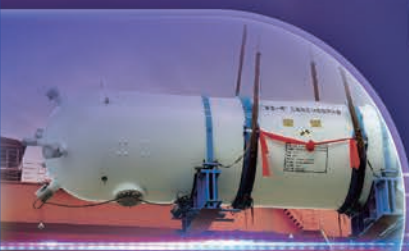




DONGFANG ELECTRIC CORPORATION LIMITED
(H Share Stock Code: 1072) (A Share Stock Code: 600875)

2024 ANNUAL REPORT



Important Notice

- I. The Board of Directors, the Supervisory Committee and the Directors, Supervisors and senior management of the Company warrant that the content of this annual report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility thereof.
- II. Attendance of Directors of the Company at the Board meetings:
The number of attendees at the Board is in compliance with the law.
- III. BDO China Shu Lun Pan Certified Public Accountants LLP has issued the audit report with unqualified opinions to the Company.
- IV. Yu Peigen, the person-in-charge of the Company, Lv Shuang the person-in-charge of accounting and Zheng Xingyi, the head of the accounting department (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report in this annual report.
- V. Profit Distribution Scheme or plan to convert surplus reserves into share capital approved by the Board during the Reporting Period
Profit Distribution Scheme for 2024: The Board proposed the payment of a cash dividend of RMB4.03 for every 10 shares (tax inclusive) for the year 2024 (2023: cash dividend of RMB4.75 for every 10 shares (tax inclusive)) to all shareholders based on the total share capital registered on the registration date for the implementation of the equity distribution. The Company will not convert any capital reserve into share capital or make any bonus issue. Based on the total share capital of the Company of 3,309,360,326 shares as at the Board meeting held on 29 April 2025, the total cash dividend distribution is estimated to be RMB1,366,315,211.38. If there is any change in the total share capital of the Company on the registration date for the implementation of the equity distribution, the Company intends to keep the total amount of the distribution unchanged and adjust the amount of the distribution per share accordingly. The proposal is subject to approval at the annual general meeting for 2024. If approved, the 2024 final dividend is expected to be paid to the shareholders before 31 August 2025.
- VI. Risks disclaimer of the forward-looking statements
For the risks described in this report, please refer to the possible risk factors and strategies stated in the “Discussion and Analysis on Future Development” in the Report of the Board of Directors.
- VII. Any appropriation of fund by the controlling shareholder and its related parties for non-operating purpose
No
- VIII. Any provision of external guarantee in violation of the stipulated decision making procedure
No
- IX. Whether more than half of the Directors cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company
No
- X. Material risk alert
Nil
- XI. Others
Nil

Contents

I	Definitions	3
II	Company Profile and Major Financial Indices	5
III	Report of the Board of Directors	13
IV	Report of the Supervisory Committee	54
V	Corporate Governance	59
VI	Environment and Social Responsibility	103
VII	Significant Events	112
VIII	Changes in Shares and Particulars of Shareholders	134
IX	Directors, Supervisors, Senior Management and Employees	145
X	Financial Report	164

Documents Available for Inspection

2024 Annual Report of the Company with signatures of the person-in-charge of the Company

The accounting report signed and sealed by the person-in-charge of the Company, the person-in-charge of the accounting department and the person-in-charge of the accounting institution

Articles of Association



I. DEFINITIONS

In this report, unless otherwise stated, the following expressions shall have meanings as follows:

Definitions of frequently-used terms

A Shares	domestic shares of the Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB
Articles of Association	the articles of association of the Company as amended from time to time
Board of Directors or Board	the Board of Directors of the Company
China or the PRC	the People's Republic of China
Company Law	Company Law of the People's Republic of China 《中華人民共和國公司法》
Controlling Shareholder, Dongfang Electric Corporation	DEC Group
Corporate Governance Code	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
DEC, Company	Dongfang Electric Corporation Limited
DEC Finance	東方電氣集團財務有限公司 (Dongfang Electric Finance Co., Ltd.), a non-bank finance company with limited liability established under the PRC law and a subsidiary of the Company
Director(s)	the director(s) of the Company
Dongfang Boiler	Dongfang Boiler Co., Ltd. (東方電氣集團東方鍋爐股份有限公司), a subsidiary of the Company
Dongfang Electric Machinery	Dongfang Electric Machinery Co., Ltd. (東方電氣集團東方電機有限公司), a subsidiary of the Company
Dongfang Heavy Machinery	Dongfang (Guangzhou) Heavy Machinery Co., Ltd. (東方電氣(廣州)重型機器有限公司), a subsidiary of the Company
Dongfang Turbine	Dongfang Turbine Co., Ltd. (東方電氣集團東方汽輪機有限公司), a subsidiary of the Company
EPC	Engineering Procurement Construction
Profit Forecast Compensation Agreement	the profit forecast compensation agreement dated 4 April 2023 entered into between the Company and DEC Group in relation to the performance guarantees and related compensation provided by DEC Group in respect of the Performance Compensation Assets
H Shares	overseas listed foreign shares of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars

DEFINITIONS (CONTINUED)

Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Model Code	Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 to the Listing Rules
Reporting Period	From 1 January 2024 to 31 December 2024
RMB, RMB'0000, RMB100 million	Renminbi Yuan, Renminbi '0000, Renminbi 100 million
Securities Law	Securities Law of the People's Republic of China (《中華人民共和國證券法》)
Share(s)	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
Shareholder(s)	holder(s) of the Share(s) of the Company
SSE	Shanghai Stock Exchange
Stock Exchange	The Stock Exchange of Hong Kong Limited
Supervisor(s)	the supervisor(s) of the Company
Supervisory Committee	the supervisory committee of the Company
%	per cent

COMPANY PROFILE AND MAJOR FINANCIAL INDICES

I. COMPANY INFORMATION

Chinese name of the Company	東方電氣股份有限公司
Abbreviation of the Chinese name of the Company	東方電氣
English name of the Company	Dongfang Electric Corporation Limited
Abbreviation of the English name of the Company	DEC. LTD
Legal representative of the Company	Yu Peigen
Registered and business address	No. 18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC
Postal code for registered and business address	611731
Company website	www.dec-ltd.cn
E-mail	dsb@dongfang.com
Registered capital of the Company	RMB3,390,360,326

