459	560,845

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

14. Other Equity Instrument Investment (continued)

(2). Explanation of derecognition in the period

Unit: '000 Currency: RMB

Item	Fair value on derecognition	Cumulative gains and losses transferred to retained earnings as a result of derecognition	Reasons for derecognition
Changjiang Securities Co., Ltd. (長江證券股份有限公司)	817,564	613,619	Disposal
Bank of Communications Co., Ltd. (交通銀行股份有限公司)	53,606	26,721	Disposal
Yunnan Dianneng Chuxiong Hydropower Development Co., Ltd. (雲南滇能楚雄水電開發有限公司)	24,318	11,318	Transfer
Hubei Pengcheng Insurance Brokerage Co., Ltd. (湖北鵬程保險經紀有限公司)	494	295	Transfer
Total	895,982	651,953	/

15. Other Non-current Financial Assets

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Financial assets at fair value through profit or loss	10,726,518	8,699,355
Including: Equity instrument investment	6,281,803	4,967,171
Funds and other non-equity investment	4,444,715	3,732,184
Total	10,726,518	8,699,355

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

16. Investment Properties

Unit: '000 Currency: RMB

Item	Buildings and structures	Land use rights	Total
I. Original carrying amount			
1. Opening balance	946,062	150,648	1,096,710
2. Increase for the period	208,178	55,742	263,920
(1) Purchase			
(2) Transfer from inventories/ fixed assets/projects under construction	126,168		126,168
(3) Increase due to business combination			
(4) Others	82,010	55,742	137,752
3. Decrease for the period	11,238	14,013	25,251
(1) Disposal	89		89
(2) Other transfer out	11,149	14,013	25,162
4. Closing balance	1,143,002	192,377	1,335,379
II. Accumulated depreciation and accumulated amortization			
1. Opening balance	383,051	30,738	413,789
2. Increase for the period	116,592	16,092	132,684
(1) Provision or amortization	40,897	3,663	44,560
(2) Transferred from fixed assets	51,692		51,692
(3) Others	24,003	12,429	36,432
3. Decrease for the period	8,528	2,662	11,190
(1) Disposal	85		85
(2) Other transfer out	8,443	2,662	11,105
4. Closing balance	491,115	44,168	535,283
III. Impairment provision			
1. Opening balance	7,538	5,292	12,830
2. Increase for the period	2,622		2,622
(1) Provision	2,622		2,622
3. Decrease for the period			
(1) Disposal			
(2) Other transfer out			
4. Closing balance	10,160	5,292	15,452
IV. Carrying amount			
1. Carrying amount at the end of the period	641,727	142,917	784,644
2. Carrying amount at the beginning of the period	555,473	114,618	670,091

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

17. Fixed Assets

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Fixed assets	57,522,007	42,880,239
Disposal of fixed assets	58,219	54,295
Total	57,580,226	42,934,534

Fixed assets

(1). Fixed assets

Item	Unit: '000 Currency: RMB					
	Buildings and structures	Machinery and equipment	Transportation tools	Electronic equipment	Office equipment and other equipment	Total
I. Original Carrying amount:						
1. Opening balance	27,845,103	33,655,865	3,321,574	2,506,331	2,903,163	70,232,036
2. Increase for the period	4,206,536	14,763,378	557,435	362,505	506,162	20,396,016
(1) Purchase	328,420	2,536,994	482,325	243,857	399,875	3,991,471
(2) Transferred from construction in progress	1,186,841	11,643,825	10,286	19,461	52,419	12,912,832
(3) Increase in business combination	1,243,810	516,670	64,824	92,257	23,356	1,940,917
(4) Conversion of investment properties to self-use	11,149					11,149
(5) Conversion of inventory to self-use	1,436,316	65,889		6,930	30,512	1,539,647
3. Decrease for the period	591,842	999,860	253,413	126,346	118,815	2,090,276
(1) Disposal or retirement	74,107	626,177	218,017	94,206	118,489	1,130,996
(2) Disposal of subsidiaries				1,089		1,089
(3) Conversion to investment properties	126,168					126,168
(4) Impact of change in exchange rates	4,544	135,801	20,225	625	326	161,521
(5) Others	387,023	237,882	15,171	30,426		670,502
4. Closing balance	31,459,797	47,419,383	3,625,596	2,742,490	3,290,510	88,537,776

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

17. Fixed Assets (continued)

Fixed assets (continued)

(1). Fixed assets (continued)

Item	Buildings and structures	Machinery and equipment	Transportation tools	Electronic equipment	Office equipment and other equipment	Total
II. Accumulated depreciation						
1. Opening balance	8,545,870	13,499,196	2,191,983	1,601,937	1,390,637	27,229,623
2. Increase for the period	1,330,810	2,855,476	332,702	131,528	267,953	4,918,469
(1) Provision	983,080	2,548,830	300,669	69,836	250,712	4,153,127
(2) Increase for acquisition of subsidiaries	339,287	306,646	32,033	61,692	17,241	756,899
(3) Transfer from investment properties	8,443					8,443
3. Decrease for the period	138,967	648,808	234,091	106,269	115,716	1,243,851
(1) Disposal or retirement	26,672	553,581	193,509	87,258	104,732	965,752
(2) Decrease for disposal of subsidiaries				654		654
(3) Transfer to investment properties	51,692					51,692
(4) Impact of change in exchange rate	2,234	76,802	8,117	504	247	87,904
(5) Others	58,369	18,425	32,465	17,853	10,737	137,849
4. Closing balance	9,737,713	15,705,864	2,290,594	1,627,196	1,542,874	30,904,241
III. Provision for impairment						
1. Opening balance	63,480	52,554	2,710	1,216	2,214	122,174
2. Increase for the period		2,805				2,805
3. Decrease for the period	6,259	6,520	353	40	279	13,451
4. Closing balance	57,221	48,839	2,357	1,176	1,935	111,528
IV. Carrying amount						
1. Carrying amount at the end of the period	21,664,863	31,664,680	1,332,645	1,114,118	1,745,701	57,522,007
2. Carrying amount at the beginning of the period	19,235,753	20,104,115	1,126,881	903,178	1,510,312	42,880,239

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

17. Fixed Assets (continued)

Fixed assets (continued)(2). *Fixed assets leased out through operating leases*

Unit: '000 Currency: RMB

Item	Carrying amount at the end of the period
Buildings and structures	113,415
Mechanical equipment	17,708

(3). *Fix assets for which title certificates have not been obtained*

Unit: '000 Currency: RMB

Item	Carrying amount	Reason for not obtaining the title certificate
Buildings and structures	531,569	In progress

Disposal of fixed assets

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Buildings and structures	28,078	5,955
Machinery and equipment	28,107	7,696
Transportation tools	334	32,729
Electronic equipment	1,492	7,289
Office equipment and others	208	626
Total	58,219	54,295

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

18. Construction in Progress

Breakdown by item

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Construction in progress	25,484,476	16,336,423
Construction materials	101	1,101
Total	25,484,577	16,337,524

Construction in progress

(1). Construction in progress

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Uzbekistan Cement Project (烏茲別克斯坦水泥項目)	1,782,965		1,782,965	645,237		645,237
Shahe 500MW Photovoltaic Project (沙河市500MW光伏項目)	1,324,187		1,324,187	1,035,856		1,035,856
Yangjiang Agricultural-photovoltaic Complementary Project (陽江農光互補項目)	1,270,285		1,270,285	147,262		147,262
Corps North Xinjiang Shihezi 300,000 kW PV Base Project (兵團北疆石河子30萬千瓦光伏基地項目)	1,078,735		1,078,735			
CEEC Chongzuo 2*660MW Thermal Power Plant (中能建崇左2*660MW火電)	956,428		956,428	2,379		2,379
Uzbekistan Kashkadarya Oblast 500MW Photovoltaic Project (烏茲別克斯坦卡什卡達里亞州500MW光伏項目)	932,936		932,936			
Xinjiang Turpan Shanshan 1GW Solar Thermal + Photovoltaic Integrated Project of CEEC Zhejiang Thermal Power (中國能建浙江火電新疆吐魯番鄯善1GW光熱+光伏一體化項目)	919,265		919,265	9,399		9,399
Guangxi Guigang North 1 Regional Photovoltaic Project Phase I (廣西貴港北1區域光伏項目一期)	908,711		908,711	1,329,262		1,329,262
Uzbekistan Bukhara Oblast 500MW Photovoltaic Project (烏茲別克斯坦布哈拉州500MW光伏項目)	794,001		794,001			
Hubei Yingcheng 300MW Compressed Air Energy Storage Power Project (湖北應城300MW級壓縮空氣儲能項目)	707,293		707,293	31,639		31,639
Project of Guangdong Hulu Sandstone Co., Ltd. (廣東葫蘆砂石有限責任公司項目)	692,095		692,095	452,122		452,122
Project of Reconstruction and Expansion of the Office Building located at Wuning Road (武寧路辦公大樓改擴建工程)	650,110		650,110	250,763		250,763

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

18. Construction in Progress (continued)

Construction in progress (continued)(1). *Construction in progress (continued)*

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
China Energy Construction Investment Chaoyang Baishan 150MW Wind Power Project (中能建設朝陽白山150MW風電項目)	635,709		635,709	111,545		111,545
Minjiang Pengshan Jianzishan Avionics Hub Project (岷江彭山尖子山航電樞紐工程)	505,217		505,217	361,137		361,137
Nabingtian Photovoltaic Power Generation Project in Simao District, Pu'er City, Yunnan Province (雲南省普洱市思茅區那丙田光伏發電項目)	443,497		443,497			
Qingyuan Wind Power Project (慶元風電項目)	433,795		433,795			
Construction Project of Dunhuang 100,000 kW Photovoltaic Power Plant (敦煌10萬千瓦光伏電站建設項目)	416,528		416,528			
Wholly-funded Tianmen Jiangchang 99MW Wind Storage Integration Project (全資投資天門蔣場99MW風儲一體化項目)	401,007		401,007	337		337
Luowuzhuang Photovoltaic Power Plant in Nanhua County, Chuxiong Prefecture (楚雄州南華縣羅武莊光伏電站)	398,398		398,398			
Tiandeng Bahe 120MW Wind Farm (天等把荷120MW風電場)	390,823		390,823	2,037		2,037
Madongchuan Agricultural-photovoltaic Complementary Power Generation Project in Baota District, Yan'an City (延安市寶塔區麻洞川農光互補光伏發電工程項目)	357,720		357,720	389		389
CNEEC Shaanxi Yan'an Jiaokou Town 150MW Wind Power Project (中電工程陝西延安交口鎮150MW風電項目)	357,243		357,243			
South Regional Photovoltaic Project Phase I (南區域光伏項目一期)	333,090		333,090	658,190		658,190
Wholly-funded Guangxi Binyang Kunchen 200MW Wind Power Project (全資投資廣西賓陽昆陳200MW風電項目)	325,989		325,989			
Jiangzhou District Banchong 160MW Photovoltaic Project (江州區板崇160MW光伏項目)	277,484		277,484	698,470		698,470
Ningming Nanan Wind Farm (寧明那楠風電場)	264,615		264,615	5,187		5,187
CEEC Yangquan Pingding Phase II 100MW Wind Power Expansion Project (中國能建陽泉平定二期100MW風電擴建項目)	261,859		261,859	275,438		275,438
Zhangye 200MW Wind Power Project (張掖200MW風電項目)	255,546		255,546			
Animal Husbandry-photovoltaic Complementary Phase I 50MW Photovoltaic Storage Power Station Integration Project in Gamba County, Tibet of Zhongnan Electric Power (中南電力西藏崗巴縣牧光互補一期50兆瓦光伏儲能電站一體化項目)	250,196		250,196			
Zhangye Big Data Industry Park Phase I Project (張掖大數據產業園一期項目)	224,291		224,291			
Smutas Hydropower Station (斯木塔斯水電站)	216,542		216,542	215,950		215,950
Xingning Yonghe 100MW Agricultural-photovoltaic Complementary Project (興寧市永和100MW農光互補項目)	213,363		213,363	291,275		291,275

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

18. Construction in Progress (continued)

Construction in progress (continued)

(1). Construction in progress (continued)

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Pakistan Azad Patan Hydropower Project (巴基斯坦阿黎德帕坦水電項目)	212,416		212,416	204,088		204,088
Huajji Photovoltaic Project (懷集光伏項目)	208,697		208,697	35,489		35,489
Longmen Wind Power Project (龍門風電項目)	205,736		205,736	95		95
Nanpingxi Photovoltaic Power Generation Project in Simao District, Pu'er City, Yunnan Province (雲南省普洱市思茅區南屏西光伏發電項目)	200,470		200,470			
Dali Prefecture Heping County Junhua Photovoltaic Power Station (water well site) (大理州鶴慶縣均華光伏電站(水井場址))	191,073		191,073			
Wulan County Dongdatan 50,000 kW Parity Photovoltaic Project of China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問有限公司烏蘭縣東大灘5萬千瓦平價光伏項目)	177,844		177,844	172,083		172,083
Yulin Zhongnengjian Juhuang New Energy Co., Ltd. (榆林中能建巨皇新能源有限公司)	176,671		176,671			
Jiangzhou District Qumu 100MW Photovoltaic Project (江州區渠姆100MW光伏項目)	166,976		166,976	416,023		416,023
Jixi Base Lugu DC Transmission Project 2-2 (140MW Wind Power) (吉西基地魯固直流外送項目2-2(風電140MW))	158,421		158,421			
Lanzhou Hydrogen Industrial Park 100,000kW Photovoltaic Project (蘭州氫能產業園項目配套10萬千瓦光伏項目)	156,631		156,631			
Gezhouba Group Pakistan Regional Dispatching Management Center (葛洲壩集團巴基斯坦區域調度管理中心)	149,067		149,067	104,626		104,626
Suihua Anda Photovoltaic Power Generation Project (Phase I) (綏化安達光伏發電項目(一期))	140,653		140,653	389,767		389,767
Ganzhou Nantan 300,000 KW Photovoltaic Project (甘州南灘30萬千瓦光伏項目)	101,483		101,483	1,139,918		1,139,918

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

18. Construction in Progress (continued)

Construction in progress (continued)(1). *Construction in progress (continued)*

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Jiangnan 145MW Photovoltaic Project (江南145MW光伏項目)	99,029		99,029	570,487		570,487
Ningming County Zhishu 100MW Photovoltaic Project (寧明縣峙書100MW光伏項目)	38,228		38,228	350,721		350,721
Fusui County Zhongyuan 100MW Photovoltaic Project (扶綏縣中原100MW光伏項目)	11,870		11,870	419,563		419,563
Dali Prefecture Heqing County Junhua Photovoltaic Power Station (Jingdongwan Site) (大理州鶴慶縣均華光伏電站 (井東灣場址)項目Project)	10,426		10,426	591,535		591,535
Ningming County Bangun 140MW Photovoltaic Project (寧明縣板棍140MW光伏項目)	9,860		9,860	436,074		436,074
CNEEC Jilin Da'an Dagangzi Town Phase I 100MW Wind Power Project (中電工程吉林大安大崗子鎮一期100MW風電項目)				519,594		519,594
Beijiang 90MW Photovoltaic Project in Ningming County (寧明縣北江90MW光伏項目)				315,288		315,288
Suihua Beilin 40MW Biomass Cogeneration Project (綏化北林40MW生物質熱電聯產項目)				564,089		564,089
Xiyang 100MW Photovoltaic Power Generation Project (昔陽100MW光伏發電項目)				388,675		388,675
Others	4,149,070	60,068	4,089,002	3,265,071	70,637	3,194,434
Total	25,544,544	60,068	25,484,476	16,407,060	70,637	16,336,423

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

18. Construction in Progress (continued)

Construction in progress (continued)

(2). Changes in important projects under construction in the period

Unit: '000 Currency: RMB

Item	Budget	Opening balance	Increase for the period	Transfer to fixed assets for the period	Other decrease during the period	Closing balance	Proportion of total project investment in the budget (%)	Progress of project (%)	Accumulated capitalised interest	Including Capitalised interest for the period	Interest rate of capitalisation (%)	Source of fund
Project of Guangdong Huhu Sandstone Co., Ltd. (廣東赫湖砂石有限公司項目)	1,278,000	452,122	239,973			692,095	54.15	54.15	40,847	21,360	3.45	Self-owned funds + Loans
Uzbekistan Cement Project (烏茲別克斯坦水泥項目)	2,307,470	645,237	1,137,728			1,782,965	77.27	77.27	34,030	34,030	3.49	Self-owned funds + Loans
Uzbekistan Bukhara Obkhat 500MW Photovoltaic Project (烏茲別克斯坦布哈拉州500MW光伏項目)	2,266,000	794,001	794,001			794,001	35.04	35.50	4,570	4,570	3.50	Self-owned funds + Loans
Uzbekistan Kashkadarya Obkhat 500MW photovoltaic project (烏茲別克斯坦卡什卡達亞州500MW光伏項目)	2,383,392	932,936	932,936			932,936	39.14	39.14	3,799	3,799	3.50	Self-owned funds + Loans
CEEC Chongzuo 2*600MW Thermal Power Plant (中能崇作2*600MW火電)	4,778,320	2,379	954,049			956,428	20.02	20.02	14,342	14,342	2.70	Self-owned funds + Loans
Guangxi Gugang North 1 Regional Photovoltaic Project Phase I (廣西貴港北區光伏項目一期)	2,330,283	1,329,262	254,360	674,911		908,711	67.96	67.96	29,432	23,846	2.45	Self-owned funds + Loans
Shabe 500MW Photovoltaic Project (沙河市500MW光伏項目)	3,009,239	1,035,856	288,331			1,324,187	44.00	48.00	56,552	39,254	3.00	Self-owned funds + Loans
Xinjiang Turpan Shanshan 1GW Solar Thermal + Photovoltaic Integrated Project of CEEC Zhejiang Thermal Power (中能建浙江火電新疆吐魯番善善1GW光熱+光伏一體化項目)	5,703,497	9,399	909,866			919,265	16.12	16.12	5,929	5,929	2.40	Self-owned funds + Loans
Yangjiang Agricultural-photovoltaic Complementary Project (陽江農業互補項目)	1,664,916	147,262	1,123,023			1,270,285	76.30	76.30	11,906	11,648	2.80	Self-owned funds + Loans
Corps North Xinjiang Shihzei 300,000 KW PV Base Project (兵團北疆石河子30萬千瓦光伏基地項目)	1,491,630		1,078,735			1,078,735	72.30	72.30	3,812	3,812	2.50	Self-owned funds + Loans
Hubei Yingcheng 300MW Compressed Air Energy Storage Power Project (湖北應城300MW壓縮空氣儲能項目)	1,955,550	31,639	675,654			707,293	36.29	44.43	16,434	15,690	2.14	Self-owned funds + Loans
Project of Reconstruction and Expansion of the Office Building located at Wujiang Road (武寧路辦公大樓改建工程)	1,118,619	250,763	399,347			650,110	58.12	58.12				Self-owned funds

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

19. Right-of-use Assets

Unit: '000 Currency: RMB

Item	Building and structures	Construction Equipment	Transportation equipment	Other right-of-use assets	Total
I. Original Carrying amount					
1. Opening balance	3,228,666	282,620	341,416	4,230	3,856,932
2. Increase for the period	2,217,591	102,921	9,427	1,863	2,331,802
(1) Lease	2,217,591	102,921	9,427	1,863	2,331,802
3. Decrease for the period	198,584		224	662	199,470
(1) Disposal	198,584		224	662	199,470
4. Closing balance	5,247,673	385,541	350,619	5,431	5,989,264
II. Accumulated depreciation					
1. Opening balance	1,038,590	39,899	30,509	1,744	1,110,742
2. Increase for the period	480,547	13,711	22,721	475	517,454
(1) Provision	480,547	13,711	22,721	475	517,454
3. Decrease for the period	137,760		217	629	138,606
(1) Disposal	137,760		217	629	138,606
4. Closing balance	1,381,377	53,610	53,013	1,590	1,489,590
III. Impairment provision					
1. Opening balance					
2. Increase for the period					
3. Decrease for the period					
4. Closing balance					
IV. Carrying amount					
1. Carrying amount at the end of the period	3,866,296	331,931	297,606	3,841	4,499,674
2. Carrying amount at the beginning of the period	2,190,076	242,721	310,907	2,486	2,746,190