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

II. CONTACT PERSONS AND CONTACT METHODS

	Secretary to the Board of Directors	Representative of securities affairs
Name	Feng Yong	Liu Zhi
Contact address	No. 18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC	No. 18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC
Telephone	028-87583666	028-87583666
Fax	028-87583551	028-87583551
E-mail	dsb@dongfang.com	dsb@dongfang.com

III. INFORMATION DISCLOSURE AND PLACES FOR INSPECTION FOR RELEVANT DOCUMENTS

Media designated for disclosure of the Company's annual report	China Securities Journal and Shanghai Securities News
Website of SSE website for publication of the Company's annual report	www.sse.com.cn
Website designated by the Stock Exchange for publication of the Company's annual report	www.hkexnews.hk
Place where the Company's annual report is available for inspection	Office of the Board of Directors

IV. SHARE INFORMATION

Class of share	Listing place	Abbreviation of the stock	Stock code	Stock name before the change
A Shares	SSE	東方電氣	600875	東方電機
H Shares	The Stock Exchange	Dongfang Elec	01072	Dongfang Electrical

V. OTHER INFORMATION

The accounting firm engaged by the Company	Name Business address	BDO China Shu Lun Pan Certified Public Accountants LLP Floor 4, No. 61 Nanjing East Road, Shanghai, the PRC
H Share registrar in Hong Kong	Name Business address	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

VI. MAJOR ACCOUNTING DATA AND FINANCIAL INDICES FOR THE LAST 3 YEARS

(I) Major accounting data

Unit: Yuan Currency: RMB

Major accounting data	2024	2023	Year-on-year increase/decrease (%)	2022
Total operating income	69,695,135,723.47	60,676,613,395.82	14.86	55,363,782,450.06
Operating income	68,592,735,741.35	59,566,526,583.78	15.15	54,189,702,709.81
Total profit	3,884,243,745.66	4,006,164,166.98	-3.04	3,327,359,675.84
Net profit attributable to shareholders of the Company	2,922,100,908.48	3,550,393,576.32	-17.70	2,857,898,505.21
Net profit after deducting non-recurring profit or loss attributable to shareholders of the Company	1,980,447,209.57	2,575,811,881.93	-23.11	2,384,896,763.34
Net cash flow from operating activities	10,059,491,408.32	-3,495,876,222.59	N/A	8,408,573,623.86
Net cash flow from operating activities after deducting the cash flow from financial business activities of DEC Finance	9,591,954,264.37	2,494,962,710.69	284.45	5,553,294,548.97
	At the end of 2024	At the end of 2023	Year-on-year increase/decrease (%)	At the end of 2022
Net asset attributable to shareholders of the Company	38,796,282,366.86	37,244,895,786.52	4.17	34,992,066,981.24
Total asset	142,009,284,851.87	121,108,373,341.62	17.26	115,344,350,441.40

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

(II) Major financial index

Major financial index	2024	2023	Year-on-year increase/decrease (%)	2022
Basic earnings per share (RMB/share)	0.94	1.14	-17.54	0.92
Diluted earnings per share (RMB/share)	0.94	1.14	-17.54	0.92
Basic earnings per share after deducting non-recurring profit or loss (RMB/share)	0.64	0.83	-22.89	0.76
Weighted average return on net assets (%)	7.71	9.82	Decreased by 2.11 percentage points	8.43
Weighted average return on net assets after non-recurring profit or loss (%)	5.22	7.12	Decreased by 1.90 percentage points	7.03

VII. MAJOR FINANCIAL DATA OF 2024 BY QUARTERS

Unit: Yuan Currency: RMB

	First quarter (January to March)	Second quarter (April to June)	Third quarter (July to September)	Fourth quarter (October to December)
Operating income	14,801,351,538.99	18,127,124,490.90	14,096,935,685.58	21,567,324,025.88
Net profit attributable to shareholders of the Company	905,751,281.62	785,711,846.17	933,278,428.22	297,359,352.47
Net profit after deducting non-recurring profit or loss attributable to shareholders of the Company	1,055,684,212.95	578,721,892.11	834,545,141.09	-488,504,036.58
Net cash flow from operating activities	1,240,643,938.05	2,824,051,303.20	1,978,748,185.58	4,016,047,981.49

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

VIII. ITEMS AND AMOUNT OF NON-RECURRING PROFIT OR LOSS

Unit: Yuan Currency: RMB

Items of Non-recurring Profit or Loss	Amount for 2024	Note (if applicable)	Amount for 2023	Amount for 2022
Profit or loss from disposal of non-current assets, including the offsetting portion of the provision for impairment of assets that has been provisioned for	494,718,824.49	Mainly the transfer of 51% equity interest in Mulei 1,000,000 kilowatt wind power project	2,675,897.90	49,229,605.55
Government grants charged to profit or loss for the current period (except for those closely related to the normal operation of the Company, gained according to a certain standard based on state policies and posing consistent impact on the profit or loss of the Company)	272,660,619.10		232,628,009.63	154,531,765.68
Gain or loss on change of fair value of financial assets and financial liabilities held by non-financial enterprises, and gain or loss arising from the disposal of financial assets and financial liabilities, other than the effective hedging business related to the Company's normal business	-222,815,806.67		-11,677,255.48	-6,572,214.18
Fund occupation fee charged to non-financial enterprises through current profit or loss				
Gain or loss from entrusting others with investment or asset management				
Profit or loss from entrusted loans				
The provision for impairment of assets due to force majeure, such as natural disasters				