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

20. Intangible Assets

(1) Intangible assets

Unit: '000 Currency: RMB

Item	Land use rights	Patent rights, non-patented Technology and software	Mining rights	Concession rights	Others	Total
I. Original carrying amount						
1. Opening balance	10,277,554	2,020,152	2,433,151	60,275,244	551,013	75,557,114
2. Increase for the period	2,823,476	201,465	2,866,013	11,632,858	16,311	17,540,123
(1) Purchase	449,254	169,171	2,866,013	2,020,718	12,758	5,517,914
(2) Internal research and development						
(3) Increase due to business combination	952,656	19,662		1,267	3,553	977,138
(4) Investment in construction Formation	1,421,566	12,632		9,610,873		11,045,071
3. Decrease for the period	184,272	4,758		1,978	259,480	450,488
(1) Disposal	78,560	1,800		1,506	2	81,868
(2) Disposal of subsidiaries		2,000			1,150	3,150
(3) Sales		27				27
(4) Others	105,712	931		472	258,328	365,443
4. Closing balance	12,916,758	2,216,859	5,299,164	71,906,124	307,844	92,646,750
II. Accumulated amortization						
1. Opening balance	1,856,542	1,533,675	238,218	3,968,618	88,135	7,685,188
2. Increase for the period	375,825	168,293	177,283	1,731,663	22,597	2,475,661
(1) Provision	272,141	155,750	177,283	1,730,396	20,103	2,355,673
(2) Acquisition of subsidiaries	103,684	12,543		1,267	2,494	119,988
3. Decrease for the period	28,749	2,394		78	14,028	45,249
(1) Disposal	12,861	59		60	2	12,982
(2) Disposal of subsidiaries		2,000			1,150	3,150
(3) Sales		22				22
(4) Others	15,888	313		18	12,876	29,095
4. Closing balance	2,203,618	1,699,574	415,501	5,700,203	96,704	10,115,600

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

20. Intangible Assets (continued)

(1) Intangible assets (continued)

Item	Land use rights	Patent rights, non-patented Technology and software	Mining rights	Concession rights	Others	Total
III. Impairment provision						
1. Opening balance	65,791	1,150				66,941
2. Increase for the period						
(1) Provision						
3. Decrease for the period						
(1) Disposal						
4. Closing balance	65,791	1,150				66,941
IV. Carrying amount						
1. Carrying amount at the end of the period	10,647,349	516,135	4,883,663	66,205,921	211,140	82,464,208
2. Carrying amount at the beginning of the period	8,355,221	485,327	2,194,933	56,306,626	462,878	67,804,984

(2) Land use rights for which title certificates have not been obtained

Unit: '000 Currency: RMB

Item	Carrying amount	Reason for not obtaining the title certificate
Land use rights	6,412	In progress

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

21. Goodwill

(1). Original carrying amount of goodwill

Name of investee or matters resulting in goodwill	Opening balance	Business combination	Disposal	Unit: '000 Currency: RMB
				Closing balance
Gezhouba Zhongxiang Cement Company Limited (葛洲壩鐘祥水泥有限公司)	653,762			653,762
Gezhouba Epuli Guangxi Weiqi Chemical Co., Ltd. (葛洲壩易普力廣西威奇化工有限公司)	356,235			356,235
Empresarios Agrupados Internacional, S.A., Ghesa Ingenieria y Tecnologia, S.A. (西班牙易安國際股份公司、蓋颯工程技術股份公司)	236,010			236,010
Gezhouba Water Affairs (Jinan) Co., Ltd. (葛洲壩水務(濟南)有限公司)	150,536			150,536
Pengzhou Branch of Sichuan Tongda Chemical Co., Ltd. (四川通達化工有限公司彭州分公司)	97,989			97,989
Danjiangkou Zhonghe Water Purification Co., Ltd. (丹江口市中和水質淨化有限公司)	81,082			81,082
Gezhouba Water Affairs (Binzhou) Co., Ltd. (葛洲壩水務(濱州)有限公司)	78,027			78,027
Hengyuan Cement Joint Venture Co., Ltd. (恒遠水泥合資有限公司)	69,127			69,127
Gezhouba Water Affairs (Qinyang) Co., Ltd. (葛洲壩水務(沁陽)有限公司)	60,559			60,559
Gezhouba Water Affairs (Lingbao) Co., Ltd. (葛洲壩水務(靈寶)有限公司)	54,124			54,124
Gezhouba Water Affairs (Huanggang) Co., Ltd. (葛洲壩水務(黃岡)有限公司)	40,447			40,447
Explosive Company (易普力股份有限公司)		386,116		386,116
Liling Civil Explosives Franchise Co., Ltd. (醴陵市民用爆炸物品專營有限公司)		3,624		3,624
Southeast Guizhou Yongjia Civil Explosives Joint Operation Co., Ltd. (黔東南永嘉民爆聯合經營有限責任公司)		2,824		2,824
Hengyang Hongtai Civil Explosive and Blasting Equipment Co., Ltd. (衡陽市宏泰民用爆破器材有限公司)		172		172
Others	320,789	38,908		359,697
Total	2,198,687	431,644		2,630,331

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

21. Goodwill (continued)

(2). Provision for impairment of goodwill

Name of investee or matters resulting in goodwill	Opening balance	Increase in provision for the period	Unit: '000 Currency: RMB	
			Decrease in disposal for the period	Closing balance
Southeast Guizhou Yongjia Civil Explosives Joint Operation Co., Ltd. (黔东南永嘉民爆聯合經營有限責任公司)		2,824		2,824
Gezhouba Explosive Chongqing Lineng Civil Explosive Stock Co., Ltd. (葛洲壩易普力重慶力能民爆股份有限公司)	330			330
Zhijiang County Civil Explosives Operating Co., Ltd. (芷江縣民爆經營公司)		183		183
Hengyang Hongtai Civil Explosive and Blasting Equipment Co., Ltd. (衡陽市宏泰民用爆破爆破器材有限公司)		172		172
Suining County Civil Explosive Equipment Franchise Co., Ltd. (綏寧縣民爆器材專營有限公司)		159		159
Lixian Erhua Civil Explosive Equipment Co., Ltd. (澧縣二化民爆器材有限責任公司)	101			101
Others		18		18
Total	431	3,356		3,787

22. Long-term Prepaid Expenses

Item	Opening balance	Increase for the period	Amortization for the period	Unit: '000 Currency: RMB	
				Other decrease	Closing balance
Leasehold improvement	14,711	273	4,985		9,999
Insurance premiums	524,448	295	160,506		364,237
Others	482,576	239,127	247,964	18,464	455,275
Total	1,021,735	239,695	413,455	18,464	829,511

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

23. Deferred Income Tax Assets/Deferred Tax Liabilities

(1). Deferred income tax assets not offset

Unit: '000 Currency: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for assets impairment	2,756,949	519,776	2,051,096	387,980
Unrealized profit in intra-group transactions	4,719,668	1,042,117	3,416,334	838,747
Deductible losses	901,528	185,808	672,117	141,844
Credit impairment provision	4,862,861	816,538	3,904,966	674,281
Employee benefits payable	72,491	13,668	90,673	17,353
Depreciation of fixed assets	835	191	404	101
Lease liabilities	1,950,074	339,065	861,169	192,522
Defined benefit plan	1,359,733	243,618	1,447,441	259,608
Financial assets held for trading and derivative financial assets	31,518	5,916	59,080	14,770
Other debt investments	1,567	256	1,303	289
Others	2,246,766	340,724	1,127,777	237,190
Total	18,903,990	3,507,677	13,632,360	2,764,685

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

23. Deferred Income Tax Assets/Deferred Tax Liabilities (continued)

(2). Deferred tax liabilities not offset

Unit: '000 Currency: RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Financial assets held for trading and derivative financial assets	1,199,998	229,366	962,226	193,509
Depreciation of fixed assets and amortization of intangible assets	4,836,065	1,172,326	3,824,292	954,692
Appreciation of the combined asset valuation of enterprises not under the common control	1,416,107	246,659	645,861	138,063
Right-of-use assets	2,228,112	350,687	969,286	218,310
Others	2,266,247	520,945	1,339,599	331,760
Total	11,946,529	2,519,983	7,741,264	1,836,334

(3). Deferred income tax assets or liabilities stated on a net basis after elimination

Unit: '000 Currency: RMB

Item	Closing mutual offset amount between deferred income tax assets and liabilities	Closing balance of deferred income tax assets or liabilities after offset	Opening mutual set-off amount of deferred income tax assets and liabilities	Opening balance of deferred income tax assets or liabilities after off-set
Deferred income tax assets	246,985	3,260,692	22,263	2,742,422
Deferred income tax liabilities	246,985	2,272,998	22,263	1,814,071

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

23. Deferred Income Tax Assets/Deferred Tax Liabilities (continued)

(4). Breakdown of unrecognized deferred income tax assets

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	6,146,513	6,136,490
Deductible losses	14,692,547	14,876,229
Total	20,839,060	21,012,719

(5). Deductible losses for which deferred tax assets are not recognised will expire in the following years

Unit: '000 Currency: RMB

Year	Closing amount	Opening amount	Note
2023		1,687,817	
2024	2,017,167	2,058,612	
2025	2,708,335	3,616,605	
2026	4,257,423	4,947,974	
2027	1,734,058	1,817,815	
2028	3,054,163	152,037	
2029	190,606	190,606	
2030	196,280	196,280	
2031	208,483	208,483	
2032			
2033	326,032		
Total	14,692,547	14,876,229	/

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

24. Other Non-current Assets

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Impairment provision	Carrying amount	Book balance	Impairment provision	Carrying amount
Prepaid enterprise income tax	308,715		308,715	318,266		318,266
VAT to be deducted	877,436		877,436	461,511		461,511
Prepayments for equipment	301,380		301,380	958,705		958,705
Prepayments for long-term assets	433,862		433,862	949,333		949,333
Contract assets	79,907,320	986,475	78,920,845	57,605,629	534,824	57,070,805
Others	2,121,751		2,121,751	140,916		140,916
Less: The portion due within one year	790,724	57,800	732,924	877,600	33,447	844,153
Total	83,159,740	928,675	82,231,065	59,556,760	501,377	59,055,383

25. Assets with Restricted Ownership or Rights of Use

Unit: '000 Currency: RMB

Item	End of the period		Beginning of the period	
	Carrying amount	Restriction	Carrying amount	Restriction
Cash	9,152,521	Issuing bank acceptance bills, guarantee deposits, and time deposits over three months etc.	9,102,902	Issuing bank acceptance bills, guarantee deposits, and time deposits over three months etc.
Bill receivable	3,186,937	Loan pledge	5,673,270	Loan pledge
Account receivables	5,702,958	Loan pledge	5,268,108	Loan pledge
Inventories	18,714,119	Loan mortgage/litigation seizures	14,153,234	Loan mortgage/litigation seizures
Fixed assets	3,870,127	Loan mortgage	1,279,319	Loan mortgage
Long-term receivables	8,639,721	Loan pledge	7,916,135	Loan pledge
Intangible assets	35,264,223	Loan mortgage/pledge	30,698,771	Loan mortgage/pledge
Total	84,530,606	/	74,091,739	/

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

26. Short-term Borrowings

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Credit loans	32,934,322	23,417,305
Guaranteed loans	1,044,130	672,834
Secured borrowings	157,328	176,710
Pledged borrowings	879,107	1,282,733
Total	35,014,887	25,549,582

27. Bills Payable

Type	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Commercial acceptance bills	606,765	1,967,407
Bank acceptance bills	13,494,476	12,723,860
Letter of credit	285,836	256,114
Total	14,387,077	14,947,381

28. Trade Payables

(1) Breakdown of trade payables

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Work progress payables	115,056,103	87,189,098
Material purchase payables	45,675,978	31,873,522
Equipment payables	17,587,307	14,396,810
Warranty deposit payables	13,776,577	11,908,728
Labor fee payables	4,450,978	4,605,686
Engineering design consulting fee payables	1,652,408	1,300,240
Others	5,126,035	14,820,989
Total	203,325,386	166,095,073

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

28. Trade Payables (continued)

(2). Significant trade payables aged over one year or overdue

Unit: '000 Currency: RMB

Item	Closing balance	Reasons for non-repayment or carry-forward
Equipment payables	3,014,233	Based on the contract agreement, the time for payment is not yet due
Work progress payables (excluding warranty deposit payables)	15,564,620	Based on the contract agreement, the time for payment is not yet due
Total	18,578,853	/

29. Receipts in Advance

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Rent in advance	21,280	29,813
Total	21,280	29,813

30. Contract Liabilities

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Settled but uncompleted payments of construction contract	23,205,076	22,059,457
Receipts in advance from sales of properties	12,388,035	7,589,442
Receipts in advance from construction work	29,428,802	28,198,575
Receipts in advance from product sales	1,023,996	1,037,031
Others	4,043,152	1,557,979
Total	70,089,061	60,442,484

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

31. Employee Benefits Payable

(1) Breakdown of employee benefits payable

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000	Currency: RMB
				Closing balance	
I. Short-term benefits	2,947,256	25,732,402	26,354,739		2,324,919
II. Post-employment benefits – defined contribution plan	306,018	3,673,505	3,752,767		226,756
III. Termination benefits	3,145	27,527	29,913		759
IV. Other benefits due within one year	12	1,433,595	1,339,941		93,666
Total	3,256,431	30,867,029	31,477,360		2,646,100

(2) Breakdown of short-term benefits

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000	Currency: RMB
				Closing balance	
I. Wages, bonuses, allowances subsidies	1,580,144	20,115,316	20,522,526		1,172,934
II. Employee welfare benefits		1,327,074	1,327,074		
III. Social insurance	190,625	1,771,764	1,805,900		156,489
Including: Medical insurance	171,186	1,621,087	1,643,246		149,027
Work-related injury insurance	11,448	118,712	125,645		4,515
Maternity insurance premiums	7,991	31,965	37,009		2,947
IV. Housing provident fund	341,784	1,855,306	1,917,448		279,642
V. Union and education fund	697,091	654,816	636,506		715,401
VI. Others	137,612	8,126	145,285		453
Total	2,947,256	25,732,402	26,354,739		2,324,919

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

31. Employee Benefits Payable (continued)

(3). Breakdown of defined contribution plan

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000	Currency: RMB
				Closing balance	
1. Basic pension insurance	195,159	2,603,325	2,662,825		135,659
2. Unemployment insurance	23,943	94,164	93,941		24,166
3. Enterprise annuity payment	86,916	976,016	996,001		66,931
Total	306,018	3,673,505	3,752,767		226,756

Other explanation:

In addition to social basic pension insurance, the Company has established an enterprise annuity plan in accordance with relevant policies of the national enterprise annuity system. The Company accrues annuities based on a certain percentage of total wages, and the corresponding expenditures are included in the current profit and loss.

32. Taxes Payable

Item	Unit: '000		Currency: RMB
	Closing balance	Opening balance	
Value-added tax	3,227,878	3,535,527	
Enterprise income tax	2,136,910	1,912,722	
Individual income tax withholding	376,418	347,491	
City construction and maintenance tax	63,563	67,691	
Land value-added tax	509,463	748,652	
Property tax	54,388	50,049	
Land use tax	60,552	53,074	
Educational surcharge	42,018	47,234	
Others	385,602	275,134	
Total	6,856,792	7,037,574	

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

33. Other Payables

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Interest payable		
Dividends payable	557,814	654,302
Other payables	41,297,296	36,161,432
Total	41,855,110	36,815,734

(1). Dividends payable

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Dividends on ordinary shares	557,814	654,302
Total	557,814	654,302

(2). Other payables

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
Pledge and security deposit	15,889,164	14,114,414
Placements	10,310,485	7,641,954
Payment and collection clearance payables	10,342,746	9,072,445
Separation and transfer payment of "Three Supply and One Industry"	538,496	673,935
Daily expenses payable	2,822,564	1,062,551
Real estate sales earnest money	54,555	36,908
Others	1,339,286	3,559,225
Total	41,297,296	36,161,432

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

34. Non-current Liabilities Due Within One Year

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Long-term borrowings due within one year	21,917,725	12,261,515
Long-term wages payable due within one year	798,688	860,850
Bonds payable due within one year	8,752,246	3,413,346
Others	1,639,663	871,912
Total	33,108,322	17,407,623

35. Other Current Liabilities

Other current liabilities

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Pending output VAT	1,976,470	1,012,410
Estimated liabilities	1,780,609	1,976,335
Acceptance bills endorsed but not due	2,156,571	3,689,183
Others	699,274	108,086
Total	6,612,924	6,786,014

Other explanation:

If a contract to be performed by the Company becomes an onerous contract, the execution of the onerous contract is likely to result in outflow of economic benefits, and the amount of expected losses can be reliably measured, and are recognized as estimated liabilities. During the period, due to factors such as the increase in material and labor price, expected total project cost of some general contracts for engineering construction to be performed exceeded total contract amount, resulting in onerous contracts. As of 31 December 2023, the balance of estimated liabilities accrued by the Company for onerous contracts to be performed was RMB256,783,000.

The Company has been involved in disputes, lawsuits or claims with customers, subcontractors, suppliers, etc. in the course of operation. After consulting with relevant legal advisors and the management's estimation of the results of these pending disputes, lawsuits or claims, for disputes, lawsuits or claims that are likely to cause losses to the Company, as of 31 December 2023, the total balance of corresponding estimated liabilities accrued by the Company was RMB1,350,701,000.

As at 31 December 2023, Gezhouba Huanjia was involved in 57 lawsuits, of which, the first or second instance of 47 cases has been decided, and 10 cases have not yet decided and still pending. Based on the progress and judgment results of the litigation matters and in consultation with the relevant legal advisers, the Company has made a provision totaling RMB1,278,147,000 in respect of the outstanding lawsuits which are likely to cause losses to the Company.

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

36. Long-term Borrowings

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Credit loans	97,680,482	84,667,404
Pledged borrowings	38,722,949	34,111,321
Secured borrowings	31,232,560	19,691,107
Guaranteed borrowings	12,225,879	5,915,210
Less: Long-term borrowings due within one year	21,917,725	12,261,515
Total	157,944,145	132,123,527

37. Bonds Payable

(1) Bonds payable

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Total bonds payable	10,252,246	13,213,346
Less: Bonds payable due within one year	8,752,246	3,413,346
Total	1,500,000	9,800,000

(2) Details of bonds payable (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

Name of bonds	Unit: '000 Currency: RMB										
	Par value	Issue date	Maturity	Issue amount	Opening balance	Issued in the period	Interest accrued at par value	Amortization of premium and discount	Repayment in the period	Closing balance	Whether or not violated
13 CEEC MTN1	100	2013-01-18	10 years	3,000,000	3,000,000			963	3,000,963		No
22 CEEC 01	100	2022-07-22	3 years	1,500,000	1,500,000					1,500,000	No
19 GZ 01	100	2019-01-09	5 years	1,000,000	1,000,000					1,000,000	No
19 GZ 02	100	2019-03-12	5 years	1,500,000	1,500,000					1,500,000	No
21 GZ 01	100	2021-04-29	3 years	3,000,000	2,800,000		200,000			3,000,000	No
21 GZ 02	100	2021-05-17	3 years	3,000,000	3,000,000					3,000,000	No
Total	/	/	/	13,000,000	12,800,000		200,000	963	3,000,963	10,000,000	/

Other explanation:

As at 31 December 2023, the balance of interest payable for the above bonds at the beginning of the period was RMB413,346,000, and the balance of interest payable at the end of the period was RMB252,246,000. As at 31 December 2023, the total interest-bearing amount of the above bonds was RMB10,252,246,000.

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

38. Lease Liabilities

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Long-term lease liabilities	3,445,149	2,176,857
Less: Lease liabilities due within one year	323,555	213,238
Total	3,121,594	1,963,619

39. Long-term Payables

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Long-term payables	4,487,598	1,009,134
Special payables	195,163	353,876
Total	4,682,761	1,363,010

(1). Long-term payables

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
After-sale financial lease	639,695	88,997
Others	3,847,903	920,137
Total	4,487,598	1,009,134

(2). Special payables

Item	Opening balance	Increase for the period	Decrease for the period	Unit: '000 Currency: RMB	
				Closing balance	Reason
Special demolition compensation	156,405	100	154,944	1,561	
Disposal of zombie enterprises and difficult enterprises	76,000		9,465	66,535	
Three Supply and One Industry	31,792	7,003	1,106	37,689	
Others	89,679	6,067	6,368	89,378	
Total	353,876	13,170	171,883	195,163	/

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

40. Long-term Employee Benefits Payable

(1) Statement on long-term employee benefits payable

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
I. Post-employment benefits – net liabilities for defined benefit plans	7,103,815	7,403,418
II. Dismissal benefits	876,998	1,046,340
Less: portion paid within one year	798,688	860,850
Total	7,182,125	7,588,908

(2) Changes in defined benefit plans

Present value of obligations under defined benefit plans:

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
I. Opening balance	8,449,758	9,259,161
II. Defined benefit cost included in the current profit and loss	282,810	341,900
1. Current service costs		
2. Past service costs	62,780	103,910
3. Settlement gain (loss represented by “-”)		
4. Net interest	220,030	237,990
III. Defined benefit cost included in other comprehensive income	-33,360	-245,820
1. Actuarial gain (loss represented by “-”)	-33,360	-245,820
IV. Other changes	-718,395	-905,483
1. Consideration paid at settlement		
2. Benefits paid	-718,395	-905,483
V. Closing balance	7,980,813	8,449,758

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

40. Long-term Employee Benefits Payable (continued)

(2) Changes in defined benefit plans (continued)

Net liabilities (net assets) under defined benefit plans

Item	Unit: '000 Currency: RMB	
	Amount for the current period	Amount for the last period
I. Opening balance	8,449,758	9,259,161
II. Defined benefit cost included in the current profit and loss	282,810	341,900
III. Defined benefit cost included in other comprehensive income	-33,360	-245,820
IV. Other changes	-718,395	-905,483
V. Closing balance	7,980,813	8,449,758

Explanation on impacts of the details of the defined benefit plan and its associated risks on the Company's future cash flows, timing and uncertainty:

According to the relevant policy requirements, the Company provided supplementary post-employment benefits to retirees who have completed the retirement procedures before 31 December 2014. In addition, Energy China Group and the Company undertake to regularly pay subsidies and benefits to former employees who have terminated their labor relationship or retired early, employees with off-duty work injuries and survivors of deceased employees who comply with relevant policies in accordance with various employee benefit plans (the "Defined Benefit Plans") adopted.

According to the notice issued by the Ministry of Finance in 2012, the Ministry of Finance allocated the 9.2 million kilowatt power generation asset realization fund (the "920 Fund") to Energy China Group to compensate for the expenses of post-employment benefits provided by the Company to employees; of which, RMB3,283,313,000 was designated by Energy China Group to pay for the employee benefits of the above Defined Benefit Plans of the Company, and was transferred from Energy China Group to the Company year by year. From 2012 to the time when the Energy China Group was restructured and listed, the Company accounted for the 920 Fund received each year as government subsidies. In August 2014 and July 2015, the SASAC successively approved the "Reply on Issues Concerning Relevant Expenses of Retired and Early Retired Personnel in Overall Restructuring and Reorganization of China Energy Engineering Group Co., Ltd." (Guo Zi Fen Pei [2014] No. 959) (《關於中國能源建設集團有限公司整體改制重組中離退休和內退人員相關費用有關問題的批復》(國資分配 [2014] 959號)) and "Reply on Issues Concerning Supplementary Provision of Relevant Expenses of Retired and Early Retired Personnel in Overall Restructuring and Listing of China Energy Engineering Group Co., Ltd." (Guo Zi Fen Pei [2015] No. 690) (《關於中國能源建設集團有限公司整體改制上市中補充計提離退休和內退人員相關費用有關問題的批復》(國資分配 [2015] 690號)). The expenses for early retired personnel and retired personnel borne by 920 Fund totaled RMB1.951 billion, which were used as the assets under the Defined Benefit Plans to offset present value of actuarial expenses. Energy China Group has deposited all the above 920 Fund into designated accounts of certain commercial banks in China and China Energy Engineering Group Finance Co., Ltd., a subsidiary of the Company, as time deposits. The above-mentioned 920 Fund related to the Company was recognized as the Company's receivables from Energy China Group, and the interest income generated by the time deposit portion of the receivables belongs to the Company. The receivables and related interest income are recognized as assets of the Company under the Defined Benefit Plans. The amount after offsetting the assets balance with the liabilities under the Defined Benefit Plans of the Company was shown in the balance sheet.

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

40. Long-term Employee Benefits Payable (continued)

(2) Changes in defined benefit plans (continued)

Explanation on key actuarial assumptions and sensitivity analysis results of defined benefit plans

The Company faces actuarial risks such as interest rate risk, welfare risk and average medical expense risk related to the Defined Benefit Plans:

Interest rate risk: the present value of Defined Benefit Plan liabilities is calculated with reference to the interest rate of the national debt as the discount rate. Therefore, the decrease in the national debt interest rate will lead to an increase in the amount of plan liabilities.

Benefit risk: the present value of Defined Benefit Plan liabilities is calculated based on the future benefit level of plan participants. As a result, if the benefits of program participants increase, the related liabilities will also increase.

Risk of average medical expenses: the present value of Defined Benefit Plan liabilities was calculated based on the average future medical expenses of plan participants. As a result, if the average future medical expenses of plan participants increase, the related liabilities will also increase.

The significant actuarial assumptions (by weighted average) adopted by the Company in estimating the present value of Defined Benefit Plan obligations are as follows:

Item	Amount for the period	Amount for the same period last year
Discount rate	2.50%-2.75%	2.50%-2.75%
Salaries for employees with early retirement and off-the-job injuries	4.50%	4.50%
Inflation rate of supplementary benefits	2.00%	2.00%
Inflation rate of retired employees, dependents of deceased employees and retired employee benefits	5.50%	5.50%

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

40. Long-term Employee Benefits Payable (continued)

(2) Changes in defined benefit plans (continued)

While keeping other assumptions unchanged, the following reasonable and possible changes in the assumptions will result in the increase or decrease of the Company's Defined Benefit Plan obligations. The details are as follows:

		Unit: '000 Currency: RMB
Item		Amount for the period
Discount rate		
Increased by 0.25%		-158,350
Decreased by 0.25%		164,960
Supplementary benefit ratio		
Increased by 1.00%		514,100
Decreased by 1.00%		447,760
Healthcare cost trend ratio		
Increased by 1.00%		148,710
Decreased by 1.00%		-127,230

Although the above analysis does not take into account the full projected cash flows under the Defined Benefit Plans, it still provides an approximate estimate of the sensitivity of the above assumptions.

The methodology and assumptions used in preparing the sensitivity analysis have not changed during the year.

41. Estimated Liabilities

				Unit: '000 Currency: RMB
Item	Opening balance	Closing balance	Reason	
Onerous contract to be performed	6,579	9,856		
Disposal fee	34,720	124,460	Mainly including environmental costs, rehabilitation costs of abandoned mines, etc.	
Other estimated losses	32,575	23,897		
Total	73,874	158,213	/	

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

42. Deferred Revenue

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance	Reason
Government grants	518,507	183,652	100,352	601,807	Government grants related to assets/income
Total	518,507	183,652	100,352	601,807	/

43. Others Non-current Liabilities

Unit: '000 Currency: RMB

Item	Closing balance	Opening balance
Taxes payable by oversea subsidiaries	350,258	155,070
Others	80,863	124,613
Total	431,121	279,683

44. Share Capital

Unit: '000 Currency: RMB

	Opening balance	Issuance of new shares	Increase or decrease (+, -)				Subtotal	Closing balance
			Bonus	Share conversion of provident fund	Others			
Total number of shares	41,691,164						41,691,164	

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

45. Other Equity Instruments

(1) Basic information on outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period

Unit: '000 Currency: RMB

Outstanding financial instruments	Issuance time	Accounting classification	Dividend rate or interest rate	Issue price	Number	Amount	Expiration date or renewal status
2021 3+N-year Perpetual Notes (RMB2 billion)	2021-10-27	Equity	3.67%	0.10	20,000,000	2,000,000	Issuer has the right to exercise renewal option after 3 years
2021 3+N-year perpetual notes (RMB1.5 billion)	2021-11-18	Equity	3.33%	0.10	15,000,000	1,500,000	Issuer has the right to exercise renewal option after 3 years
First tranche of medium-term notes in 2022 of China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司2022年度第一期中期票據)	2022-12-5	Equity	3.85%	0.10	30,000,000	3,000,000	Issuer has the right to exercise renewal option after 3 years
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (First Tranche) publicly issued by China Energy Engineering Group Co., Ltd. (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第一期))	2023-6-29	Equity	3.08%	0.10	10,000,000	1,000,000	Issuer has the right to exercise renewal option after 3 years
2023 Scientific and Technological Innovation Renewable Corporate Bonds for Professional Investors (Second Tranche) publicly issued by China Energy Engineering Group Co., Ltd. (中國能源建設股份有限公司2023年面向專業投資者公開發行科技創新可續期公司債券(第二期))	2023-10-24	Equity	3.25%	0.10	20,000,000	2,000,000	Issuer has the right to exercise renewal option after 3 years
Total					95,000,000	9,500,000	

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

45. Other Equity Instruments (continued)

(2) *Changes in outstanding preferred shares, perpetual bonds and other financial instruments at the end of the period*

Main terms:

For the capital instruments issued by the Company, at the end of the agreed initial period and the end of each renewal period, the Company has the right to exercise the option of renewal without limitation on the number of times. As long as there is no compulsory interest payment event, the Company has the right to choose to defer the payment of interest payments on each interest payment date, without limitation on the time and frequency of deferral, and it will not constitute a default of the Company.

The Company could not defer current distribution and all deferred distribution when any of the following compulsory interest payment events occur:

- to declare and pay dividend to shareholders;
- to reduce registered capital.

When any of the compulsory distribution payment events occur, the Company, as the case may be, shall make distribution to the holders of these capital instruments at the distribution rate as defined in the subscription agreements.

According to the terms of the above-mentioned capital instrument-related contracts, the coupon rate in subsequent cycles will be adjusted and reset accordingly.

The Company believes that the above-mentioned perpetual bond conforms to the definition of equity instrument, and recognizes the actual amount received after deducting the relevant transaction costs from the total issuance amount as equity, and the announced interest distribution in the future will be treated as profit distribution.

46. Capital Reserve

Item	Opening balance	Increase for the period	Decrease for the period	<i>Unit: '000</i>	<i>Currency: RMB</i>
				Closing balance	
Capital premium (Share premium)	16,840,282	843,015	5,492		17,677,805
Total	16,840,282	843,015	5,492		17,677,805

Other explanation, including changes in the current period and the reasons for the changes:

The share premium increased by RMB843,015,000 for the acquisition of 68.36% of shares of China Gezhouba Group Explosive Co., Ltd. (中國葛洲壩集團易普力股份有限公司) "Gezhouba Explosive" held by China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司), a subsidiary of the Company, by way of issuance of shares by Explosive Company (易普力股份有限公司), thereby realizing the spin-off of Gezhouba Explosive for reorganization and listing.

The decrease was attributable to the change in the proportion of minority shareholders of subsidiaries during the period, which resulted in a decrease in capital surplus of RMB1,944,000 for the corresponding difference in minority interests and share of net assets attributable to the subsidiaries; and a decrease of RMB3,548,000 for the merger of the enterprises under the same control with the EPPE Brazil Electric Technology Co., Ltd. (電規總院巴西電力技術有限公司).

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

47. Other Comprehensive Income

Unit: '000 Currency: RMB

Item	Opening balance	Amount before income tax for the period	Amount for the period				Amount attributable to the minority shareholders after tax	Closing balance
			Less: Amount transferred to profit or loss from other comprehensive income	Less: Amount transferred to retained earnings from other comprehensive income	Less: Income tax expense	Amount attributable to the parent after tax		
I. Other comprehensive income not to be reclassified into profit or loss	1,404,699	400,246		605,598	40,423	-262,801	17,026	1,141,898
Including: Changes of the re-measurement of defined benefit plans	1,033,338	7,793			857	4,010	2,926	1,037,348
Change in fair value of investments in other equity instruments	371,361	392,453		605,598	39,566	-266,811	14,100	104,550
II. Other comprehensive income to be reclassified into profit or loss	-644,656	552,824				467,173	85,651	-177,483
Including: Other comprehensive income that will be reclassified into profit or loss under the equity method								
Changes in fair value of other debt investments								
Financial assets reclassified into other comprehensive income								
Credit impairment provision for other debt investments								
Hedging reserves from cash flows								
Differences on translation of foreign currency financial statements	-644,656	552,824				467,173	85,651	-177,483
Total other comprehensive income	760,043	953,070		605,598	40,423	204,372	102,677	964,415

48. Special Reserve

Unit: '000 Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Production safety expenses	904,579	5,392,249	5,039,111	1,257,717
Total	904,579	5,392,249	5,039,111	1,257,717

Financial Report

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

49. Surplus Reserve

Item	Opening balance	Increase for the period	Decrease for the period	<i>Unit: '000</i>	<i>Currency: RMB</i>
				Closing balance	
Statutory surplus reserve	7,544,573	1,980,720			9,525,293
Total	7,544,573	1,980,720			9,525,293

50. Retained Earnings

Item	<i>Unit: '000</i>	<i>Currency: RMB</i>
	Current period	Last period
Retained earnings at the end of last period before adjustment	24,630,811	20,141,471
Total amount of retained earnings at the beginning of the adjustment period (increase +, decrease -)		-38,260
Retained earnings at the beginning of the period after adjustment	24,630,811	20,103,211
Add: Net profits attributable to shareholders of the parent during the current period	7,986,116	7,824,139
Other comprehensive income converted into retained earnings	605,598	-59,637
Other adjustments	28,835	
Less: Withdrawal of statutory surplus reserve	1,980,720	1,980,921
Withdrawal of discretionary surplus reserve		
Withdrawal of general risk reserve		
Perpetual bond interests payable	371,680	317,930
Dividends payable on ordinary shares	1,050,617	938,051
Dividends on ordinary shares converted into share capital		
Retained earnings at the end of the period	29,848,343	24,630,811

Details of adjustments to retained earnings at the beginning of the period:

- Due to the change in accounting policy, the impact on the opening retained earnings was RMB-39,654,000.
- Due to the change in consolidation scope under the common control, the impact on the beginning retained earnings was RMB1,394,000.
- At the 2022 Annual General Meeting of the Company held on 28 June 2023, the Proposal on the Distribution of the Company's 2022 Profit was considered and approved. Cash dividends totaling RMB1,050,617,000 were distributed to all shareholders during the period.
- The above distribution of ordinary dividends triggered the mandatory interest payment condition for the Company's perpetual bonds, and the Company distributed interest on perpetual bonds amounting to RMB371,680,000 for the year.
- Others represent the disposal of investments in other equity instruments by subsidiaries of the Company of RMB651,955,000 carrying forward to retained earnings and the decrease in acquisition of minority interests of RMB17,522,000.

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

51. Operating Income and Operating Costs

(1). Operating income and operating costs

Unit: '000 Currency: RMB

Item	Amount for current period		Amount for last period	
	Revenue	Cost	Revenue	Cost
Principal businesses	403,164,188	353,229,436	363,885,832	319,441,219
Other businesses	2,867,660	1,497,170	2,509,982	1,449,912
Total	406,031,848	354,726,606	366,395,814	320,891,131
Including: Revenue from contracts with customers	405,544,790	354,316,255	365,964,254	320,542,984

(2). Breakdown of operating income and operating costs

1) Breakdown of revenue from contracts with customers by type of goods or services

Unit: '000 Currency: RMB

Item	Amount for current period		Amount for last period	
	Revenue	Cost	Revenue	Cost
Survey, design and consulting services	18,971,148	11,409,981	17,280,459	10,085,385
Construction and contracting	325,497,435	298,879,101	286,146,291	263,097,728
Industrial manufacturing	29,304,090	23,627,513	26,633,003	21,827,475
Investment and operation	28,712,258	18,403,978	32,763,822	24,336,612
Other businesses	3,059,859	1,995,682	3,140,679	1,195,784
Total	405,544,790	354,316,255	365,964,254	320,542,984

2) Breakdown of revenue from contracts with customers by the time of transfer of services

Unit: '000 Currency: RMB

Item	Amount for the period	Amount for the same period last year
Revenue recognized at a point in time	46,246,029	49,841,535
Revenue recognized over a period of time	359,298,761	316,122,719
Subtotal	405,544,790	365,964,254

Financial Report

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

51. Operating Income and Operating Costs (continued)

(3). *Explanation on allocation to the remaining performance obligations*

The construction and contracting services provided by the Company generally constitute a single performance obligation as a whole, and is the performance obligation to be performed within a certain period of time. As of 31 December 2023, some of the construction and contracting business of the Company was still in the process of performance. The transaction prices allocated to the unfulfilled (or partially unfulfilled) performance obligations are related to the performance progress of the corresponding engineering construction contract, and will be recognized as revenue based on the performance progress over the future performance period of the corresponding engineering construction contract.