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

Items of Non-recurring Profit or Loss	Amount for 2024	Note (if applicable)	Amount for 2023	Amount for 2022
Reversal of impairment provision on receivable individually conducted impairment test	318,383,963.90		397,608,096.52	365,527,834.86
Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share in the net fair value of the identifiable assets of the investee when investing				
Net gain or loss of the subsidiaries arising from the merger of enterprises under the common control from the beginning of the period to the date of merger			248,791.62	
Profit or loss of non-monetary asset swap			370,285,303.34	
Gain or loss of debt reorganization	68,357,655.00		92,575,486.17	135,649,171.95
One-off expenses incurred by the enterprise due to the discontinuation of related business activities, such as employee resettlement costs, etc.				
One-off effect of the adjustment of tax and accounting laws and regulations on current profit or loss				
One-off recognition of share-based payment fees due to cancellation or modification of equity incentive plans				
Gain or loss arising from changes in fair value of employee compensation payable after the exercise date for share-based payment in cash				
Profit or loss arising from changes in fair value of investment property using fair value model for subsequent measurement				

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

Items of Non-recurring Profit or Loss	Amount for 2024	Note (if applicable)	Amount for 2023	Amount for 2022
Gain or loss over fair value arising from a transaction in which the transaction price is obviously unfair				
Gain or loss arising from matters not related to the Company's ordinary operation				
Custodian income from entrusted management				
Other non-operating income and expenses other than the above mentioned items	-3,209,015.10		36,102,113.03	-2,465,368.22
Other profit and loss items falling within the definition of non-recurring profit or loss	461,218,546.04	Recognition of investment income from the remaining 49% equity interest as if it had been accounted for by the equity method from the time of acquisition after the transfer of 51% equity interest in Mulei 1,000,000 kilowatt wind power project		-79,287,619.06
Less: impacted amount in income tax	165,952,796.68		67,879,733.33	95,561,988.67
Impacted amount in non-controlling shareholders' equity (after tax)	281,708,291.17		77,985,015.01	48,049,446.04
Total	941,653,698.91		974,581,694.39	473,001,741.87

COMPANY PROFILE AND MAJOR FINANCIAL INDICES (CONTINUED)

IX. ITEMS AT FAIR VALUE MEASUREMENT

Unit: Yuan Currency: RMB

Item	Opening Balance	Closing Balance	Changes during the periods	Impact amount of the current profit
Held for trading financial assets	867,176,939.12	1,697,971,178.52	830,794,239.40	-204,160,425.88
Other equity instrument investments	495,874,463.26	544,594,360.32	48,719,897.06	0.00
Total	1,363,051,402.38	2,242,565,538.84	879,514,136.46	-204,160,425.88

REPORT OF THE BOARD OF DIRECTORS

I. DISCUSSION AND ANALYSIS OF OPERATIONS

In 2024, the Company continued to enhance its core functions and improve its core competitiveness, strived to play its role in technology innovation, industry control, and safety support, cultivated and developed new productive forces, and built a world-class enterprise with core competitiveness, with total operating income of RMB69.695 billion, an increase of 14.86% year-on-year, creating a record high; total profit for the year of RMB3.884 billion, a decrease of 3.04% year-on-year; the strength of investment in R&D expenses remained above 5%. The Company's orders on hand was RMB152.606 billion, reaching the highest level in history.

(1) Another step forward in industrial development

In 2024, the Company achieved new effective orders of RMB101.142 billion, an increase of 16.88% year-on-year with, clean and efficient energy equipment accounting for 38.71%, renewable energy equipment accounting for 26.19%, engineering and international supply chain industry accounting for 12.00%, modern manufacturing services accounting for 8.67%, and emerging growth industries accounting for 14.42%. In terms of "six electricities", the subsidiary Dongfang Wind Power ranked No. 6 in the "New Installation List of Wind Turbine Manufactures" with excellent performance, and the Company's new offshore installations ranked among the top three, with a market share exceeding 10%, and the Company innovated the business model of wind power, with the independently-developed Mulei 1,000,000 kilowatt wind power project has been transferred, which has further consolidated the Company's leading position of the wind power industry; pumped storage broke through the market domain of high-altitude, wide-load, and variable-speed, with an overall market share of 41.6%, and a market share of 45% in conventional hydropower, among the top of the industry; and the only nuclear steam supply system equipment obtained a manufacturing license again. The Company broke through the market for nuclear power cycle pumps and spent fuel transportation containers; continued to lead in the gas power market, and the independently developed 50MW heavy-duty gas turbine received another order; gained the highest qualification in professional design of the power industry, and the new generation of million-kilowatt ultra-supercritical unit with secondary reheat for coal-fired power plants were successfully put into operation in batch, and won the bid for the first million-kilowatt hedge combustion tower furnace in China. In terms of "six industries", it independently developed high-end shielding pumps entered the European market; became the first domestic enterprise to provide long-term operation and maintenance services for third-party gas turbines with independent engine technology; the fully independent excitation system achieved a breakthrough in the performance of million-kilowatt nuclear power units in the Pakistan C5 project; obtained the world's largest carbon dioxide energy storage demonstration project.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

I. DISCUSSION AND ANALYSIS OF OPERATIONS (CONTINUED)

(2) Remarkable results in technological innovation

The Company has achieved a lot in scientific and technological innovation, the world's largest 26 MW offshore wind turbine was selected as one of the top ten major national enterprises in 2024 (2024年度央企十大国之重器), took the lead in completing the development of the water turbine model of the world's largest 500 MW impact-type hydropower unit was completed and delivered, and successfully passed the flight test of the first set 300 MW variable speed pumped storage unit generating motor in China, marking a major breakthrough in the independent research and development of China's variable speed pumped storage unit; the Company's independently-developed and the first F-class 50 MW heavy-duty gas turbine in China has accumulated more than 6,000 hours of safe operation, and the 15 MW heavy-duty gas turbine was successfully ignited; and the Company has also successfully researched and developed the first batch of shielding modules for the International Thermonuclear Experimental Reactor (the world's largest "artificial sun"). The research and development system has been improved continuously, the "1+N+X" innovation and research system has achieved results, with newly established Japan Energy Research Institute, and it has promoted the standardized operation of the National Key Laboratory for Clean and Efficient Turbine Power Equipment and the National Energy Small and Medium Gas Turbine Industry Chain Key Technology and Equipment Research and Development Center, with newly built two provincial and ministerial-level platforms for hydrogen energy, efficient cutting, and intelligent manufacturing. Leading in the industry of "digital transformation", the core manufacturing workshop has achieved full digital coverage, two factories have been selected as the first batch of excellent level intelligent factories by the Ministry of Industry and Information Technology, and one enterprise became the first intelligent manufacturing benchmark enterprise in the energy equipment manufacturing industry. The Company was successfully selected as one of Top 10 in the list of the "China ESG Listed Companies Technology Innovation Pioneer 30 (2024)".