52. Taxes and Surcharges

Item	<i>Unit: '000 Currency: RMB</i>	
	Amount for current period	Amount for last period
Land appreciation tax	113,405	517,782
City maintenance and construction tax	252,439	253,715
Stamp duty	260,358	231,473
Property tax	227,613	209,763
Educational surcharge	189,672	184,773
Land use tax	107,337	96,731
Resource tax	36,824	42,289
Vehicle usage tax	4,573	3,947
Others	223,654	162,825
Total	1,415,875	1,703,298

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

53. Selling Expenses

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Employee benefits	724,219	655,757
Business expenses	385,888	342,882
Packaging expenses	91,348	100,542
Travel expenses	120,551	68,151
Agency fee for commissioned sales	20,998	54,883
Advertising and promotion expense	94,165	79,097
Others	463,180	386,005
Total	1,900,349	1,687,317

54. Administrative Expenses

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Employee benefits	9,071,852	8,923,691
Depreciation and amortization	1,563,391	1,545,615
Office and travel expenses	1,929,820	1,447,141
Professional service fee	573,057	493,163
Rental expenses	424,895	312,898
Labor cost	343,335	205,577
Others	845,814	794,194
Total	14,752,164	13,722,279

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

55. Research and Development Expenses

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Research and development material expenses	6,178,044	4,544,991
Labor expenses	5,655,960	4,711,298
Expenses for outsourcing research and development	339,189	366,747
Depreciation and amortization	156,207	175,365
Expenses for new product design	24,114	42,130
Other relevant expenses	626,641	601,106
Total	12,980,155	10,441,637

56. Finance Costs

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Interest expense	9,816,336	7,679,470
Less: Capitalized interest expense	3,916,375	2,061,467
Less: Interest income	1,309,435	612,327
Net exchange losses	-388,985	-799,129
Others	478,820	409,061
Total	4,680,361	4,615,608

57. Other Income

By Nature	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Government grants related to assets	25,269	187,042
Government grants related to income	520,908	909,141
Debt restructuring	10,159	6,422
Refund of commission for withholding individual income tax	12,376	10,894
Others	176,956	40,615
Total	745,668	1,154,114

Financial Report

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

58. Investment Income

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Income from long-term equity investment under equity method	-289,757	-542,101
Investment income generated from disposal of long-term equity investments	3,456	1,075,033
Investment income earned during the holding period of financial assets held for trading	133,651	116,786
Investment income from disposal of financial assets held for trading	-49,562	2,917
Dividend income generated from other equity instrument investments during the holding period	89,459	104,629
Fund occupation fee charged on non-financial enterprises	22,288	92,561
Derecognition of financial assets at amortized cost	-136,444	-166,658
Others	547,645	313,908
Total	320,736	997,075

59. Gains on Changes in Fair Value

Source of gains on change in fair value	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Financial assets held for trading	331,108	81,167
Derivative financial assets		-9,780
Total	331,108	71,387

60. Credit Impairment Losses

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Bad debts loss of accounts receivable	-1,563,137	-579,954
Bad debts loss of other receivables	-553,964	-369,760
Bad debts loss of long-term receivables	-14,112	-74,169
Bad debts loss of bills receivable	-17,808	-2,254
Other bad debts losses	-176,151	-13,224
Total	-2,325,172	-1,039,361

Financial Report

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

61. Assets Impairment Losses

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Inventory depreciation loss	-549,167	-494,445
Impairment loss on contract assets	-226,216	-984,134
Other long-term asset loss	-132,205	-4,511
Total	-907,588	-1,483,090

62. Gains from Disposal of Assets

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Gains from disposal of fixed assets	266,138	433,394
Gains from disposal of intangible assets	37,591	281,668
Gains from disposal of other assets	1,242	1,619
Total	304,971	716,681

63. Non-operating Income

Item	Amount for current period	Unit: '000 Currency: RMB	
		Amount for last period	Amount included in non-recurring profit or loss for the period
Compensation income and penalty gains	132,875	155,175	132,875
Unpayable amount	58,635	65,370	58,635
Gains from disposal of non-current assets	15,383	12,267	15,383
Others	101,902	91,003	101,902
Total	308,795	323,815	308,795

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

64. Non-operating Expenses

Item	Amount for current period	Unit: '000 Currency: RMB	
		Amount for last period	Amount included in non-recurring profit or loss for the period
Estimated loss on pending litigation	22,549	134,271	22,549
Compensation, liquidated damage and penalty expenses	132,102	171,608	132,102
Losses from damage and scrap of non-current assets	18,522	22,294	18,522
Donation	35,954	29,944	35,954
Others	135,162	39,984	135,162
Total	344,289	398,101	344,289

65. Income Tax Expenses

(1). Income tax expenses statement

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Current income tax expenses	2,941,806	3,134,307
Deferred income tax expenses	-186,746	120,573
Total	2,755,060	3,254,880

(2). Adjusting process for accounting profits and income tax expenses

Item	Unit: '000 Currency: RMB	
	Amount for current period	
Total profit	14,010,567	
Income tax expenses at applicable rates of the parent company	3,502,642	
Effects of different applicable tax rates on subsidiaries	-802,180	
Effects of non-taxable income	-351,690	
Effects of non-deductible costs, expenses and losses	158,047	
Effects of utilization of deductible loss arising from previously unrecognized deferred income tax assets	-431,006	
Effects of deductible temporary difference arising from unrecognized deferred income tax assets or deductible loss during the period	530,308	
Others	148,939	
Income tax expenses	2,755,060	

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

66. Other Comprehensive Income

See Note VII. 47 for details.

67. Items in Statement of Cash Flows

(1). Cash related to operating activities

Other cash received related to operating activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Government grants	663,685	824,366
Others	273,397	292,449
Total	937,082	1,116,815

Other cash paid related to operating activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Deposits, guarantees and advances	3,260,286	3,184,003
Office water and electricity	1,022,712	870,294
Professional service fee	571,901	736,933
Travel expenses	685,625	414,663
Expenses for outsourcing research and development	337,938	381,747
Business expenses	389,108	342,882
Compensation, liquidated damage and penalty expenses	132,103	171,608
Three Supply and One Industry	166,126	126,797
Agency fee for commissioned sales	20,998	54,883
Insurance premiums	50,892	45,879
Other	1,015,122	843,413
Total	7,652,811	7,173,102

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

67. Items in Statement of Cash Flows (continued)

(2). Cash related to investing activities

Other cash received related to investing activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Recovery of investment cooperation payments	1,066,775	2,585,797
Time deposits of more than three months	432,176	650,159
Pledged deposits	77,306	117,693
Others	1,611,283	10,278
Total	3,187,540	3,363,927

Other cash paid related to investing activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Time deposits of more than three months	952,140	1,264,772
Payment for investment cooperation payments	2,647,309	1,892,037
Pledged deposits	62,962	95,679
Others	235,179	919,777
Total	3,897,590	4,172,265

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

67. Items in Statement of Cash Flows (continued)

(3). Cash related to financing activities

Other cash received related to financing activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Receipt of fund borrowings	4,264,430	1,482,870
Others	95,676	370,369
Total	4,360,106	1,853,239

Other cash paid related to financing activities

Item	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
Repayment of perpetual financial instruments	5,000,000	18,000,000
Repayment of fund borrowings	3,203,052	1,841,499
Payment of lease rentals	580,012	991,039
Payment of lease interest expenses	121,303	96,078
Others	866,490	
Total	9,770,857	20,928,616

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

68. Supplementary Information to the Statement of Cash Flows

(1). Supplementary information to the statement of cash flows

Supplementary information	Unit: '000 Currency: RMB	
	Amount for current period	Amount for last period
1. Adjustment of net profit to cash flows of operating activities:		
Net profits	11,255,507	10,422,184
Add: Provision for asset impairment	3,232,760	2,522,450
Credit impairment loss		
Depreciation of fixed assets, consumption of oil and gas assets, depreciation of productive biological assets	4,147,958	3,318,209
Amortisation of right-of-use assets	517,454	456,153
Amortisation of intangible assets	2,311,983	1,999,823
Amortisation of long-term prepaid expenses	413,455	845,991
Loss from disposal of fixed assets, intangible assets and other long-term assets (gain represented by "-")	-304,971	-716,681
Losses from retirement of fixed assets (gain represented by "-")	3,139	8,075
Losses due to changes in fair value (gain represented by "-")	-331,108	-71,387
Financial costs (gain represented by "-")	4,680,361	4,615,608
Investment loss (gain represented by "-")	-320,736	-997,075
Decrease in deferred income tax assets (increase represented by "-")	-518,270	56,766
Increase in deferred income tax liabilities (decrease represented by "-")	331,524	77,676
Decrease in inventories (increase represented by "-")	-6,576,609	-2,771,782
Decrease in operating receivables (increase represented by "-")	-49,829,911	-47,937,339
Increase in operating payables (decrease represented by "-")	40,473,496	36,108,090
Others		
Net cash flows generated from operating activities	9,486,032	7,936,761
2. Major investment and financing activities not involved cash receipts and payments:		
Conversion of debt to capital		
Convertible corporate bonds due within one year		
Financing leased fixed assets		
3. Net change in cash and cash equivalents:		
Closing balance of cash	68,136,020	64,008,702
Less: Opening balance of cash	64,008,702	52,208,387
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	4,127,318	11,800,315

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

68. Supplementary Information to the Statement of Cash Flows (continued)

(2). Composition of cash and cash equivalents

Item	<i>Unit: '000 Currency: RMB</i>	
	Closing balance	Opening balance
I. Cash	68,136,020	64,008,702
Including: Cash on hand	25,239	68,744
Bank deposits available for payment	68,110,781	63,939,958
Other currency available for payment		
Deposits with central bank available for payment		
Deposits with other banks		
Loans from other banks		
II. Cash equivalents		
Including: Bond investments due within 3 months		
III. Balance of cash and cash equivalents at the end of the period	68,136,020	64,008,702
Including: Restricted cash and cash equivalents used by the Company or subsidiaries within the Group		

69. Notes to Items of Statements of Changes in Owners' Equity

Explanation on item names and adjusted amounts of "others" item adjusted for the closing balance of the previous year:

The adjustment to other factors of retained earnings at the end of the year refers to the transfer to retained earnings from the disposal of investments in other equity instruments by subsidiaries of the Company due to changes in fair value recognized in other comprehensive income.

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

70. Foreign Currency Monetary Items

Unit: RMB'000

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Monetary funds			12,371,302
Including: US Dollar	1,331,044	7.0827	9,427,432
Euro	145,442	7.8592	1,143,055
Hong Kong Dollar	262,551	0.9062	237,926
Uzbekistan UZS	196,867,231	0.0006	119,019
Indonesian Rupiah	100,423,627	0.0005	46,332
South African Rand	118,207	0.3819	45,144
Pakistan Rupee	1,755,555	0.0251	44,161
Others			1,308,233
Accounts receivable			261,851
Including: US Dollar	21,149	7.0827	149,791
Bangladesh Taka	7,336	0.0650	477
Pakistan Rupee	253,973	0.0251	6,375
Serbian Dinar	1,359,469	0.0667	90,677
Indonesian Rupiah	12,432,588	0.0005	5,731
Others			8,800
Other receivables			129,734
Including: US Dollar	9,172	7.0827	64,963
Bangladesh Taka	440,471	0.0650	28,631
UAE Dirham	9,766	1.9326	18,874
Others			17,266
Non-current assets due within one year			367,792
Including: Brazilian Real	250,967	1.4655	367,792

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

70. Foreign Currency Monetary Items (continued)

Item	Balance of foreign currency at the end of the period	Exchange rate	Balance in RMB equivalent at the end of the period
Other current assets			2,198
Including: Indonesian Rupiah	3,573,029	0.0005	1,941
Uzbekistan UZS	428,771	0.0006	257
Other non-current assets			247,418
Including: West African Franc	669,193	0.0120	8,030
Others			239,388
Long-term receivables			5,336,854
Including: Brazilian Real	3,641,661	1.4655	5,336,854
Accounts payable			657,225
Including: US Dollar	61,801	7.0827	437,719
UAE Dirham	33,355	1.9326	64,461
Vietnam Dong	195,202,963	0.0003	57,153
Indonesian Rupiah	45,899,524	0.0005	20,927
Others			76,965
Other payables			316,822
Including: US Dollar	33,869	7.0827	239,883
Pakistan Rupee	1,280,412	0.0251	32,138
West African Franc	1,485,097	0.0120	17,821
UAE Dirham	5,198	1.9326	10,045
Others			16,935
Non-current liabilities due within one year			250,869
Including: Brazilian Real	171,183	1.4655	250,869
Long-term borrowings			48,254
Including: US Dollar	6,813	7.0827	48,254

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

71. Directors', Chief Executives', Supervisors' and Employees' Emoluments

Unit: '000 Currency: RMB

Personnel	Directors' fee	Salaries and other allowance	Discretionary bonus	Retirement benefit scheme contribution	Share based compensation under restricted share incentive scheme	Total
For the year ended 31 December 2023						
Executive directors and chief executives						
SONG Hailiang		439	639	63		1,141
SUN Hongshui		335	160	47		542
MA Mingwei		424	575	63		1,062
Subtotal		1,198	1,374	173		2,745
Non-executive directors						
LI Shulei						
LIU Xueshi						
SI Xinbo						
Independent non-executive directors						
ZHAO Lixin	80					80
CHENG Niangao	80					80
NGAI Wai Fung	80	43				123
Subtotal	240	43				
Supervisors						
HE Jiansheng		569	532	63		1,164
WU Daozhuan		563	505	63		1,131
KAN Zhen		472	460	47		979
MAO Fengfu						
LV Shisen						
Subtotal		1,604	1,497	173		3,274
Total	240	2,845	2,871	346		6,302

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

71. Directors', Chief Executives', Supervisors' and Employees' Emoluments (continued)

Unit: '000 Currency: RMB

Personnel	Directors' fee	Salaries and other allowance	Discretionary bonus	Retirement benefit scheme contribution	Share based compensation under restricted share incentive scheme	Total
For the year ended 31 December 2022						
Executive directors and chief executives						
SONG Hailiang		283	975	58		1,316
SUN Hongshui		283	1,035	58		1,376
MA Mingwei		259	1,123	58		1,440
Subtotal		825	3,133	174		4,132
Non-executive directors						
LI Shulei						
LIU Xueshi						
SI Xinbo						
Independent non-executive directors						
ZHAO Lixin	80					80
CHENG Niangao	80					80
NGAI Wai Fung	80		48			128
Subtotal	240		48			288
Supervisors						
HE Jiansheng		444	457	58		959
WU Daozhuan		440	422	58		920
KAN Zhen		429	422	58		909
MAO Fengfu		400	387	58		845
LV Shisen						
Subtotal		1,713	1,688	232		3,633
Total	240	2,538	4,869	406		8,053

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

71. Directors', Chief Executives', Supervisors' and Employees' Emoluments (continued)

The discretionary bonus is determined by the remuneration committee in accordance with the relevant human resources policies.

Five highest paid individuals

Details of the remuneration of the five highest paid individuals during the year are as follows:

	<i>Unit: '000 Currency: RMB</i>	
	2023	2022
Basic salaries and other allowances	2,594	1,319
Discretionary bonus	2,756	5,793
Retirement benefit scheme contributions	315	289
Total	5,665	7,400

The number of the five highest paid individuals whose remuneration fell within the following bands is as follows:

	2023	2022
Hong Kong Dollar ("HKD") 1,000,001 to HKD1,500,000	5	
HKD1,500,001 to HKD2,000,000		5
Total	5	5

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VIII. RESEARCH AND DEVELOPMENT EXPENSES

Unit: '000 Currency: RMB

Item	Amount for current period	Amount for last period
Research and development material expenses	6,178,044	4,544,991
Labor expenses	5,716,952	4,723,433
Expenses for outsourcing research and development	339,189	366,747
Depreciation and amortization	156,207	175,365
Expenses for new product design	24,114	42,130
Other relevant expenses	626,642	601,105
Total	13,041,148	10,453,771
Including: Research and development expenses	12,980,155	10,441,637
Capitalized research and development expenses	60,993	12,134

IX. CHANGES ON SCOPE OF COMBINATION

1. Business Combination Not under Common Control

(1). Business combination not under common control during the period

Unit: '000 Currency: RMB

Name of acquiree	Date of equity acquisition	Cost of equity acquisition	Proportion of equity acquisition (%)	Method of equity acquisition	Acquisition date	Determination basis of acquisition date	Revenue of acquiree from the acquisition date to the end of the period	Net profit of acquiree from the acquisition date to the end of the period
Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡阳市宏泰民用爆破器材有限责任公司)	2023/1/16	668	10.00	Acquisition of equity	2023/1/16	Transfer of control	62,496	-102
Explosive Co., Ltd. (易普力股份有限公司)	2023/1/12	2,828,931	100.00	Acquisition of equity	2023/1/1	Date of acquiring decision-making power over production and operation of the Company	2,327,065	86,378

Other explanation:

Explosive Co., Ltd. (易普力股份有限公司) (formerly known as Nanling Industry Explosive) held 43% equity interest in Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡阳市宏泰民用爆破器材有限责任公司) before 16 January 2023, and acquired 10% equity interest therein on 16 January 2023. In January 2023, former Nanling Industry Explosive had actual control over the operation and decision-making over Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡阳市宏泰民用爆破器材有限责任公司), and the merger date was 16 January 2023.

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

1. Business Combination Not under Common Control (continued)

(2). Combination costs and goodwill

Unit: '000 Currency: RMB

Combination costs	Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡陽市宏泰民用爆破 器材有限責任公司)	Explosive Co., Ltd. (易普力股份有限公司)
- Cash	668	
- Fair value of non-cash assets		
- Fair value of debts issued or assumed		
- Fair value of equity securities issued		2,828,931
- Fair value of contingent consideration		
- Fair value at the acquisition date of equity held before the acquisition date	2,754	
- Others		
Combination costs in total	3,422	2,828,931
Less: Fair value of net identifiable assets acquired	3,250	2,442,815
Differences between goodwill/combination costs and fair value of net identifiable assets acquired	172	386,116

Determination basis of the fair value of combination costs:

In the reorganization transaction, former Nanling Industry Explosive issued 752,005,914 shares to the shareholders of Gezhouba Explosive (CGGC, Pangang Mining and the 23 Natural Persons), and the number of shares of former Nanling Industry Explosive was 371,287,000 shares prior to the completion of the transaction. The combination cost was determined based on the fair value of Gezhouba Explosive on the acquisition date, the shares issued to the shareholders of Gezhouba Explosive (Gezhouba, Pangang Mining and the 23 Natural Persons) in the transaction and the number of shares held by original shareholders of Nanling Industry Explosive.

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

1. Business Combination Not under Common Control (continued)

(2). *Combination costs and goodwill (continued)*

Main reasons for large goodwill:

After the counter purchase, original shareholders of Gezhouba Explosive (the subsidiary in law) held 66.95% shares of the original listed company (the parent company in law), and former Nanling Industry Explosive acquired 668,793,726 shares of 700,000,000.00 existing shares of Gezhouba Explosive. That means Gezhouba Explosive shall simulate issuing 330,151,346.44 shares to acquire former Nanling Industry Explosive.

Former Nanling Industry Explosive engaged Beijing China Enterprise Appraisals Co., Ltd. to appraise the fair value of Gezhouba Explosive on the acquisition date, and the appraised value was RMB5,998,012,000. Therefore, the theoretical combination cost for the acquisition of former Nanling Industry Explosive by Gezhouba Explosive is RMB2,828,931,000.

Former Nanling Industry Explosive engaged Beijing China Enterprise Appraisals Co., Ltd. to appraise the fair value of the businesses of original listed company with 1 January 2023 as the base date. The appraised value of all shareholders' equity is RMB2,442,815,000.

The relevant identifiable assets and liabilities of former Nanling Industry Explosive are consolidated at their fair values determined at the acquisition date when they are consolidated into the consolidated financial statements. The excess of combination cost of RMB2,828,931,000 over the fair value of RMB2,442,815,000 of net identifiable assets of the acquiree in the combination is recognised as goodwill of RMB386,116,000.