(3) Steady improvement in management

We have focused on governing loss-making contracts, established long-term filing and reward and punishment mechanisms, strictly controlled the increase of loss-making contracts, and refined and decomposed the target of reducing losses, as well as fulfill the responsibility and strengthen incentive assessment. We have carried out a special action on lean management "strengthening the foundation, improving, and setting standards", and we have implemented full value chain cost management, focused on reducing costs in design and procurement; we have promoted the deep integration of lean management and intelligent manufacturing, improved the delivery time of core products, improved the efficiency of production units, and continuously optimized operational indicators. We have strengthened supply chain management, and the Dongfang Electrical procurement management platform has obtained the highest level of EBS "three-star" certification from the country. We have implemented a special action to improve the quality of suppliers. We have solidly promoted quality and safety management, established a quality leading competitiveness index system and evaluation model, and fully implemented management measures for large-scale nuclear power projects; we have promoted the three-year action plan for tackling the underlying problems of production safety, strengthened the investigation and rectification of hidden dangers, and maintained a stable situation in production safety throughout the year.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

I. DISCUSSION AND ANALYSIS OF OPERATIONS (CONTINUED)

(4) Comprehensive deepening and advancement of reforms

The Company innovated the "1+10" reform work promotion mechanism, solidly promoted 8 special reform measures, and completed the annual "double 70%" target ahead of schedule. It carried out the special reform project of "double-hundred" and "science and technology reform" in depth, and a number of the subsidiaries have been evaluated as benchmarking enterprises for "science and technology reform" and "double-hundred" by the SASAC of the State Council. For the first time, the reform pilot project "competition and optimization" was carried out, and new breakthroughs were made in key and difficult reform tasks such as empowering science and technology innovation and constructing a new type of management responsibility system. It improved the modern corporate governance of state-owned enterprises, completed the revision of the articles of association of secondary subsidiaries in accordance with the requirements of the new company law; it also simplified the management chain of enterprises and compress the level of the Company's legal person.

(5) Effective risk prevention and control

The Company has solidly promoted the creation of a world-class rule of law enterprise and improved the system of foreign-related rule of law work. The Company also established a full-chain information-based risk compliance control mechanism from procurement planning, contract signing to settlement and payment, and promoted "case-driven management, and improve quality and efficiency". The Company carried out a special project in the "year of compliance improvement" and issued risk compliance guidelines for key risk points in business areas, such as EPC, EMC, and scientific and technological research and development, to enhance the ability of industrial development based on risk control compliance. The Company established a key operational risk hazard control mechanism, and closed multiple high-risk contracts. The Company also established a pre-inspection and early warning mechanism to improve the supervision and early warning capabilities of bidding. The Company also issued the "Guidelines for Financial and Accounting Supervision" and the list of responsibilities for financial and accounting supervision, and established an effectiveness evaluation model for the financial internal control risk compliance system. The Company expanded the coverage of internal auditing and promoted the "layered and classified" management of rectification.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

II. INDUSTRY INFORMATION OF THE COMPANY DURING THE REPORTING PERIOD

The Company operates in the equipment manufacturing industry and mainly focuses on providing high-end equipment and related services for energy production and utilization, closely related to energy development.

The Company is one of the important energy equipment research and development manufacturing groups and large-scale engineering contracting enterprises, with products and services covering nearly 80 countries and regions around the world. The Company has been listed on the “ENR Top 250 Global Contractors” list for 30 consecutive years and has cumulatively produced more than 700 million kilowatts of energy equipment, with strong competitiveness and influence in the field of energy equipment.

The equipment manufacturing industry is a foundational industry that provides technical equipment for the development of the national economy and is an important part of the real economy, known as the heart of the industrial economy. In the new stage of development, the proportion of China's equipment manufacturing industry continues to increase, the industrial structure continues to be optimized, and the comprehensive strength continues to improve. In 2024, the proportion of China's equipment manufacturing industry in the added value of above-scale industrial enterprises will reach 34.6%, and the added value of above-scale equipment manufacturing industry will increase by 7.7% from the previous year, which is 1.9 percentage points higher than the growth rate of above-scale industries. On the technological level, with the rapid development of digital technologies such as 5G, big data, and artificial intelligence, the high-end, green and intelligent transformation of the manufacturing industry is deepening, making digital transformation in the energy and equipment manufacturing industry an inevitable trend. On the policy level, focusing on the task of achieving carbon peak, in line with the requirements of carbon neutrality, the Energy Law of the People's Republic of China was officially promulgated, the construction of a unified national electricity market system was accelerated, and the pace of large-scale access of non-fossil energy to the new power system was further accelerated, posing higher demands on energy equipment. Overall, in the new stage of development, the role of traditional energy as a “ballast stone” for energy security is further highlighted, and there is an urgent need for transformation and upgrading of coal-fired power, while hydropower is trending towards wide load, high water head impact, and variable speed pumping and storage. The scale of nuclear power under construction and in operation has jumped to first place in the world. New energy represented by wind power and photovoltaics has become the main driving force for electricity growth, with the cumulative installed capacity of wind power and photovoltaics exceeding coal-fired power. Hydrogen energy has been explicitly included in the energy management system, and China's capacity for ensuring energy security and its level of green and low-carbon development have been further consolidated and improved.

In 2024, the global economic recovery process faces uncertainty, geopolitical conflicts continue, great power competition intensifies, and energy transition accelerates. As an important enterprise in the field of energy equipment, The Company actively responds to multiple challenges, seizes the new opportunities of the “dual carbon” goal, deepens technological innovation, optimizes product structure, improves operational efficiency, and continues to promote high-quality development, with good performance growth.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

III. THE COMPANY'S BUSINESS INFORMATION DURING THE REPORTING PERIOD

The Company provides various energy, environmental protection, chemical and other products and system integration, trade, logistics and other services for global energy operators and other users, and its main business has not changed significantly during the Reporting Period.