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

1. Business Combination Not under Common Control (continued)

(3). Identifiable assets and liabilities of the acquiree on the acquisition date

Unit: '000 Currency: RMB

	Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡陽市宏泰民用爆破 器材有限責任公司)		Explosive Co., Ltd. (易普力股份有限公司)	
	Fair value at the acquisition date	Carrying amount at the acquisition date	Fair value at the acquisition date	Carrying amount at the acquisition date
Cash at bank and on hand	643	643	494,406	494,406
Accounts receivable	7,233	7,233	530,945	530,945
Fixed assets	3,694	3,694	1,199,767	1,083,258
Intangible assets			856,774	345,911
Investment properties			56,041	23,217
Prepayments	2,192	2,192	46,967	46,967
Accounts payable	4,107	4,107	231,762	231,762
Contract liabilities	3,098	3,098	36,888	36,888
Employee benefits payable	1	1	63,530	63,530
Taxes payable	42	42	49,227	49,227
Other current liabilities	381	381	54,322	54,322
Deferred income tax liabilities			143,217	30,482
Net assets	6,133	6,133	2,518,037	1,970,577
Less: Minority interests	2,882	2,882	75,222	62,059
Net assets acquired	3,251	3,251	2,442,815	1,908,518

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

1. Business Combination Not under Common Control (continued)

(4). Gains or losses generated from re-measuring the equity interests held prior to the acquisition date at fair value

Whether there was a transaction in which business combination was achieved in stages through multiple transactions and control was obtained during the Reporting Period

Unit: Yuan Currency: RMB

Name of acquiree	Acquisition date of original equity held before the acquisition date	Acquisition proportion of original equity held before the acquisition date (%)	Acquisition cost of original equity held before the acquisition date	Acquisition method of original equity held before the acquisition date	Carrying amount of original equity held before the acquisition date	Fair value of original equity held before the acquisition date	Gains or losses arising from remeasurement of original equity held before the acquisition date at the fair value	Method of determining the fair value of original equity held before the acquisition date at the acquisition date and key assumption	Amount of other consolidated revenue which is related to the original equity held before the acquisition date and stated as investment gains or retained earnings
Hengyang Hongtai Civil Explosive Equipment Co., Ltd. (衡阳市宏泰民用爆破器材有限责任公司)					2,754	2,754		Valuation method	

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

2. Business Combination under Common Control

(1). Business combination under common control during the period

Unit: '000 Currency: RMB

Name of combined party	Proportion of equity acquired in business combination	Basis for the business combination under common control	Combination date	Determination basis of combination date	Revenue of combined party from the beginning of the period of combination to the combination date	Net profit of combined party from the beginning of the period of combination to the combination date	Revenue of combined party for the comparative period	Net profit of combined party for the comparative period
EPPE Brazil Electric Technology Co., Ltd. (電規總院巴西電力技術有限公司)	51.00%	Common ultimate controller	2023/9/30	Completion of industrial and commercial registration of equity change	1,750	1,064	1,983	1,592

(2). Combination costs

Unit: '000 Currency: RMB

Combination costs	EPPE Brazil Electric Technology Co., Ltd. (電規總院巴西電力技術有限公司)
– Cash	4,025
– Carrying amount of non-cash assets	
– Carrying amount of debts issued or assumed	
– Face value of equity securities issued	
– Contingent consideration	

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

2. Business Combination under Common Control (continued)

(3). Carrying amount of assets and liabilities of the combined party on the combination date

Unit: '000 Currency: RMB

EPPE Brazil Electric Technology Co., Ltd.
(電規總院巴西電力技術有限公司)

	Combination date	End of the previous period
Assets:	10,317	8,505
Cash at bank and on hand	9,428	7,762
Accounts receivable	417	122
Prepayments	359	583
Other receivables	113	38
Liabilities:	1,364	1,550
Accounts payable	31	33
Contract liabilities	311	641
Taxes payable	166	77
Other payables	856	799
Net assets	8,953	6,955
Less: Minority interests		
Net assets acquired	8,953	6,955

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IX. CHANGES ON SCOPE OF COMBINATION (CONTINUED)

3. Disposal of Subsidiaries

Whether there was any transaction or event that results in loss of control over subsidiaries during the period

Unit: '000 Currency: RMB

Name of subsidiary	Time point of losing control	Disposal price at the time point of losing control	Proportion of disposal at the time point of losing control (%)	Disposal method at the time point of losing control	Basis for determining the time point of losing control	Difference between the disposal price and the share of the subsidiary's net assets at the level of the consolidated financial statement corresponding to the disposal of the investment	Percentage of remaining equity at the date of loss of control (%)	Carrying amount of remaining equity at the level of the consolidated financial statement at the date of loss of control	Fair value of remaining equity at the level of the consolidated financial statement at the date of loss of control	Gains or losses arising from remeasurement of remaining equity at the fair value	Method of determining the fair value of remaining equity at the level of the consolidated financial statement at the date of loss of control and key assumption	Amount of other consolidated revenue which is related to the original equity investment in subsidiary and stated as investment gains/losses or retained earnings
Human Fluxin Technology Co., Ltd. (湖南奈欣科技有限责任公司)	2023/1/5	2,133	30.00	Passive loss of control due to capital increase by the third party	Transfer of control	1,728	30.00	405	2,133	1,728	Appraisal value	

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X. EQUITY IN OTHER ENTITIES

1. Equity in Subsidiaries

(1). Constitution of enterprise group

Unit: '000 Currency: RMB

Name of subsidiary	Principal place of business	Registered capital	Place of registration	Nature of business	Shareholding ratio (%)		Method of acquisition
					Direct	Indirect	
China Gezhouba Group Company Limited (中國葛洲壩集團有限公司)	Hubei Province, the PRC	3,415,309	Hubei Province, the PRC	Construction, civilian blasting, cement sales and real estate development	100.00		Establishment
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	Beijing, the PRC	2,097,370	Beijing, the PRC	Survey, design and engineering contract	100.00		Establishment
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	Beijing, the PRC	3,883,723	Beijing, the PRC	Survey, design and engineering contract	100.00		Establishment
China Energy Engineering Group North Construction and Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	Tianjin, the PRC	5,000,000	Tianjin, the PRC	Construction and engineering, investment holding	100.00		Establishment
China Energy Engineering Group Eastern Construction and Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	Shanghai, the PRC	5,000,000	Shanghai, the PRC	Construction and engineering, investment holding	100.00		Establishment
China Energy Engineering Group Southern Construction and Investment Co., Ltd. (中國能源建設集團南方建設投資有限公司)	Guangdong Province, the PRC	5,000,000	Guangdong Province, the PRC	Construction and engineering, investment holding	100.00		Establishment
China Energy Engineering Group Northwest Construction and Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	Shaanxi Province, the PRC	2,500,000	Shaanxi Province, the PRC	Construction and engineering, investment holding	100.00		Establishment
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	Beijing, the PRC	6,000,000	Beijing, the PRC	Project investment, asset management	100.00		Establishment
China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司)	Beijing, the PRC	5,000,000	Beijing, the PRC	Supply chain management, software development	100.00		Establishment
China Energy International Group Co., Ltd. (中能建國際建設有限公司)	Beijing, the PRC	7,000,000	Beijing, the PRC	Construction and engineering, investment holding	100.00		Establishment

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate

(1). Significant joint ventures or associates

Name of joint venture or associate	Principal place of business	Place of registration	Nature of business	Shareholding ratio (%)		Accounting treatment for investment in joint venture or associate
				Direct	Indirect	
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Real estate development and investment	50.00		Equity method
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司) ^(Note)	Jiangsu Province, the PRC	Jiangsu Province, the PRC	Investment and operation of infrastructure	70.00		Equity method
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Real estate development and investment	49.00		Equity method
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)	Guangdong Province, the PRC	Guangdong Province, the PRC	Real estate development and investment	49.00		Equity method
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Shaanxi Province, the PRC	Shaanxi Province, the PRC	Expressway investment and operation	40.00		Equity method
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Guangxi Province, the PRC	Guangxi Province, the PRC	Expressway investment and operation	40.00		Equity method
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Real estate development and investment	40.00		Equity method
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	Beijing City, the PRC	Beijing City, the PRC	Real estate development and investment	45.00		Equity method
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Xinjiang Autonomous Region, the PRC	Xinjiang Autonomous Region, the PRC	Power operation	49.00		Equity method
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Hubei Province, the PRC	Hubei Province, the PRC	Expressway investment and operation	49.00		Equity method

Explanation on the shareholding ratio in joint ventures or associates being different from the voting rights ratio therein:

Note: Pursuant to the joint venture agreement, the board of directors of the entity comprises 3 directors, 1 of whom are appointed by the Company. According to the articles of association of the company, all of its major operating decisions shall be approved by all directors, and the Company and the shareholders of the company jointly control the company. Therefore, the company is accounted for as a joint venture under the equity method.

The basis of holding less than 20% voting rights but with significant influence, or the basis of holding 20% or more voting rights but with insignificant influence:

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(2). Main financial information of significant joint ventures

Unit: '000 Currency: RMB

	Closing balance/Amount for the current period		Opening balance/Amount for the last period	
	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲 壩龍湖房地產 開發有限公司)	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市 地下空間綜合建設 開發有限公司)	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲 壩龍湖房地產 開發有限公司)	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市 地下空間綜合建設 開發有限公司)
Current assets	3,290,206	367,987	3,417,625	514,293
Including: Cash and cash equivalents	81,129	27,518	180,077	210,864
Non-current assets	1,809,240	9,794,931	1,901,781	9,096,498
Total assets	5,099,446	10,162,918	5,319,406	9,610,791
Current liabilities	33,025	2,966,999	281,230	3,160,797
Non-current liabilities		5,316,076	75,000	4,829,317
Total liabilities	33,025	8,283,075	356,230	7,990,114
Shareholders' equity attributable to the parent company	5,066,421	1,879,843	4,963,176	1,620,677
Share in net assets calculated by shareholding ratio	2,533,210	1,315,891	2,481,588	1,134,473
Carrying amount of equity investment in the joint venture	2,487,124	1,316,098	2,533,210	1,156,786
Fair value of equity investment in joint venture which has public offer				
Operating income	429,934	724	493,976	733
Net profit	-2,146	7	103,245	5

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(2). Main financial information of significant joint ventures (continued)

	Closing balance/Amount for the current period		Opening balance/Amount for the last period	
	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產 開發有限公司)	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產 開發有限公司)	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產 開發有限公司)	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產 開發有限公司)
Current assets	2,504,441	2,113,778	2,526,419	2,099,430
Including: Cash and cash equivalents	42,499	164,957	148,255	175,132
Non-current assets	60	53	2,707	61
Total assets	2,504,501	2,113,831	2,529,126	2,099,491
Current liabilities	58,047	366,922	137,034	355,415
Non-current liabilities				
Total liabilities	58,047	366,922		
Shareholders' equity attributable to the parent company	2,446,454	1,746,909	2,392,092	1,744,076
Share in net assets calculated by shareholding ratio	1,198,762	855,985	1,172,125	854,597
Carrying amount of equity investment in the joint venture	1,198,762	855,985	1,172,125	854,597
Operating income	3,569	5,107	7,029	9,633
Net profit	48,344	2,832	1,863	3,552

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates

Unit: '000 Currency: RMB

	Closing balance/Amount for the current period		Opening balance/Amount for the last period	
	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)
Current assets	1,610,467	333,469	1,709,948	639,152
Non-current assets	21,864,925	27,805,942	22,202,871	26,791,213
Total assets	23,475,392	28,139,411	23,912,819	27,430,365
Current liabilities	1,386,903	2,444,768	1,681,388	4,206,819
Non-current liabilities	16,836,984	19,920,281	16,500,710	17,974,008
Total liabilities	18,223,887	22,365,049	18,182,098	22,180,827
Shareholders' equity attributable to the parent company	5,251,505	5,774,362	5,730,721	5,249,538
Share in net assets calculated by shareholding ratio	2,100,602	2,309,745	2,292,288	2,099,815
Carrying amount of equity investment in the associate	2,101,305	2,353,705	2,293,092	2,114,554
Operating income	319,542	136,662	328,996	
Net profit	-479,468	409,512	-139,400	

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates (continued)

	Closing balance/Amount for the current period		Opening balance/Amount for the last period	
	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)
Current assets	2,170,619	8,199,969	5,371,956	5,086,137
Non-current assets	108,812	38,798	117,211	19,236
Total assets	2,279,431	8,238,767	5,489,167	5,105,373
Current liabilities	554,176	6,027,124	1,255,830	2,930,806
Non-current liabilities	6,235	28,508	5,428	2,116
Total liabilities	560,411	6,055,632	1,261,258	2,932,922
Minority interests				
Shareholders' equity attributable to the parent company	1,719,021	2,183,135	4,227,909	2,172,451
Share in net assets calculated by shareholding ratio	687,608	982,411	1,691,163	977,603
Carrying amount of equity investment in the associate	687,608	982,411	1,691,163	977,603
Operating income	824,269	286,771	234,419	39,982
Net profit	-41,306	-5,915	39,946	-47,440

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Interests in the Joint Venture or Associate (continued)

(3). Main financial information of significant associates (continued)

	Closing balance/Amount for the current period		Opening balance/Amount for the last period	
	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)
Current assets	553,785	443,738	662,744	1,290,644
Non-current assets	4,597,695	10,568,342	3,369,893	5,903,799
Total assets	5,151,480	11,012,080	4,032,637	7,194,443
Current liabilities	127,913	7,245	117,661	6,443
Non-current liabilities	1,440,000	8,750,000	670,000	5,690,000
Total liabilities	1,567,913	8,757,245	787,661	5,696,443
Minority interests				
Shareholders' equity attributable to the parent company	3,583,567	2,254,835	3,244,976	1,498,000
Share in net assets calculated by shareholding ratio	1,755,948	1,104,869	1,525,139	734,020
Carrying amount of equity investment in the associate	1,180,536	1,085,149	855,224	760,000
Operating income		22,650		
Net profit		-3,165		

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X. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Interests in Structured Entities not Included in the Scope of Consolidated Financial Statements

Explanation on structured entities not included in the scope of consolidated financial statements:

1. *General information of structured entities not included in the scope of consolidated financial statements*

The Company has participated in the establishment of several fund products or partnerships, which are structured entities that are not included in the consolidation scope of the Company. As at 31 December 2023, the total investment amount of the above structured entities was approximately RMB105,156,300,000. Among them, the subscription amount of the Company was approximately RMB40,668,590,000, and the actual subscription amount paid by the Company was approximately RMB10,606,844,000, which were accounted for as long-term equity investment in associates and joint ventures, other non-current financial assets or other equity instrument investments respectively. The Company's maximum risk exposure in these structured entities at the end of each year was the amount of capital contributed by the Company as of the end of each year. The Company has no obligation or intention to provide financial support to the structured entities.

2. *Asset-backed securities issued*

The Company issued certain asset-backed securities, and the Company held some subordinate tranche of the relevant asset-backed securities. As at 31 December 2023, the subordinated tranche of the above asset-backed securities held by the Company was RMB207,000,000, which were accounted for as held-for-trading financial assets or other non-current financial assets. The Company undertakes liquidity replenishment obligations for the principal and fixed income of some of the above asset-backed securities in priority order. Since the Company only holds some inferior tranche, and the possibility of undertaking liquidity supplement in the future is evaluated to be low, these special plans and trusts are not included in the scope of combination of the Group.

XI. GOVERNMENT GRANTS

1. Items of Liabilities Involving Government Grants

Unit: '000 Currency: RMB

Item of financial statement	Opening balance	Additions of grants for the period	Amount included in non-operating income for the period	Transferred to other income for the period	Other changes for the period	Closing balance	Related to assets/income
Deferred income	318,140	124,233	1,651	25,269		415,453	Related to assets
Deferred income	200,367	59,419	22	73,410		186,354	Related to income
Total	518,507	183,652	1,673	98,679		601,807	/

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XI. GOVERNMENT GRANTS (CONTINUED)

2. Government Grant Included in Current Profit and Loss

Unit: '000 Currency: RMB

Type	Amount for current period	Amount for last period
Amount of government grants included in other income	546,177	1,096,183
Amount of government grants included in non-operating income	38,836	
Total	585,013	1,096,183

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS

Risks of Financial Instruments

The Company aims to seek balance between the risks and benefits, minimize negative impact of risks on the operating performance of the Company, and maximize the interests of shareholders and other equity investors. Based on such risk management objective, the basic strategy of the Company's risk management is to identify and analyze various risks faced by the Company, establish appropriate risk tolerance bottom line and carry out risk management, and supervise various risks in a timely and reliable manner, and control risks within limited range.

The Company faces various risks related to financial instruments in daily activities, mainly including credit risk, liquidity risk, market risk and other price risks. The management has reviewed and approved policies to manage these risks, which are summarized below.

(I) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

1. Credit risk management practices

(1) Credit risk assessment method

The Company assesses whether or not the credit risk of the relevant financial instruments has increased significantly since the initial recognition at each balance sheet date. While determining whether the credit risk has significantly increased since initial recognition or not, the Company takes into account the reasonable and substantiated information that is accessible without exerting unnecessary cost or effort, including qualitative and quantitative analysis based on the historical data, external credit risk rating and forward-looking information. Based on the single financial instrument or the combination of financial instruments with similar characteristics of credit risk, the Company compares the risk of default of financial instruments on the balance sheet date with that on the initial recognition date in order to figure out the changes of default risk in the expected lifetime of financial instruments.

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XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(I) Credit Risk (continued)

1. Credit risk management practices (continued)

(1) Credit risk assessment method (continued)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative and qualitative criteria have been met:

- 1) Quantitative criteria are mainly that the probability of default of the remaining duration of the balance sheet date rises by more than a certain proportion compared with the initial recognition;
- 2) Qualitative criteria include major adverse changes in the debtor's business or financial situation, existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

(2) Definition of default and credit-impaired financial asset

When a financial instrument meets one or more of the following conditions, the Company considers the financial asset to be in default, and the criteria are consistent with the definition of credit-impaired assets:

- 1) Major financial difficulties occur to the debtor;
- 2) The debtor breaches the restrictive clauses on the debtor under the contract;
- 3) The debtor is likely to go bankrupt or undergo other financial restructuring;
- 4) The creditor gives the debtor concessions in no other case for economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit losses

The key parameters for the measurement of expected credit losses include default probability, default loss rate and default risk exposure. Considering the quantitative analysis and forward-looking information of historical statistical data (such as counterparty ratings, guarantees and collateral types, repayment methods), the Company establishes a default probability, default loss rate and default risk exposure model.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Save for the financial guarantees given by the Company as set out in note in the financial report, the Company does not provide any other guarantees which would expose the Company to credit risk. The maximum exposure to credit risk for the above financial guarantees on the balance sheet date is disclosed in note in the financial report.

The Company's credit risk is primarily attributable to cash at bank and on hand, accounts receivable, contract assets and other receivables. Exposure to these credit risks is monitored by management on an ongoing basis. In order to control the above related risks, the Company has taken the following measures.

Financial Report

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(I) Credit Risk (continued)

2. Measurement of expected credit losses (continued)

(1) Cash at bank and on hand

The Company places bank deposits and other monetary capital in financial institutions with high credit ratings, as a result of which its credit risks are low.

(2) Accounts receivable and contract assets

Since the Company's risk exposure to account receivables and contract assets are from many partners and customers, as at 31 December 2023, 5.82% of the balance of accounts receivable and contract assets of the Company were due from the five largest customers of the Group, the Company exposed no significant concentrations of credit risk.

The maximum credit risk exposed to the Company was the book value of each financial assets in the balance sheet.

The Company measures the provision for impairment of accounts receivable and contract assets based on the lifetime ECL. According to the historical credit loss experience of the Company, different types of customers have different loss patterns. Therefore, the impairment provision based on the past arrears status is further divided into central enterprises directly supervised by the SASAC, state-owned enterprises and local governments as well as private enterprises and others according to the characteristics of common credit risk, and each type of customer has different expected loss rate. For BOT project payment, the main customers include national, provincial and local government agencies with reliable and good reputation. The credit risk of such customers is relatively low, and the Company considers the amount of default losses to be limited with reference to the market value of relevant items.

For details of accounts receivable and contract assets, please refer to relevant disclosures in Note V. 11, Note VII. 4 and Note VII. 5.

(3) Other receivables and loans

For the capital lent by the Company to associates and fellow subsidiaries, the Company considers the amount of default losses to be limited with reference to the estimated market value of relevant real estate projects and toll road projects. For other receivables, the Company determines the possibility of default within 12 months and the entire duration based on historical data and measures the credit risk provision, and makes adjustment based on debtor-specific factors and assessment of current and expected general economic condition.