The Company's main business model is to develop, design, manufacture, and sell advanced wind power, solar power, hydropower, nuclear power, gas power, thermal power and chemical containers, energy conservation and environmental protection, power electronics and control, hydrogen energy and other high-end equipment, as well as providing engineering contracting and services to global energy operators.

The Company has a complete energy equipment manufacturing and service system, which can produce large quantities of 0.05-1 million kilowatt-level hydro generators, 0.135-1.35 million kilowatt-level ultra-supercritical thermal power units, 0.05-1.75 million kilowatt-level nuclear power units, heavy-duty gas turbine equipment, direct drive and double-fed full series of wind power units, and efficient solar power station equipment. The company's 1 million kilowatt-level air-cooled units, 1 million kilowatt-level secondary reheating units, large-scale circulating fluidized bed boilers, heavy-duty gas turbine and other products are in a leading position in the industry; the overall technology of hydropower products is at the forefront in China, and the technology of pumped storage and mixed-flow hydropower is at the leading level in the industry, while the impact hydropower technology is at an advanced level in the industry; the 26 megawatt-level offshore wind power units are at a leading level in China. The company has the core equipment manufacturing capabilities in the fields of chemical containers, driving turbines, shield pumps, and pipeline compressors in the petrochemical industry, as well as the ability to solve waste gas, wastewater treatment, waste solid disposal, and resource utilization system, power electronics and industrial automation, intelligent manufacturing equipment and system technology, energy storage design and integration capabilities, and has established a complete system of fuel cell products with independent intellectual property rights, and formed a comprehensive solution for hydrogen production, storage, refueling, and utilization. In response to changes in the business model of the new energy market, the company acquires certain resources through the implementation of equipment manufacturing industry and other methods to drive equipment sales, smooth the impact of fluctuations in the equipment manufacturing industry, promote the verification and application of new technologies and products, and continuously optimize the industrial regional layout.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

IV. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

As the important Research and Development (R&D) and manufacturing group of energy equipment and one of the mega enterprises for project contracting, the Company boasts strong core competitiveness, in terms of the following aspects:

1. Outstanding ability of science and technology innovation

The Company insists on “innovation as first motivation”, vigorously promotes independent innovation, constantly advances synergistic and open innovation, continuously optimizes the science and technology innovation system and strengthens R&D investment and key technology research. In 2024, the Company invested RMB3,816 million in R&D, accounting for 5.56% of operating revenue, and was granted 507 new valid patents (including 205 invention patents). As of the end of 2024, the Company had 4,053 valid patents (including 1,777 invention patents). During the Reporting Period, the Company has made orderly progress in major scientific research tasks such as original technology source, modern industrial chain length, new industry revitalization, future industry take-off, and key manufacturing industry chain leaders. The achievements in key core technology research are fruitful, with the first domestic 15 megawatt heavy-duty gas turbine successfully ignited, the 18 megawatt offshore wind turbine achieving full power grid-connected operation, the world's largest 26 megawatt offshore wind turbine completed, the world's largest 5 megawatt chemical loop carbon capture equipment system achieving self-heating stable operation, the world's first 500 megawatt impulse hydropower unit water distribution pipeline passing acceptance and delivery, and the development of the first domestic CFR600 demonstration fast reactor intermediate heat exchanger. The Company has been listed as one of the “Top Ten National Heavyweights” among central enterprises for five consecutive years.

2. Diversified and complete industrial structure

The Company has established the industrial development pattern of “simultaneous development of six types of electricity” including wind power, solar power, hydropower, nuclear power, gas power and thermal power, as well as “six industries synergy” including high-end petrochemical equipment, energy conservation and environmental protection, engineering and international supply chain, modern manufacturing services, power electronics and control, and emerging industries, while the Company's traditional advantageous industries have a solid supporting role, and its strategic emerging industries have strong development momentum. The Company's supply chain has strong resilience and security, and the localization rate of parts for coal power, hydropower, wind power, and nuclear power has reached 100%. The Company has research and development capabilities such as high-end petrochemical containers, petrochemical drive turbines and chemical shield pumps. It has a comprehensive solution for “ultra clean emissions” energy supply from energy conversion and power generation to emissions back-end processing and comprehensive utilization. It is capable of electrical and mechanical products trading, exporting complete sets of equipment and engineering EPC business, and provision of “Internet+” power plant services such as efficiency improvement, remote diagnosis, smart power plants, as well as logistics solutions, raw material supply, professional financial management and financial services. It possesses industrial control system products and solutions, which can offer solutions to hydrogen generation, hydrogen refueling and energy storage systems.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

IV. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD (CONTINUED)

3. Advanced manufacturing and service capabilities

The Company vigorously promotes the transformation to intelligent manufacturing. During the reporting period, it achieved full digital coverage of the core manufacturing workshop, and its subsidiaries Dongfang Electrical and Dongfang Turbine became level four enterprises in terms of intelligent manufacturing maturity (the highest level in the industry), and were selected as the first batch of excellent intelligent factories by the Ministry of Industry and Information Technology. Three provincial-level green factories were added, and four major manufacturing enterprises were identified as class B in terms of environmental performance. While actively promoting its own industrial digitization, the company has also promoted internal professional integration and reorganized to establish a power plant service industry company, using intelligence as an enabling factor to create smart power plant solutions.

4. Strong market development ability

The Company has established a two-tier marketing system that is the headquarters and subsidiaries work together to form a domestic and international marketing network with a focus on customer proximity, a marketing team based on excellent professionals, and a marketing incentive mechanism driven by enhanced proactive development. In recent years, the company has continuously promoted innovation in marketing models and planned and promoted marketing activities at all levels and in various industries to enhance industry influence and social recognition. The company has deepened its presence in the domestic market, promoted regional layout, and expanded its domestic business. It has also actively expanded its international market, orderly expanded overseas marketing agencies and locations, and achieved stable development in overseas business.