(II) Liquidity Risk

Liquidity risk is the risk that the Company will encounter shortage of funds in meeting obligations that are settled by delivering cash or other financial assets. The Company monitors and maintains a certain level of cash balances and sufficient undrawn bank facilities considered by the management to meet the Company's operating needs and reduce the impact of cash flow fluctuations. The management monitors the use of bank borrowings and bills payable and ensures compliance with the borrowing contracts.

Financial Report

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(II) Liquidity Risk (continued)

Classification of financial liabilities based on the remaining maturity

Unit: '000 Currency: RMB

Item	Carrying amount	Undiscounted contractual amount	Amount at the end of the period			
			Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years
Short-term loans	35,014,887	36,065,334	36,065,334			
Receipts of deposits	3,091,611	3,184,359	3,184,359			
Bills payable	14,387,077	14,387,077	14,387,077			
Accounts payable	203,325,386	203,325,386	203,325,386			
Other payables	41,855,110	41,855,110	41,855,110			
Long-term borrowings	179,861,870	203,625,106	22,575,257	30,565,273	51,979,014	98,505,562
Bonds payable	10,252,246	10,606,163	9,014,813	1,591,350		
Lease liabilities	3,445,149	3,861,586	568,168	854,456	796,834	1,642,128
Long-term payables	4,682,761	4,966,611	3,631,097	143,075	471,934	720,505
Subtotal	495,916,097	521,876,732	334,606,601	33,154,154	53,247,782	100,868,195

(Continued)

Item	Carrying amount	Undiscounted contractual amount	Amount at the end of the previous year			
			Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years
Short-term loans	25,549,582	26,316,069	26,316,069			
Receipts of deposits	3,191,860	3,287,615	3,287,615			
Bills payable	14,947,381	14,947,381	14,947,381			
Accounts payable	166,095,073	166,095,073	166,095,073			
Other payables	36,815,734	36,815,734	36,815,734			
Long-term borrowings	143,201,694	163,485,695	11,731,550	33,628,367	57,117,927	61,007,851
Bonds payable	13,213,346	14,370,723	3,550,563	10,820,160		
Lease liabilities	2,195,031	2,527,833	658,855	106,336	818,448	944,194
Long-term payables	1,363,010	1,517,575	591,817	271,942	87,058	566,758
Subtotal	406,572,711	429,363,698	263,994,657	44,826,805	58,023,433	62,518,803

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XII. RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)

(III) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk mainly includes interest rate risk and foreign exchange risk.

1. *Interest rate risk*

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest-bearing financial instruments at fixed rates and at floating rates expose the Company to fair value interest risk and cash flow interest rate risk, respectively. The Company determines the appropriate weightings of the fixed and floating rate interest-bearing financial instruments based on the current market conditions and performs regular reviews and monitoring to maintain an appropriate mix of financial instruments. The Company's exposure to the cash flow interest rate risk relates mainly to the Company's bank borrowings with floating interest rate.

As of 31 December 2023, the Company's borrowings with interest accrued at floating interest rate totaled RMB141,404,757,000. Assuming that interest rates had been 50 basis points higher/lower and all other variables were held constant, there will be no significant impact on the Company's total profit and shareholders' interests.

2. *Foreign exchange risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The foreign exchange risk exposed to the Company mainly comes from foreign currency assets and liabilities such as monetary funds, accounts receivable, accounts payable and bank borrowings denominated in currencies other than the functional currency. The management manages and monitors this risk to ensure appropriate action is taken in a timely and effective manner.

For details of the Company's assets or liabilities denominated in foreign currencies as at the end of the period, please refer to Note VII. 70 in the financial statements.

The Company's exposure to foreign exchange risk of assets or liabilities denominated in foreign currencies as at 31 December are shown in Renminbi, translated using the spot rate at the balance sheet date. Differences resulting from the translation of foreign currency financial statements are excluded.

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XIII. FAIR VALUE DISCLOSURE

1. Closing Fair Value of Assets and Liabilities Measured at Fair Value

Unit: '000 Currency: RMB

Item	Fair value at the end of the period			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
I. Fair value measurement on a recurring basis				
(I) Held-for-trading financial assets	20,727		400,902	421,629
(II) Other non-current financial assets			10,726,518	10,726,518
(III) Receivables financing			980,144	980,144
(IV) Other investment in equity instruments	208,193		2,163,652	2,371,845
Total assets measured at fair value on a recurring basis	228,920		14,271,216	14,500,136

2. Basis for Determining Market Price of Level 1 Fair Value Measurement Items on a Recurring or Non-recurring Basis

The fair value of financial instruments traded in active markets is determined based on quoted market prices at each balance sheet date. A market is regarded as active if quoted price is readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and this price represents quoted price of actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These financial instruments are presented in Level 1.

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XIII. FAIR VALUE DISCLOSURE (CONTINUED)

3. Level 3 Fair Value Measurement Items on a Recurring or Non-recurring Basis, Valuation Techniques Used and Qualitative and Quantitative Information of Important Parameters

The dedicated team of the Group is responsible for valuing the assets and liabilities measured at Level 3 fair value on a recurring and non-recurring basis. The team reports directly to the management. The team prepares a valuation report on analysis of changes in fair value measurements at the middle and end of each year which is reviewed and approved by the management. At the middle and end of each year, the team discusses valuation process and results with the management.

4. Level 3 Fair Value Measurement Items on a Recurring Basis, Reconciliation Information Between Opening and Closing Carrying Amount and Sensitivity Analysis of Unobservable Parameters

Unit: '000 Currency: RMB

Item	Total gains or losses for the year					Purchase, issue, sell and settle				Closing balance	For assets held and liabilities assumed at the end of the year, unrealized gains or losses for the year included in profit or loss
	Opening balance	Transfer into Level 3	Transfer out of Level 3	Included in profit or loss	Included in other comprehensive income	Purchase	Issue	Sell	Settle		
Assets											
Including: Held-for-trading financial assets	3,060,541					6,378,832		-9,038,471		400,902	
Other non-current financial assets	8,699,355			304,336		2,020,604		-297,777		10,726,518	304,336
Receivables financing	849,501					130,643				980,144	N/A
Other equity instrument investment	1,336,400				364,876	582,969		-120,593		2,163,652	N/A
Total	13,945,797			304,336	364,876	9,113,048		-9,456,841		14,271,216	304,336

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Parent of the Company

Unit: '0,000 Currency: RMB

Name of the parent	Place of registration	Nature of business	Registered capital	Shareholding percentage of the parent to the Company (%)	Percentage of voting right of the parent to the Company (%)
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	Beijing	Construction and contracting	26,000,000	44.82	44.82

2. Joint Ventures and Associates of the Company

Name of the joint venture or associate	Relationship with the Company
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	Joint venture
Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	Joint venture
Guangzhou Rumao Real Estate Development Co., Ltd. (廣州市如茂房地產開發有限公司)	Joint venture
Hunan Lenercom Technology Co., Ltd. (湖南能創科技有限責任公司)	Joint venture
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	Joint venture
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	Joint venture
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	Joint venture
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	Joint venture
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	Joint venture
Urumqi Gezhouba Electric Construction Road & Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	Joint venture
China Energy Engineering (Jieshou) Investment and Construction Co., Ltd. (中能建(界首)投資建設有限公司)	Joint venture
China Coal Fangchenggang Electric Power Co., Ltd. (中煤防城港電力有限公司)	Associate
Huage Nengrong (Shenzhen) Expressway Investment Partnership (Limited Partnership) (華葛能融(深圳)高速公路投資合夥企業(有限合夥))	Associate
Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	Associate
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	Associate
Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	Associate
Fujian Water Investment Group Xiapu Ecological Environment Co., Ltd. (福建水投集團霞浦生態環境有限責任公司)	Associate

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	Associate
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	Associate
Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	Associate
Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	Associate
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	Associate
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	Associate
Gezhouba Group (Guiyang) Comprehensive Bonded Zone Investment and Construction Co., Ltd. (葛洲壩集團(貴陽)綜合保稅區投資建設有限公司)	Associate
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	Associate
Gezhouba Water (Yantai) Co., Ltd. (葛洲壩水務(煙台)有限公司)	Associate
Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	Associate
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	Associate
Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	Associate
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	Associate
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	Associate
Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	Associate
Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	Associate
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	Associate
Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	Associate
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	Associate
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	Associate
Sinopharm Group Xi'an Bio-Pharmaceutical Co. Ltd. (國藥集團西安生物製藥有限公司)	Associate
Haikou Jiangdong Xinju Third Property Co., Ltd. (海口江東新居第三置業有限公司)	Associate
Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	Associate
Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	Associate
Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	Associate
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	Associate
Hengxian Jiangnan Power Generation Co., Ltd. (橫縣江南發電有限公司)	Associate
Hunan Gening Real Estate Development Co., Ltd. (湖南葛寧房地產開發有限公司)	Associate

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	Associate
Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)	Associate
Huanglong Zhongneng Construction Investment Green Energy Co., Ltd. (黃龍中能建投綠能有限公司)	Associate
Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟寧蓼河東方生態建設開發有限公司)	Associate
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	Associate
Jianhu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	Associate
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	Associate
Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	Associate
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	Associate
Nanjing Yuexin Decoration Management Co., Ltd. (南京悅欣裝飾管理有限公司)	Associate
Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	Associate
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	Associate
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	Associate
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	Associate
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	Associate
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	Associate
Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	Associate
Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	Associate
Shanghe County Qianyi Construction Investment Co., Ltd. (商河縣千醫建設投資有限公司)	Associate
China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	Associate
Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)	Associate
Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)	Associate
Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	Associate
Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	Associate
Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	Associate

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	Associate
Xin County Xin'e Transportation Construction Co., Ltd. (新縣新鄂交通建設有限公司)	Associate
Yichang Yiling Riqing Ecological Management Co., Ltd. (宜昌夷陵日清生態治理有限公司)	Associate
Yunnan Hexing Investment Development Co., Ltd. (雲南和興投資開發股份有限公司)	Associate
Yunnan China Resources Power (Honghe) Co., Ltd. (雲南華潤電力(紅河)有限公司)	Associate
Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	Associate
Zhejiang Tianchuang Environmental Technology Co., Ltd. (浙江天創環境科技有限公司)	Associate
Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	Associate
China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建投(南雄)環保投資運營有限公司)	Associate
Gezhouba Zhongke Energy Storage Technology Co., Ltd. (葛洲壩中科儲能技術有限公司)	Associate
Meishan Jinhengde Weikang Cultural and Creative Tourism Development Co., Ltd. (眉山金恒德維康文創旅遊發展有限公司)	Associate
China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(瀘池)投資建設有限公司)	Associate
Cloudchain Group Co., Ltd. (中企雲鏈股份有限公司)	Associate
Chongqing Gening Real Estate Development Co., Ltd. (重慶葛寧房地產開發有限公司)	Associate
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	Associate
Chongqing Gezhouba Sunac Shenda Properties Co., Ltd. (重慶葛洲壩融創深達置業有限公司)	Associate
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	Associate
Hunan Hongxinda Logistics Co., Ltd. (湖南鴻欣達物流有限公司)	Associate
Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	Associate
Hunan Fuxin Science and Technology Co., Ltd. (湖南斧欣科技有限責任公司)	Associate
Loudi Loulian Civil Explosion Equipment Co., Ltd. (婁底市婁聯民爆器材有限公司)	Associate
Shaoyang Baolian Civil Explosion Equipment Co., Ltd. (邵陽市寶聯民爆器材有限責任公司)	Associate
Hunan Hongkeda Equipment Manufacturing Co., Ltd. (湖南紅科達設備製造有限公司)	Associate
Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	Associate
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	Associate
SCEI Zhongjiang Gas-fired Power Co., Ltd. (四川能投中江燃氣發電有限公司)	Associate
Chuantou (Luzhou) Gas-fired Power Co., Ltd. (川投(瀘州)燃氣發電有限公司)	Associate

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

2. Joint Ventures and Associates of the Company (continued)

Name of the joint venture or associate	Relationship with the Company
Jining-Shangqiu Expressway (Heze) Co., Ltd. (濟商高速公路(荷澤)有限公司)	Associate
Jincheng Green Water Ecological Construction and Investment Co., Ltd. (晉城市綠水源生態建設投資有限責任公司)	Associate
Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	Associate
Gongyi Keyuan Yufeng Wind Power Generation Co., Ltd. (鞏義市科源禦風風力發電有限公司)	Associate
Huanglong Zhongdian Engineering Wind Power Co., Ltd. (黃龍中電工程風電有限公司)	Associate
Shanglin Weicheng Construction Investment Co., Ltd. (上林衛城建設投資有限公司)	Associate
Guangxi Liuzhou Guilu Hydropower Co., Ltd. (廣西柳州市桂柳水電有限公司)	Associate
Chongqing Jiangqi Highway Co., Ltd. (重慶江碁高速公路有限公司)	Associate
Vietnam Zhengsheng Wind Power Co., Ltd. (越南正勝風電有限責任公司)	Associate
Zhongge (Luohe) Construction Engineering Co., Ltd. (中葛(漯河)建設工程有限公司)	Associate
Shanghai Xiyue Real Estate Development Co., Ltd. (上海璽越地產開發有限公司)	Associate
Guizhou Liu'an Expressway Co., Ltd. (貴州省六安高速公路有限公司)	Associate
Hunan Quanhong Xiangxin Technology Co., Ltd. (湖南全紅湘芯科技有限公司)	Associate
Hunan God Axe Investment Management Co., Ltd. (湖南神斧投資管理有限公司)	Associate
Hunan Nanling Chemical Group Co., Ltd. (湖南省南嶺化工集團有限責任公司)	Associate
Gezhouba Explosive Hulanbeier Civil Explosives Co., Ltd. (葛洲壩易普力呼倫貝爾民爆有限公司)	Associate

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

3. Other Related Parties

Name of other related party	Relationship between other related parties and the Company
Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	Common ultimate controller
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	Common ultimate controller
Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	Common ultimate controller
China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)	Common ultimate controller
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Common ultimate controller
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Common ultimate controller
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	Common ultimate controller
China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	Common ultimate controller
Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	Common ultimate controller
Huanjia Group and relevant suppliers (環嘉集團及相關供應商)	Other related party
Units, labor unions and committees under CEEC	Other related party
Longhua Jinhua Solar Power Generation Co., Ltd. (隆化縣金瀚太陽能發電有限公司)	Other related party
China Electric Equipment Group Shahe Photovoltaic Power Co., Ltd. (中電電氣集團沙河光伏發電有限公司)	Other related party

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions

(1). *Related party transactions of purchasing or selling goods and rendering or receiving labor services**Statement on procurement of goods/receipt of labor services*

Related party	Unit: '000 Currency: RMB	
	Amount for the current period	Amount for the last period
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	125,777	33,266
Hunan Hongxinda Logistics Co., Ltd. (湖南鴻欣達物流有限公司)	120,174	
Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	78,329	48,868
China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	53,954	15,869
Zhangjiajie Yongli Civil Explosive Co., Ltd. (張家界永利民爆有限責任公司)	29,317	18,171
Hunan Fuxin Technology Co., Ltd. (湖南斧欣科技有限責任公司)	31,335	
Loudi Loulian Civil Explosion Equipment Co., Ltd. (婁底市婁聯民爆器材有限公司)	28,539	
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	23,812	
Shaoyang Baolian Civil Explosion Equipment Co., Ltd. (邵陽市寶聯民爆器材有限責任公司)	34,422	
Hunan Hongkeda Equipment Manufacturing Co., Ltd. (湖南紅科達設備製造有限公司)	15,668	
Yiyang Yilian Civil Explosive Equipment Co., Ltd. (益陽益聯民用爆破器材有限公司)	10,452	7,748
Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	10,291	7,692
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	63	11,062
Others	7,089	4,176
Sub-total	569,222	146,852

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(1). Related party transactions of purchasing or selling goods and rendering or receiving labor services (continued)

Statement on sales of goods/provision of labor services

Unit: '000 Currency: RMB

Related party	Amount for the current period	Amount for the last period
Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	3,137,125	1,361,501
Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	2,556,159	2,766,105
Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	2,789,945	2,150,836
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	2,019,258	2,500,013
Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	1,564,583	1,186,579
Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)	1,526,056	711,023
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	1,521,246	1,071,193
Urumqi Gezhouba Electric Construction Road & Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	1,500,280	1,665,839
Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	1,361,758	1,202,015
Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	1,199,871	545,735
Haikou Jiangdong Xinju Third Property Co., Ltd. (海口江東新居第三置業有限公司)	1,119,874	
Zhongge (Luohe) Construction Engineering Co., Ltd. (中葛(漯河)建設工程有限公司)	1,116,771	
Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	1,009,174	1,452,565
Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	961,692	4,733,391
China Energy Engineering (Jieshou) Investment and Construction Co., Ltd. (中能建(界首)投資建設有限公司)	909,207	
Guizhou Liu'an Expressway Co., Ltd. (貴州省六安高速公路有限公司)	905,687	
Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	878,230	2,323,588

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(1). Related party transactions of purchasing or selling goods and rendering or receiving labor services (continued)

Statement on sales of goods/provision of labor services (continued)

Related party	Amount for the current period	Amount for the last period
SCEI Zhongjiang Gas-fired Power Co., Ltd. (四川能投中江燃氣發電有限公司)	641,799	
Sichuan Investment (Luzhou) Gas Power Generation Co., Ltd. (川投(瀘州)燃氣發電有限公司)	606,251	
Shaanxi Guanhuang Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	544,419	
Jining-Shangqiu Expressway (Heze) Co., Ltd. (濟商高速公路(荷澤)有限公司)	506,395	
Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	493,543	2,015,347
Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	474,859	1,560,479
Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	450,062	
Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	387,041	846,191
Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	355,747	357,416
Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	216,947	199,189
Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	186,220	40,024
Jincheng Green Water Ecological Construction and Investment Co., Ltd. (晉城市綠水源生態建設投資有限責任公司)	99,423	161
Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	57,543	86,984
Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)	57,301	878,911
Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	46,265	27,441
Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	42,711	78,491
Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	21,143	167,414
Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	16,818	230,209

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(1). *Related party transactions of purchasing or selling goods and rendering or receiving labor services (continued)*

Statement on sales of goods/provision of labor services (continued)

Related party	Amount for the current period	Amount for the last period
Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	9,191	145,808
Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	8,338	68,927
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	8,207	18,083
Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	5,476	25,610
Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	740	47,130
Gongyi Keyuan Yufeng Wind Power Generation Co., Ltd. (鞏義市科源樂風風力發電有限公司)		713,769
Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)		531,462
Kangbao County Zhongmin Tongtai Solar Power Generation Co., Ltd. (康保縣中民通泰太陽能發電有限公司)		493,523
Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)		157,409
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)		60,379
Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)		32,046
Others	2,677,764	32,203
Sub-total	33,991,119	32,484,989

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(2). Leases with related parties

The Company as lessor:

Unit: '000 Currency: RMB

Name of lessee	Type of leased assets	Rental income recognized in the current period	Rental income recognized in the last period
China Energy Engineering (Mianchi) Investment & Construction Co., Ltd. (中能建(瀋池)投資建設有限公司)	Vehicle rent		170
Hunan Hongkeda Equipment Manufacturing Co., Ltd. (湖南紅科達設備製造有限公司)	Equipment	239	
Gezhouba Explosives Hulunbeier Civil Explosive Co., Ltd. (葛洲壩易普力呼倫貝爾民爆有限公司)	Equipment	3,311	
Sub-total		3,550	170

The Company as lessee:

Unit: '000 Currency: RMB

Name of lessor	Type of leased assets	Rental expenses for short-term leases and low-value asset leases that adopt simplified treatment (if applicable)		Variable lease payments not included in the measurement of the lease liability (if applicable)		Rental paid		Interest expenses of lease liability assumed		Increase in right-of-use assets	
		Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period	Amount for the current period	Amount for the last period
China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	Machinery and equipment					42,258	59,796	14,679	41,316	85,855	384,306
Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	Expressway service area					22,709		6,112			
Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	Expressway service area					8,553		1,811			
Gezhouba (Beijing) Investments Co., Limited (葛洲壩北京投資有限公司)	Buildings and structures	93,431	94,483			7,480		670			
China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	Buildings and structures	75,426	76,214			3,755		349			

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(3). Related guarantee

The Company as guarantor

Party guaranteed	Amount guaranteed	Commencement date of guarantee	Unit: '000		Whether the guarantee has been fulfilled
			Expiration date of guarantee	Currency: RMB	
Hubei Huangshi Wuyang Expressway Development Co., Ltd. (湖北黃石武陽高速公路發展有限公司)	4,287,500	2021/3/31	2055/3/30		No
Chongqing Jiangqi Highway Co., Ltd. (重慶江綦高速公路有限公司)	399,000	2013/6/7 to 2022/3/11	2024/4/3 to 2043/6/7		No
Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	75,200	2018/7/26	2032/3/21		No
Vietnam Zhengsheng Wind Power Co., Ltd. (越南正勝風電有限責任公司)	17,981	2022/3/31	2037/3/31		No

(4). Capital lending to/borrowing from related parties

Related party	Placements	Commencement date	Unit: '000		Description
			Expiry date	Currency: RMB	
Borrowing from related parties					
Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	172,993	2023/6/24	No fixed date of expiration		
Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	11,067	2023/4/7	No fixed date of expiration		
Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	720,000	2023/6/15	No fixed date of expiration		
Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	1,183,500	2023/1/16	No fixed date of expiration		
Shanghai Xiyue Real Estate Development Co., Ltd. (上海壘越地產開發有限公司)	2,576	2023/3/29	No fixed date of expiration		
Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州市正林房地產開發有限公司)	49,000	2023/9/30	No fixed date of expiration		
Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	27,743	2023/6/24	No fixed date of expiration		

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Related Party Transactions (continued)

(4). Capital lending to/borrowing from related parties (continued)

Unit: '000 Currency: RMB

Related party	Placements	Commencement date	Expiry date	Description
Capital lending to related parties				
Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	414,310	2023/3/21	No fixed date of expiration	
Shanghai Xiyue Real Estate Development Co., Ltd. (上海羣越地產開發有限公司)	3,220	2023/10/11	No fixed date of expiration	

(5). Emolument of key management

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
Emolument of key management	12,208	15,258

5. Amounts Due from/to Related Parties and Other Outstanding Items

(1). Amounts due from related parties

Unit: '000 Currency: RMB

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Trade receivables	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	2,374,677	71,240	1,444,947	43,348
	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	1,352,681	40,580	353,455	10,604
	Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	408,132	12,244	767,193	23,016
	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	328,868	9,866	264,465	7,934
	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	283,138	8,494	214,075	6,422
	Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	258,060	7,742	343,205	10,296

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	239,739	7,192	71,911	2,157
	Haikou Jiangdong Xinju Third Property Co., Ltd. (海口江東新居第三置業有限公司)	221,011	6,630		
	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	217,273	6,518	70,155	2,105
	Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	184,902	5,547	431	13
	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	143,155	4,295	143,154	4,295
	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	127,346	3,820	3,926	118
	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗河高速公路有限公司)	125,553	3,767	135,536	4,066
	Shanglin Weicheng Construction Investment Co., Ltd. (上林衛城建設投資有限公司)	102,203	3,066	32,068	926
	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣揚高速公路開發有限公司)	89,128	2,674	90,646	2,719
	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)			80,113	2,403
	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	76,154	2,285	135,206	4,056
	Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	69,640	2,089	363,777	10,913
	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	63,150	1,894	54,468	1,634

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	58,579	1,757	40,639	1,219
	Urumqi Gezhouba Electric Construction Road & Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	58,133	1,744		
	China Energy Engineering Southern Construction and Investment (Nanxiong) Environmental Investment and Operation Co., Ltd. (中能建南方建投(南雄)環保投資運營有限公司)	55,999	1,680	4,659	140
	Jianguang Environment Gezhouba Water (Yangxi) Co., Ltd. (建廣環境葛洲壩水務(陽西)有限公司)	56,706	1,701	11,900	357
	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	53,083	1,592	77,896	2,337
	China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)	51,958	1,559	37,542	1,126
	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	37,001	6,318	25,473	764
	Jining Liaohe Oriental Ecological Construction and Development Co., Ltd. (濟寧蓼河東方生態建設開發有限公司)	33,710	1,011	16,065	482
	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	30,723	922	5,742	172
	China Nuclear Power Design Co., Ltd. (Shenzhen) (深圳中廣核工程設計有限公司)	23,095	693	3,377	101
	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	19,121	574	17,194	258
	Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	18,930	568	96,864	2,906

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)	18,616	558	52,458	1,574
	Xin County Xin'e Transportation and Construction Co., Ltd. (新縣新鄂交通建設有限公司)	17,509	525		
	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	14,094	423	12,494	187
	Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	11,554	347		
	Hengxian Jiangnan Power Generation Co., Ltd. (橫縣江南發電有限公司)	9,819	295	10,172	305
	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	9,419	283	85	3
	Guangxi Hechi Yizhou Donglin Mining Co., Ltd. (廣西河池宜州東林礦業有限公司)	7,700	231	8,600	258
	Hangjian Nengjian Xiangyang New Energy Co., Ltd. (漢江能建襄陽新能源有限公司)	6,249	187	4,016	120
	Three Gorges Riqing Maoping River Ecological Treatment (Zigui) Co., Ltd. (三峽日清茅坪河生態治理(秭歸)有限公司)	5,004	150		
	Beijing Luosida Science and Technology Development Co., Ltd. (北京洛斯達科技發展有限公司)	4,746	142	10,404	156
	Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	4,306	129	663,555	19,907
	Gezhouba Chongqing Nanchuan District Infrastructure Construction Co., Ltd. (葛洲壩重慶市南川區基礎設施建設有限公司)	3,208	96	29,872	896
	Fujian Water Resources Investment Group Xiapu Ecological Environment Co., Ltd. (福建水投集團霞浦生態環境有限責任公司)	2,637	79		

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	1,314	39	4,584	138
	China Coal Fangchenggang Electric Power Co., Ltd. (中煤防城港電力有限公司)	1,053	32	1,047	31
	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	958	29	2,203	66
	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	241	7	38,261	1,148
	Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)			508,419	15,253
	Xi'an Lintong District Qinhan Avenue Construction Co., Ltd. (西安市臨潼區秦漢大道建設有限公司)			27,379	821
	Shenhua Guohua Qingyuan Power Generation Co., Ltd. (神華國華清遠發電有限責任公司)			9,368	281
	Huaibei Zhengtai Electricity Development Co., Ltd. (淮北正泰電力發展有限公司)			7,279	218
	Zhejiang Tianchuang Environmental Technology Co., Ltd. (浙江天創環境科技有限公司)			2,005	60
	Others	108,386	2,514	67,434	862
Sub-total		7,388,661	226,128	6,365,717	189,171
Bills receivables	Guangxi Bagui Civil Blasting Equipment Co., Ltd. (廣西八桂民用爆破器材有限責任公司)	200		2,239	
	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	559		1,025	
	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)			3,216	
Sub-total		759		6,480	

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Prepayments	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	216,270		215,998	
	Others	7,452			
Sub-total		223,722		215,998	
Loans to customers	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	2,701,712	59,339	3,001,221	66,844
	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	328,504	8,213	459,227	11,481
	China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	234,237	5,856	260,132	6,503
Sub-total		3,264,453	73,408	3,720,580	84,828
Dividend receivables	Sinopharm Group Xi'an Bio-Pharmaceutical Co. Ltd. (國藥集團西安生物製藥有限公司)	100,522		100,522	
	Guangxi Liuzhou Guiliu Hydropower Co., Ltd. (廣西柳州市桂柳水電有限公司)	11,989		10,793	
	Yunnan Hexing Investment and Development Co., Ltd. (雲南和興投資開發股份有限公司)	6,072		8,966	
	Yunnan China Resources Power (Honghe) Co., Ltd. (雲南華潤電力(紅河)有限公司)	9,951			
	Jiangsu Yanfu Yinbao New Energy Co., Ltd. (江蘇鹽阜銀寶新能源有限公司)	9,175		8,000	
	Leiyang Taiping Wind Power Co., Ltd. (耒陽太平風電有限公司)	4,015		4,015	
	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	750	750	750	750
	Others	6,292		4,068	
Sub-total		148,766	750	137,114	750

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Other receivables	Huanjia Group and relevant suppliers	1,474,776	1,474,776	1,474,776	1,474,776
	Chongqing Gezhouba Sunac Jinyu Real Estate Co., Ltd. (重慶葛洲壩融創金裕置業有限公司)	632,701		218,391	
	China Energy Engineering Group Beijing Electric Power Construction Company (中國能源建設集團北京電力建設有限公司)	514,524		515,288	
	Zhongge Yongmao (Suzhou) Real Estate Development Co., Ltd. (中葛永茂(蘇州)房地產開發有限公司)	370,529		442,614	
	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	364,627	36,740	364,627	22,971
	Fuyang Gezhouba Guozhen Water Environment Treatment Investment Construction Co., Ltd. (阜陽葛洲壩國禎水環境治理投資建設有限公司)	306,295		435,201	
	Chongqing Gening Real Estate Development Co., Ltd. (重慶葛寧房地產開發有限公司)	274,011		260,015	
	Gezhouba Runming (Wuhan) Real Estate Development Co., Ltd. (葛洲壩潤明(武漢)房地產開發有限公司)	265,410	248	266,875	
	Gekuangli Nanjing Property Development Co. Ltd. (葛礦利南京房地產開發有限公司)	243,524		260,474	
	Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	242,037			
	Hunan Gening Real Estate Development Co., Ltd. (湖南葛寧房地產開發有限公司)	229,313		224,071	

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Chongqing Gezhoubu Sunac Shenda Properties Co., Ltd (重慶葛洲壩融創深達置業有限公司)	179,741		181,208	
	Shaanxi Yinhe Yuandong Cable Co., Ltd. (陝西銀河遠東電纜有限公司)	118,262	118,262	129,644	129,644
	Southern Construction and Investment Xingtai Landscape Construction Co., Ltd. (南方建投邢台園林建設有限公司)	86,858		72,818	
	Guangxi Ruidong Investments Limited (廣西瑞東投資有限公司)	66,924	66,924	66,924	66,924
	Guangdong Gezhoubu Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	58,469		66,701	
	Xi'an Zihong Technology Industry Development Co., Ltd. (西安紫弘科技產業發展有限公司)	58,249		341,750	
	Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	53,734			
	Shandong Gezhoubu Zaohe Expressway Co., Ltd. (山東葛洲壩棗河高速公路有限公司)	35,696		35,742	
	Shaanxi Gezhoubu Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	34,187	430	35,577	
	Gezhoubu Group (Guiyang) Comprehensive Bonded Zone Investment and Construction Co., Ltd. (葛洲壩集團(貴陽)綜合保稅區投資建設有限公司)	33,664	2,693	33,664	
	Shandong Gezhoubu Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	29,882		30,053	

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	6,934		11,024	
	Shanghe County Qianyi Construction and Investment Co., Ltd. (商河縣千醫建設投資有限公司)	5,055		25,633	
	Zhaoyuan Municipal Transportation Project Management Co., Ltd. (招遠市城通項目管理有限公司)	3,855		16,160	
	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)			508,983	
	Gezhouba (Yantai) Real Estate Development Co., Ltd. (葛洲壩(煙台)房地產開發有限公司)			77,610	
	Xi'an Lintong District Qinhan Avenue Construction Co., Ltd. (西安市臨潼區秦漢大道建設有限公司)			19,585	
	Weinan Dongqin Water Supply Co., Ltd. (渭南市東秦供水有限公司)			10,000	
	Yichang Yiling Riqing Ecological Management Co., Ltd. (宜昌夷陵日清生態治理有限公司)			8,566	
	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	25,155		25,155	
	Others	249,037		224	
Sub-total		5,963,449	1,700,073	6,159,353	1,694,315

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Contract assets	Hunan Xinxin Zhangguan Expressway Construction and Development Co., Ltd. (湖南省新新張官高速公路建設開發有限公司)	2,527,239	36,645	822,369	8,224
	Guangxi Quanguan Expressway Co., Ltd. (廣西全灌高速公路有限公司)	1,446,126	20,969	966,477	14,497
	Guizhou Zhongnengjian Nahe Expressway Co., Ltd. (貴州中能建納赫高速公路有限公司)	1,255,159	18,827	875,633	13,134
	Guangxi Hengqin Expressway Co., Ltd. (廣西橫欽高速公路有限公司)	1,056,533	15,742	906,584	9,319
	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	967,436	14,415	1,344,751	20,171
	Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)	779,362	11,612	966,051	14,491
	Urumqi Gezhouba Electric Construction Road & Bridge Ring Expressway Co., Ltd. (烏魯木齊葛洲壩電建路橋繞城高速公路有限公司)	711,927	10,608	488,408	7,082
	Guangxi Qinzhou Gezhouba Transit Expressway Co., Ltd. (廣西欽州葛洲壩過境高速公路有限公司)	689,135	10,268	2,360	34
	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	612,972	9,133	692,680	10,390
	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	522,181	7,833	509,912	7,649
	Nanjing Gezhouba Urban Underground Space Comprehensive Construction Development Co., Ltd. (南京葛洲壩城市地下空間綜合建設開發有限公司)	488,659	7,331	168,642	2,530

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗菏高速公路有限公司)	460,412	6,906	462,741	6,941
	Xinjiang Gezhouba Qiaobate Water Conservancy Project Development Co., Ltd. (新疆葛洲壩喬巴特水利樞紐工程開發有限公司)	362,291	5,435	253,574	3,804
	Henan Gezhouba Shangdu Water Ecological Development Co., Ltd. (河南葛洲壩商都水生態開發有限公司)	175,342	2,630	223,031	3,345
	Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	170,733	2,561	604,523	9,068
	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	166,592	2,499	168,473	2,527
	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	150,139	2,252	211,851	3,178
	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	112,371	1,686	1,282,106	19,232
	Datang Xuanwei Hydropower Development Co., Ltd. (大唐宣威水電開發有限公司)	111,212	6,944	133,954	8,364
	Guangdong Jiangmen Hengguang Phase II New Energy Co., Ltd. (廣東江門恒光二期新能源有限公司)			159,867	2,398
	Gezhouba (Tangshan) Fengnan Investment and Construction Co., Ltd. (葛洲壩(唐山)豐南投資建設有限公司)			298,181	4,473
	Others	1,133,982	11,576	564,300	8,484
	Sub-total	13,899,803	205,872	12,106,468	179,335

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(1). Amounts due from related parties (continued)

Name of item	Related party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Other non-current assets	Gezhouba Huaihe Development Co., Ltd. (葛洲壩淮河發展有限公司)	222,020		211,645	
	Panzhou Hongcai Gezhouba Project Management Co., Ltd. (盤州市宏財葛洲壩項目管理有限公司)	75,813		75,813	
	Chongqing Gexing Construction Co., Ltd. (重慶市葛興建設有限公司)	35,933		51,573	
	Hubei Wutian Expressway Investment and Construction Co., Ltd. (湖北武天高速投資建設有限公司)	185,359			
	Xinjiang Gezhouba Dashixia Water Conservancy Project Development Co., Ltd. (新疆葛洲壩大石峽水利樞紐開發有限公司)	82,392		47,890	
	Yan'an Gezhouba Shanjiandong Ring Expressway Co., Ltd. (延安葛洲壩陝建東繞城高速公路有限公司)	70,082		39,613	
	Others	58,818		50,037	
Sub-total		730,417		476,571	

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(2). Amounts due to related parties

Name of item	Related party	Unit: '000 Currency: RMB	
		Closing book balance	Opening book balance
Trade payables	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	340,459	405,078
	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	49,124	149,296
	Hunan Quanhong Xiangxin Technology Co., Ltd. (湖南全紅湘芯科技有限公司)	21,226	
	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	22,363	3,678
	Hunan Hongxinda Logistics Co., Ltd. (湖南鴻欣達物流有限公司)	7,023	
	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	2,166	6,177
	Others	14,367	2,878
Sub-total		456,728	567,107
Bills payables	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)		8,207
	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)		1,983
	CSCC Corporation Limited (中企雲鏈股份有限公司)		137,567
	Hunan Lenercom Technology Co.,Ltd. (湖南能創科技有限責任公司)	2,000	2,258
Sub-total		2,000	150,015

Financial Report

XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Contract liabilities	Gezhouba (Luzhou) Yangtze River Sixth Bridge Investment Co., Ltd. (葛洲壩(瀘州)長江六橋投資有限公司)	108,071	65,835
	Hainan Haikong Zhongnengjian Engineering Co., Ltd. (海南海控中能建工程有限公司)	50,497	
	Jianghu County Guoyuan New Energy Development Co., Ltd. (建湖縣國源新能源開發有限公司)	4,122	4,122
	Guizhou Naqing Expressway Co., Ltd. (貴州納晴高速公路有限公司)		40,762
	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)		35,747
	Others	37,457	90,300
Sub-total		200,147	236,766
Other payables	Wuhan Gezhouba Longhu Property Development Co., Ltd. (武漢葛洲壩龍湖房地產開發有限公司)	1,838,697	1,163,710
	Beijing Runneng Real Estate Co., Ltd. (北京潤能置業有限公司)	1,183,500	
	Guangzhou Zhenglin Real Estate Development Co., Ltd. (廣州正林房地產開發有限公司)	980,207	931,207
	Guangzhou Rumao Real Estate Development Co., Ltd. (廣州如茂房地產開發有限公司)	895,558	895,558
	Shaanxi Gezhouba Yanhuang Ningshi Expressway Co., Ltd. (陝西葛洲壩延黃寧石高速公路有限公司)	734,865	481,071
	Shandong Gezhouba Zaohe Expressway Co., Ltd. (山東葛洲壩棗荷高速公路有限公司)	645,780	559,068
	Hangzhou Longyu Investment Management Co., Ltd. (杭州龍譽投資管理有限公司)	559,131	559,131
	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	548,527	891,318

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
	Huage Nengrong (Shenzhen) Expressway Investment Partnership (Limited Partnership) (華葛能融(深圳)高速公路投資合夥企業(有限合夥))	455,638	278,352
	Nansha International Financial Island (Guangzhou) Co., Ltd. (南沙國際金融島(廣州)有限公司)	393,735	373,093
	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	295,255	96,452
	Wuhan China Resources Land Gezhouba Real Estate Co., Ltd. (武漢華潤置地葛洲壩置業有限公司)	288,446	1,276,446
	Guangxi Gezhouba Tianxi Expressway Co., Ltd. (廣西葛洲壩田西高速公路有限公司)	223,439	574,402
	Beijing Franshion Gezhouba Real Estate Development Co., Ltd. (北京方興葛洲壩房地產開發有限公司)	187,860	151,495
	Gecheng (Nanjing) Real Estate Development Co., Ltd. (葛城(南京)房地產開發有限公司)	129,235	118,168
	Shandong Gezhouba Judan Expressway Co., Ltd. (山東葛洲壩巨單高速公路有限公司)	114,408	101
	Yunnan Gezhouba Xuanyang Expressway Development Co., Ltd. (雲南葛洲壩宣楊高速公路開發有限公司)	103,632	147,801
	Guangdong Gezhouba Zhaoming Expressway Co., Ltd. (廣東葛洲壩肇明高速公路有限公司)	70,020	
	Shandong Gezhouba Yunjuan Expressway Co., Ltd. (山東葛洲壩鄆鄆高速公路有限公司)	59,607	135,024
	Nanjing Yuexin Decoration Management Co., Ltd. (南京悅欣裝飾管理有限公司)	16,916	
	Gezhouba Water (Yantai) Co., Ltd. (葛洲壩水務(煙台)有限公司)	10,969	
	Others	247,969	137,843
	Sub-total	9,983,394	8,770,240

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XIV. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Amounts Due from/to Related Parties and Other Outstanding Items (continued)

(2). Amounts due to related parties (continued)

Name of item	Related party	Closing book balance	Opening book balance
Receipts of deposits	Electric Power Planning Engineering Institute Co., Ltd. (電力規劃總院有限公司)	1,220,905	1,117,236
	China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司)	810,695	935,504
	Labour unions and committees of subsidiaries of CEEC	515,113	342,566
	China Energy Engineering Group Asset Management Company Limited (中國能源建設集團資產管理有限公司)	150,232	191,543
	China Energy Engineering Group Financial Leasing Co., Ltd. (中國能源建設集團融資租賃有限公司)	108,486	243,697
	China Energy Construction Yichang Gezhouba Asset Management Co., Ltd. (中能建宜昌葛洲壩資產管理有限公司)	91,816	89,384
	Gezhouba (Beijing) Investments Co., Limited (葛洲壩(北京)投資有限公司)	47,984	52,585
	Huanglong Zhongdian Engineering Wind Power Co., Ltd. (黃龍中電工程風電有限公司)	33,223	27,922
	Zhongnengjian Fund Management Co., Ltd. (中能建基金管理有限公司)	31,552	20,320
	Beijing Nengjian Guohua Commercial Factoring Co., Ltd. (北京能建國化商業保理有限公司)	30,270	10,940
	Gezhouba Lingnan (Yancheng Tinghu) Water Treatment Co., Ltd. (葛洲壩嶺南(鹽城亭湖)水治理有限責任公司)	30,122	34,965
	Huanglong China Energy Construction Investment Green Energy Co., Ltd. (黃龍中能建投綠能有限公司)	8,380	57,726
	Shandong Gezhouba Jitai Expressway Co., Ltd. (山東葛洲壩濟泰高速公路有限公司)	68	68
	Shaanxi Guanhuan Linfa Expressway Co., Ltd. (陝西關環麟法高速公路有限公司)		6
	Others		12,765
Sub-total		3,091,611	3,191,860
Lease liabilities	Hunan God Axe Investment Management Co., Ltd. (湖南神斧投資管理有限公司)	17,920	
	Hunan Nanling Chemical Group Co., Ltd. (湖南省南嶺化工集團有限責任公司)	8,790	
Sub-total		26,710	

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XV. COMMITMENTS AND CONTINGENCIES

Contingencies

Guarantees provided by the Company and subsidiaries to non-related parties.