5. Deep culture and branding

After 66 years of development and accumulation, the Company has persisted in the enterprise spirit of “pragmatism, innovation, people and strength”, formed a culture of “Create Together” that is widely recognized by all employees. The Company is committed to the mission of “Green Power, Drive the Future” and the vision of “Rise to be a Global Electric Powerhouse”. Upholding the core value of “Creating value together and sharing success”, the Company mobilizes all employees to accelerate the construction of a world-class enterprise. The Company actively fulfilled its social responsibilities as a state-owned enterprise, improved the brand management system, built the brand value system, optimized the brand communication system, continuously consolidated the brand image, promoted the coordinated development of the brand and culture, and created a first-class brand with unified and distinct image and user trust. The Company’s awareness and recognition have been continuously improved. Trademarks including the “DEC”, are well-known trademarks in China, registered and protected by local laws in 25 countries, including Germany, France and Russia.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD

(I) Analysis of Principal Business

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

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the same period last year	Change (%)
Total operating income	69,695,135,723.47	60,676,613,395.82	14.86
Operating costs	58,876,109,012.73	50,073,722,959.33	17.58
Administrative expenses	3,523,054,191.25	3,403,903,282.05	3.50
R&D expenditure	3,009,012,872.14	2,749,527,295.10	9.44
Finance costs	44,547,885.42	7,452,005.65	497.80
Other income	769,921,637.52	438,795,618.71	75.46
Investment income	1,577,063,838.88	748,149,784.92	110.80
Gains from changes in fair values	-204,160,425.88	85,064,728.63	-340.01
Credit impairment loss	-146,035,139.19	-175,675,005.47	N/A
Asset impairment loss	-1,148,012,197.65	-495,915,825.36	N/A
Net cash flow from operating activities	10,059,491,408.32	-3,495,876,222.59	N/A
Net cash flow from operating activities after deducting the cash flow from financial business activities of DEC Finance	9,591,954,264.37	2,494,962,710.69	284.45
Net cash flows from investing activities	-2,773,695,813.82	6,054,992,356.37	-145.81
Net cash flows from financing activities	1,088,764,448.85	-497,100,687.67	N/A

Reasons for change in operating revenue: The total operating revenue for the year increased by 14.86% year on year, mainly due to the revenue growth in the clean and efficient energy equipment and renewable energy equipment segments.

Reasons for change in operating costs: The operating costs for the year increased by 17.58% year on year, mainly due to the corresponding increase as a result of the increase in sales volume.

Reasons for change in administration expenses: The administrative expenses for the year increased by 3.50% year on year, mainly due to the year-on-year increase in depreciation and consulting fees.

Reasons for change in finance costs: The finance costs for the year increased by RMB37 million year on year, mainly due to the year-on-year increase in the exchange losses.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

1. Analysis of changes in certain items in the income statement and statement of cash flows (Continued)

Reasons for change in R&D expenditure: The R&D expenditure for the year increased by 9.44% year on year, mainly due to the increased investment in research and development for the year.

Other income: The other income for the year increased by 75.46% year on year, mainly due to the increase in the amount of additional input VAT credit for the advanced manufacturing business during the year.

Reasons for change in investment income: The investment income for the year increased by 110.80% year on year, mainly due to the realization of the transfer of the Mulei 1,000,000 kilowatt wind power project during the year.

Reasons for change in gains from changes in fair value: Mainly due to a floating loss in the share price of shares held during the year.

Reasons for change in credit impairment loss: Mainly due to the year-on-year increase in the recovery of receivables and the year-on-year increase in the reversal of provision for bad debts.

Reasons for change in asset impairment loss: Mainly due to the increase in provision for impairment of contract assets and provision for inventories based on impairment testing during the year.

Reasons for change in net cash flow from operating activities: Mainly due to a significant year-on-year increase in inflow of sales receipts.

Reasons for change in net cash flow from investment activities: Mainly due to the year-on-year increase in net outflow of the interbank deposit certificates and other businesses of DEC Finance during the year.

Reasons for change in net cash flow from financing activities: Mainly due to the year-on-year increase in state funds and project borrowings.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost

(1) Major operations by industry, product, region and sales model

Unit: 0'000 yuan Currency: RMB

Major operations by industry						
Industry	Operating revenue	Operating costs	Gross profit margin (%)	Year-on-year increase/decrease in operating revenue (%)	Year-on-year increase/decrease in operating costs margin (%)	Year-on-year increase/decrease in gross profit margin (%)
Power generation equipment manufacturing industry	6,969,513.57	5,890,225.60	15.49	14.86	17.55	Decreased by 1.93 percentage points
Major operations by product						
Product	Operating revenue	Operating costs	Gross profit margin (%)	Year-on-year increase/decrease in operating revenue (%)	Year-on-year increase/decrease in operating costs (%)	Year-on-year increase/decrease in gross profit margin (%)
Renewable energy equipment	1,660,296.86	1,597,770.04	3.77	19.98	24.07	Decreased by 3.17 percentage points
High-efficient clean energy equipment	2,835,819.71	2,360,779.89	16.75	37.73	44.91	Decreased by 4.12 percentage points
Engineering and supply chain	601,913.60	547,122.14	9.10	-49.93	-48.00	Decreased by 3.39 percentage points
Modern manufacturing services business	756,440.65	390,235.18	48.41	40.51	44.08	Decreased by 1.28 percentage points
Emerging growth business	1,115,042.76	994,318.35	10.83	26.09	29.01	Decreased by 2.02 percentage points

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(1) Major operations by industry, product, region and sales model (Continued)

Major operations by region						
Region	Operating revenue	Operating costs	Gross profit margin (%)	Year-on-year increase/decrease in operating revenue (%)	Year-on-year increase/decrease in operating costs (%)	Year-on-year increase/decrease in gross profit margin (%)
Domestic	6,412,629.23	5,397,483.77	15.83	20.95	23.37	Decreased by 1.65 percentage points
Overseas	556,884.34	492,741.83	11.52	-27.27	-22.46	Decreased by 5.49 percentage points

Major operations by sales model						
Sales model	Operating revenue	Operating costs	Gross profit margin (%)	Year-on-year increase/decrease in operating revenue (%)	Year-on-year increase/decrease in operating costs (%)	Year-on-year increase/decrease in gross profit margin (%)
Customized sales	6,969,513.57	5,890,225.60	15.49	14.86	17.55	Decreased by 1.93 percentage points

Description of major operations by industry, product, region and sales model

The revenue of the high-efficient clean energy equipment business for the year increased by RMB7.769 billion, or 37.73% year on year, mainly due to the year-on-year growth of gas power, coal-fired generation and nuclear power.

The revenue from the engineering and supply chain business for the year decreased by RMB6.003 billion, or 49.93% year-on-year, mainly due to the year-on-year decline in the supply chain management and service business.

The revenue from the modern manufacturing services business for the year increased by RMB2.181 billion, or 40.51% year-on-year, mainly due to the year-on-year growth in the power plant services business.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(2) Capacity and sales analysis table

Major products	Unit	Capacity	Sales	Inventory	Capacity increase/ decrease from the previous year (%)	Sales increase/ decrease from the previous year (%)	Inventory increase/ decrease from the previous year (%)
Hydro-generating unit	MW	3,801	5,766.2	1,355	-32.13	12.29	-59.19
Steam turbine generators	MW	44,258	40,053	22,657	32.07	30.65	22.79
Wind power units	MW	10,032.6	8,976.7	1,963.2	100.65	83.63	116.38
Power station steam turbines	MW	38,578	24,246	12,861	10.24	-43.39	25.81
Power station boilers	MW	25,066	25,066	0	8.19	8.19	-

Description of capacity and sales volume

The calculation of the Company's production volume was mainly based on the physical quantities produced by the enterprise during the Reporting Period and meeting the quality requirements of the products. The calculation of sales volume was mainly based on the inventory list issued during the month. For hydro turbine generator and steam turbine generator with core components, the sales volume for the month was calculated based on the out-of-stock rate of over 90%. The sales volume of wind power turbines was calculated based on the number of units shipped. The sales volume of power station steam turbines were calculated based on the complete shipment of the main engine module. Power station boilers were basically the same in terms of production and sales volume as it was no sets of units, and the products were directly delivered to customers or entered into the logistics process upon completion of production. The inventory of the products was rolling inventory, which was equal to the difference between the production and sales volume. The inventory of finished products was zero as the production and sales volumes of Dongfang Boiler were basically the same.

The year-on-year decrease in the production of hydro-generating unit was mainly due to the decrease in the manufacture of large hydropower equipment in 2024 as compared to 2023, which in turn led to a year-on-year decrease in inventory.

The year-on-year increase in production and sales of wind power units was mainly attributable to the Company's vigorous development of the wind power industry and the increase in orders for wind power equipment, which led to the year-on-year increase in the production and sales of wind power equipment.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(3) Performance of Material Procurement Contracts and Material Sales Contracts

Performance of material sales contracts as of the Reporting Period

Unit: 0'000 yuan Currency: RMB

Subject matter	Counterpart	Total amount of contract	Total amount performed	Amounts performed during the Reporting Period	Amounts to be performed	Regular performance or not	Explanation of non-regular performance of contracts
Datang Yuncheng 630 ℃ ultra-supercritical double-reheat national electric power demonstration project equipment procurement contract (boiler, turbine and generator)	China Datang International Trading Corporation (中國大唐集團國際貿易有限公司)	202,440	61,732	61,732	140,708	Yes	Nil

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(4) Cost analysis

By industry

Unit: 0'000 yuan Currency: RMB

Industry	Cost composition	Amount for the period	Percentage in total costs for the period (%)	Amount for the same period last year	Percentage in total costs for the same period last year (%)	Percentage change in the amount for the period as compared to the same period last year (%)	Remark
Power generation equipment manufacturing	Raw material costs (procurement cost)	4,904,511.22	83.27	4,137,103.12	82.57	18.55	
Power generation equipment manufacturing	Labour costs	183,860.79	3.12	164,937.25	3.29	11.47	
Power generation equipment manufacturing	Other costs	801,853.59	13.61	708,664.95	14.14	13.15	

By product

Unit: 0'000 yuan Currency: RMB

Industry	Cost composition	Amount for the period	Percentage in total costs for the period (%)	Amount for the same period last year	Percentage in total costs for the same period last year (%)	Percentage change in the amount for the period as compared to the same period last year (%)	Remark
Renewable energy equipment	Raw material costs (procurement cost)	1,308,339.57	22.21	1,029,758.72	20.55	27.05	
Renewable energy equipment	Labor costs	71,466.65	1.21	64,061.44	1.28	11.56	
Renewable energy equipment	Other costs	217,963.82	3.70	194,020.16	3.87	12.34	
High-efficient clean energy equipment	Raw material costs (procurement cost)	2,086,441.74	35.42	1,372,368.72	27.39	52.03	
High-efficient clean energy equipment	Labor costs	67,089.83	1.14	58,701.63	1.17	14.29	

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(4) Cost analysis (Continued)

By product (Continued)

Industry	Cost composition	Amount for the period	Percentage in total costs for the period (%)	Amount for the same period last year	Percentage in total costs for the same period last year (%)	Percentage change in the amount for the period as compared to the same period last year (%)	Remark
High-efficient clean energy equipment	Other costs	207,248.32	3.52	198,116.30	3.95	4.61	
Engineering and supply chain	Raw material costs (procurement cost)	531,861.82	9.03	1,030,202.67	20.56	-48.37	
Engineering and supply chain	Labor costs	4,717.19	0.08	5,477.52	0.11	-13.88	
Engineering and supply chain	Other costs	10,543.13	0.18	16,414.91	0.33	-35.77	
Modern manufacturing services business	Raw material costs (procurement cost)	139,069.59	2.36	86,876.80	1.73	60.08	
Modern manufacturing services business	Labor costs	15,738.00	0.27	13,432.54	0.27	17.16	
Modern manufacturing services business	Other costs	235,427.59	4.00	170,533.81	3.40	38.05	
Emerging growth industry	Raw material costs (procurement cost)	838,798.52	14.24	617,896.20	12.33	35.75	
Emerging growth industry	Labor costs	24,849.11	0.42	23,264.13	0.46	6.81	
Emerging growth industry	Other costs	130,670.72	2.22	129,579.76	2.59	0.84	