Guarantees

Units guaranteed	Financial institution of loans	Amount of loans guaranteed	Expiration date of guarantee	Remark
Ministry of Finance of Argentina	Foreign exchange consortium	1,478,961	2030/1/28	Joint liability guarantee
Individuals	Mortgage banks	5,454,936	/	Mortgage guarantee
Sub-total		6,933,897		

XVI. EVENTS AFTER THE BALANCE SHEET DATE

Explanation on Other Events After the Balance Sheet Date

- (1) On 29 February 2024, the Board of the Company approved the resolutions in relation to the extension of the validity period of the resolutions of the general meeting and class meetings on the issuance of A Shares to specific subscribers by the Company. The Company considered and approved relevant resolutions related to issuance of A Shares to specific subscribers by the Company (hereinafter referred to as the "Issuance") including the Resolution on the Plan of the Non-public Issuance of A Shares by the Company, the Resolution on Statements of the Amendments to the Documents Related to the Issuance of A Shares to Specific Subscribers by the Company, and the Resolution on Authorization to the Board to Deal with Relevant Matters in relation to the Issuance of A Shares to Specific Subscribers to Be Submitted at the general meeting and class meetings at the 21st meeting of the third session of the Board, the 22nd meeting of the third session of the Board, the first extraordinary general meeting, the first A shareholders' class meeting and the first H shareholders' class meeting of 2023 convened on 15 February 2023, 28 February 2023 and 30 March 2023, respectively. According to the abovementioned resolutions, the validity period of the resolutions and the authorization related to the Issuance is 12 months from the date of consideration and approval at the general meeting and class meetings of the Company, i.e. the validity period shall be until 29 March 2024.

In view that the validity period of the resolutions related to the issuance of A Shares to specific subscribers is about to expire, and the matters related to the Issuance are still in progress, in order to ensure the continuing, effective and smooth performance of relevant work of the Issuance, the Board agreed to propose to the general meeting and class meetings for extension of the validity period of relevant resolutions and the authorization related to the Issuance for a period of 12 months.

The above extension matter of the validity period of relevant resolutions and the authorization related to the Issuance is subject to the consideration at the general meeting and the class meetings.

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XVI. EVENTS AFTER THE BALANCE SHEET DATE

Explanation on Other Events After the Balance Sheet Date (continued)

- (2) As considered and approved by the 27th meeting of the third session of the Board of Directors of the Company, on 30 August 2023, China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司), China Energy Engineering Group Anshan Iron Tower Manufacturing Co., Ltd. (中國能源建設集團鞍山鐵塔有限公司), China Energy Construction Group Shenyang Electric Machinery General Factory Co., Ltd. (中國能源建設集團瀋陽電力機械總廠有限公司) and Zhongnengjian Northwest Electric Power Equipment Company Limited (中能建西北電力裝備有限公司), subsidiaries of the Company (as the transferor), entered into the Equity Transfer Agreement with Asset Management Company (as the transferee), to transfer the 100% equity interests in seven enterprises at the net asset valuation value. Meanwhile, the transferor's bank loan guarantee of RMB45.00 million, which was originally guaranteed by the transferor's parent company, CEEGE, shall be taken over by the transferee.

As of 31 December 2023, the replacement of bank loan guarantees is being processed. As of the date of this audit report, the above work is still in process.

XVII. OTHER SIGNIFICANT EVENTS

1. Segment Information

(1). *Basis for determining and accounting policies of reportable segments*

The Company determined reportable segments according to the internal organisational structure, management requirement and internal report system of the Company, and determined reportable segments based on business segments. The Company evaluated the operating performance of survey, design and consulting services, construction and contracting, industrial manufacturing, investment and operation and other businesses. The management of the Company conducts separate management for operating results of each business unit for the purpose of decisions-making for resources allocation and result appraisal. The five reportable segments of the Company are:

Survey, design and consulting services: mainly comprise of the survey, design, project consulting and project supervision business for domestic and overseas tradition energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal, buildings and structures;

Construction and contracting: mainly comprise of the project contracting, engineering and construction, and project operation and maintenance business for domestic and overseas tradition energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation, municipal, buildings and structures;

Industrial manufacturing: mainly comprise of the design, manufacturing and sales business for construction materials, civil explosives, and auxiliary machinery and equipment, energy saving equipment and other power industries related equipment;

Investment and operation: mainly comprise of the investment and operation of traditional energy, new energy and comprehensive smart energy, water conservancy, ecological environmental protection, comprehensive transportation projects, and the investment, development business and capital finance and other businesses of real estates (new urbanization);

Other businesses: mainly comprise of logistic and trading, leasing and commercial business services, software and information services and other service businesses.

Financial Report

XVII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment Information (continued)

(2). Financial information of reportable segment

Unit: '000 Currency: RMB

Item	Survey, design and consulting services	Construction and contracting	Industrial manufacturing	Investment and operation	Other businesses	Inter-segment eliminations	Total
Revenue from external transactions	18,971,148	325,497,435	29,304,090	28,712,258	3,546,917		406,031,848
Revenue from inter-segment transactions	215,942	17,966,600	4,427,856	719,721	6,069,074	-29,399,193	
Non-segmental cost	11,409,981	298,879,101	23,627,513	18,403,978	2,406,033		354,726,606
Cost of inter-segment transactions	215,942	17,636,553	4,394,431	649,768	5,854,903	-28,751,597	
Other income	74,489	138,537	237,076	64,295	231,271		745,668
Selling and distribution expenses	311,053	220,006	729,923	420,387	218,980		1,900,349
Administrative expenses	2,791,017	6,685,340	2,491,532	1,746,698	1,146,773	-109,196	14,752,164
Research and development expenses	2,415,748	9,071,987	1,251,126	117,335	123,959		12,980,155
Tax and surcharges	186,458	568,649	228,251	344,792	87,725		1,415,875
Segment profit	1,931,380	10,540,936	1,246,246	7,813,316	8,889	-538,400	21,002,367

2. Other Significant Transactions and Events that Have Impact on Investors' Decision-making

Certain inventories owned by Gezhouba Huanjia (Dalian) Renewable Resources Company Limited (葛洲壩環嘉(大連)再生資源有限公司) were stored at the sites which were leased from Huanjia Group Co., Ltd. (環嘉集團有限公司). In 2019, as Huanjia Group Co., Ltd. (環嘉集團有限公司) involved in litigation, the above-mentioned sites and supplies stored thereon were seized by court orders for enforcement. The book balance of these inventories amounted to RMB803,858,000, impairment provision for inventories of RMB802,155,000 was made, and the book value was RMB1,703,000.

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT

1. Other Receivables

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Interest receivables	14,510	18,666
Dividend receivables	1,576,123	2,343,321
Other receivables	2,134,299	1,707,215
Total	3,724,932	4,069,202

Interest receivables

(1). Classification of interest receivables

Item	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
Time deposits	14,510	18,666
Total	14,510	18,666

Dividend Receivables

(1). Dividend receivables

Project (or investee)	Unit: '000 Currency: RMB	
	Closing balance	Opening balance
China Gezhouba Group Company Limited	559,710	687,470
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	440,000	932,320
China Gezhouba Group Stock Company Limited	326,868	502,644
China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	118,907	96,364
China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	48,319	
China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	36,978	55,114
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	31,928	8,415
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	2,961	1,728
China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司)	10,042	
China Energy Construction (Kaiping) Environmental Technology Co., Ltd. (中能建(開平)環保科技有限公司)	410	
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)		59,266
Total	1,576,123	2,343,321

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

1. Other Receivables (continued)

Other receivables(1). *Disclosure by aging*

Aging	Unit: '000 Currency: RMB	
	Closing book balance	Opening book balance
Within 1 year		
Including: Within 1 year		
Within 1 year	602,596	179,070
Sub-total within 1 year	602,596	179,070
1 to 2 years	8,022	4,764
2 to 3 years	300	9,118
3 to 4 years	9,118	
4 to 5 years		1,514,263
Over 5 years	1,514,263	
Total	2,134,299	1,707,215

(2). *Classification by nature of accounts*

Nature of amounts	Unit: '000 Currency: RMB	
	Closing book balance	Opening book balance
Advances receivable	2,114,101	1,601,900
Others	20,198	105,315
Total	2,134,299	1,707,215

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

1. Other Receivables (continued)

Other receivables (continued)

(3). *Top five other receivables by closing balance of debtors*

Unit: '000 Currency: RMB

Name of entity	Closing balance	Proportion of the closing balance of total other receivables (%)	Nature of the amount	Aging	Closing balance of provision for bad debts
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	1,370,867	64.23	Other advances receivable	Over 5 years	
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	340,000	15.93	Other advances receivable	Within 1 year	
China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	133,550	6.26	Other advances receivable	Within 1 year, 1-2 years, over 5 years	
China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	60,000	2.81	Other advances receivable	Within 1 year	
China Energy Engineering (Hong Kong) Company Limited (中國能源建設香港有限公司)	48,181	2.26	Other advances receivable	Within 1 year	
Total	1,952,598	91.49	/	/	

2. Long-term Equity Investments

Unit: '000 Currency: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	93,994,230		93,994,230	91,039,773		91,039,773
Investment in associates and joint ventures	22,269		22,269	22,269		22,269
Total	94,016,499		94,016,499	91,062,042		91,062,042

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries

Unit: '000 Currency: RMB

Name of investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provision for impairment
China Gezhouba Group Stock Company Limited	32,290,477	13,040		32,303,517		
China Power Engineering Consulting Group Co., Ltd. (中國電力工程顧問集團有限公司)	19,336,585	133,168		19,469,753		
China Gezhouba Group Company Limited	5,783,292	284,024		6,067,316		
China Energy Engineering Group Southern Construction Investment Co., Ltd. (中國能源建設集團南方建設投資有限公司)	5,351,488	79,827		5,431,315		
China Energy Engineering Group Eastern Construction & Investment Co., Ltd. (中國能源建設集團華東建設投資有限公司)	3,934,008	42,756		3,976,764		
China Energy Engineering Group Northern Construction Investment Co., Ltd. (中國能源建設集團北方建設投資有限公司)	3,271,713	319,214		3,590,927		
China Energy Engineering Group Equipment Co., Ltd. (中國能建集團裝備有限公司)	3,359,658	146,387		3,506,045		
China Energy Engineering Group Investment Co., Ltd. (中國能源建設集團投資有限公司)	3,215,840	2,971		3,218,811		
China Energy Engineering Group Finance Co., Ltd. (中國能源建設集團財務有限公司)	2,941,836			2,941,836		
China Gezhouba Group No.3 Engineering Co., Ltd. (中國葛洲壩集團第三工程有限公司)	2,497,907	1,464		2,499,371		

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Name of investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provision for impairment
China Energy Construction Pilot I (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航壹號(天津)企業管理中心(有限合夥))	1,470,000			1,470,000		
China Energy Construction Pilot V (Tianjin) Enterprise Management Center (Limited Partnership) (中國能建領航伍號(天津)企業管理中心(有限合夥))	1,400,000			1,400,000		
China Energy Engineering Group Northwestern Construction Investment Co., Ltd. (中國能源建設集團西北建設投資有限公司)	1,335,076	11,746		1,346,822		
China Energy Construction Pilot IV (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航肆號(天津)企業管理中心(有限合夥))	1,310,000			1,310,000		
China Energy International Group Co., Ltd. (中能建國際建設有限公司)	893,893	394,000		1,287,893		
China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司)	664,382	439,360		1,103,742		
China Energy Construction Pilot II (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航貳號(天津)企業管理中心(有限合夥))	920,000			920,000		

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(1). Investment in subsidiaries (continued)

Name of investee	Opening balance	Increase in the period	Decrease in the period	Closing balance	Provision for impairment in the period	Closing balance of provision for impairment
China Energy Construction Pilot III (Tianjin) Enterprise Management Center (Limited Partnership) (中能建領航三號(天津)企業管理中心(有限合夥))	640,000			640,000		
China Energy Construction Green Building Materials Co., Ltd. (中能建綠色建材有限公司)	118,000	510,000		628,000		
China Energy Construction Prefabricated Building Industry Development Co., Ltd. (中能建裝配式建築產業發展有限公司)	101,000	342,500		443,500		
Energy China Construction Hydrogen Energy Co., Ltd. (中能建氫能源有限公司)	31,500	151,500		183,000		
China Energy Construction (Kaiping) Environmental Technology Co., Ltd. (中能建(開平)環保科技有限公司)	76,856			76,856		
China Energy Engineering Huazhong Investment Co., Ltd. (中能建華中投資有限公司)	25,000	42,500		67,500		
China Energy Construction Southwest Investment Co., Ltd. (中能建西南投資有限公司)	25,000	40,000		65,000		
China Energy Construction (Hainan) Co., Ltd. (中能建(海南)有限公司)	45,000			45,000		
China Energy Engineering (Hong Kong) Company Limited (中國能源建設香港有限公司)	1,262			1,262		
Total	91,039,773	2,954,457		93,994,230		

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XVIII. NOTES TO MAJOR ITEMS IN FINANCIAL STATEMENTS OF THE PARENT (CONTINUED)

2. Long-term Equity Investments (continued)

(2). Investment in associates and joint ventures

Unit: '000 Currency: RMB

Investee	Opening balance	Increase in investment	Decrease in investment	Changes for the period			Declared and paid cash dividends or profits	Provision for impairment	Others	Closing balance	Closing balance of provision for impairment
				Investment gains/losses recognized under equity method	Adjustment for other comprehensive income	Change in other equity					
Associates											
Huatai Insurance Agency & Consultant Service Ltd. (華泰保險經紀有限公司)	22,269			196			196			22,269	
Total	22,269			196			196			22,269	

3. Operating Revenue and Operating Cost

Unit: '000 Currency: RMB

Item	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal activities	11,983	9,946	7,221	7,189
Other businesses	95,706		111,640	
Total	107,689	9,946	118,861	7,189

4. Investment Income

Unit: '000 Currency: RMB

Item	Amount for the current period	Amount for the last period
Income from long-term equity investments under cost method	1,661,578	2,740,176
Interest income from holding debt investments	16,462	39,713
Income from long-term equity investments under the equity method	196	60
Investment income from holding held-for-trading financial assets		2,416
Total	1,678,236	2,782,365

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XIX. SUPPLEMENTARY INFORMATION

1. Breakdown of Non-Recurring Profit or Loss

Item	Unit: '000 Currency: RMB	
	Amount	Description
Gains or loss from disposal of non-current assets, including the offset part provided for asset impairment	305,289	
Government subsidies included in profit or loss for the current period, but excluding the government grants which are closely related to the Company's normal business, in compliance with national policies and regulations, granted based on determined standards and have continuous impact on the profit or loss of the Company	410,165	
Profit or loss on changes in fair value resulted from holding of the financial assets and financial liabilities, and profit or loss on disposal of financial assets and financial liabilities by non-financial enterprises, except the effective hedging business related to the Company's normal business	276,939	
Fund possession cost received from non-financial enterprises and included in profit or loss for the current period	22,288	
Profit or loss from entrustment of investment or asset management		
Gain or loss on external entrusted loans		
Asset losses due to force majeure such as natural disaster		
Reversal of the impairment provision for receivables which are tested individually for impairment		
Profit arising from investment cost for acquisition of subsidiaries, associates and joint ventures less than the fair value of identifiable net assets of the invested entity at the time of acquisition		
Current net profit or loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the period to the date of merger	1,064	
Profit or loss from exchange of non-monetary assets		
Profit or loss from debt restructuring	56,948	
One-off expenses arising from relevant discontinued operations of the Company, such as expenses on employee placement		
One-off effect of adjustment to laws and regulations on taxation and accounting on current profit or loss		
Share-based payments one-off recognised due to cancellation or revision of share option incentive scheme		
Profit or loss from changes in fair value of employee benefits payable after the exercise date with respective to the cash-settle share-based payment		
Profit or loss from changes in fair value of investment properties using the fair value model for subsequent measurement		
Gains arising from transactions at unfair trading prices over their fair value		

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XIX. SUPPLEMENTARY INFORMATION (CONTINUED)

1. Breakdown of Non-Recurring Profit or Loss (continued)

Item	Amount	Description
Gain or loss on contingencies which are not related to the Company's normal operations		
Entrusted fee income from entrusted operations		
Anticipated litigation/guarantee losses	-22,549	
Other off-business income and expense besides items above	-48,644	
Other profit or loss items falling within the meaning of non-recurring profit or loss		
Less: Effect of income tax	166,120	
Effect of minority interests (after tax)	12,078	
Total	823,302	

2. Return on Net Assets and Earnings Per Share

Profit for the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the Company	7.88	0.18	0.18
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	7.03	0.16	0.16

Chairman of the Board: Song Hailiang

Date of approval and delivery by the Board: 28 March 2024



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