Other explanations on cost composition

The year-on-year increase in the Company's costs was mainly results from the year-on-year revenue growth.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(5) *Changes in equity of major subsidiaries during the Reporting Period resulting in changes in the scope of merger*

No.	Name	Reasons for changes
1	Dongfang Electric (Linzi) New Energy Co., Ltd.	Establishment of investment
2	Shanghai Dongran Green Technology Service Co., Ltd.	Establishment of investment
3	Dongfang Tourmaline Hydrogen Energy (Jiangxi) Co., Ltd.	Establishment of investment
4	Dongfang Boiler New Energy (Panzhihua) Co. Ltd.	Establishment of investment
5	Dongfang Boiler New Energy (Yanbian) Co. Ltd.	Establishment of investment
6	Mulei Dongji New Energy Co., Ltd.	Establishment of investment
7	Huaihua Dongfang Wind Power New Energy Co., Ltd.	Establishment of investment
8	Liaocheng Dongguan New Energy Co., Ltd.	Establishment of investment
9	Aletai Dongjin New Energy Co., Ltd.	Establishment of investment
10	Qingxian Dongtai Energy Manufacturing Co., Ltd.	Establishment of investment
11	Dongfang Electric (Jieyang) New Energy Co., Ltd.	Establishment of investment
12	Dongfang Wind Power (Guangxi) New Energy Co., Ltd.	Establishment of investment
13	Yiyang Donghu New Energy Co., Ltd.	Establishment of investment
14	Dongfang Wind Power (Tongyu) New Energy Co., Ltd.	Establishment of investment
15	Dongyu New Energy Power Generation (Tongyu) Co., Ltd.	Establishment of investment

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(5) *Changes in equity of major subsidiaries during the Reporting Period resulting in changes in the scope of merger (Continued)*

No.	Name	Reasons for changes
16	Jiuquan Dongsai New Energy Co., Ltd.	Establishment of investment
17	Dongfang Wind Power New Energy (Chongqing) Co., Ltd.	Establishment of investment
18	Dongfang Electric (Weihai) New Energy Co., Ltd.	Establishment of investment
19	Rushan Dongchuang New Energy Co., Ltd.	Establishment of investment
20	Dongfang Electric (Changdu) New Energy Co., Ltd.	Establishment of investment
21	Ruoqiang Dongxin New Energy Co., Ltd.	Establishment of investment
22	Dongfang Electric (Geermu) New Energy Co., Ltd.	Establishment of investment
23	Dongfang Electric Costa Rica Co., Ltd.	Establishment of investment
24	Dongfang Electric (Chengdu) Innovation Research Co., Ltd.	Establishment of investment
25	Dongfang Zhiyun Logistics Technology (Tianjin) Co., Ltd.	Establishment of investment
26	Dongfang Electric (Shandong) Energy Technology Co., Ltd.	Cancellation
27	Dongfang (Shandong) Wind Power Equipment Manufacturing Co., Ltd.	Cancellation
28	Dongfang Electric (Anhui) Hydrogen Fuel Cell Technology Co., Ltd.	Cancellation
29	Dongfang Electric Wind Turbine Blade (Xing'an League) Co., Ltd.	Cancellation
30	Jiuquan Dongsu New Energy Co., Ltd.	Transfer
31	Jiuquan Dongsu Mazongshan New Energy Co., Ltd.	Transfer
32	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., Ltd.	Transfer
33	Dongfang Electric (Neijiang) Hydrogen Energy Co., Ltd.	Cancellation
34	Mulei East New Energy Co., Ltd.	Transfer

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

2. Analysis of Revenue and Cost (Continued)

(6) Major sales customers and major suppliers

The Company's sales to its top five customers amounted to RMB10,792.8467 million, accounting for 15.49% of the total sales for the year, among which, sales to related parties was RMB0 million, accounting for 0% of the total sales for the year.

The Company's procurement from its top five suppliers amounted to RMB6,482.1715 million, accounting for 11.00% of the total procurement for the year, among which, the procurement from related parties was RMB2,883.447 million, representing 4.89% of the total procurement for the year.

3. Expenses

Unit: Yuan Currency: RMB

Item	Amount for current year	Amount for previous year	Change (%)
Selling expenses	822,360,688.77	766,951,994.89	7.22
Administrative expenses	3,523,054,191.25	3,403,903,282.05	3.50
R&D expenditure	3,009,012,872.14	2,749,527,295.10	9.44
Finance costs	44,547,885.42	7,452,005.65	497.80
Income tax expenses	596,717,889.35	362,454,836.22	64.63

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

4. R&D Expenditure

(1) Breakdowns of R&D Expenditure

Unit: Yuan Currency: RMB

Expensed R&D expenditure for the period	3,076,506,161.75
Capitalized R&D expenditure for the period	739,606,893.97
Total R&D expenditure	3,816,113,055.72
Percentage of total R&D expenditure over revenue (%)	5.56
Percentage of R&D expenditure capitalization (%)	19.38

(2) Information of R&D personnel

Number of R&D personnel of the Company	4,272
Percentage of R&D personnel in the total number of employees of the Company (%)	23.7

Educational structure of R&D personnel

Educational category	Number
Doctoral graduate	139
Master's graduate	1,596
Undergraduate	2,404
Junior college and below	133

Age structure of R&D personnel

Age category	Number
Under 30 years old (excluding 30 years old)	1,565
30-40 years old (including 30 years old, excluding 40 years old)	1,470
40-50 years old (including 40 years old, excluding 50 years old)	851
50-60 years old (including 50 years old, excluding 60 years old)	360
60 years old and above	26

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis of Principal Business (Continued)

5. Cash flows

Unit: Yuan Currency: RMB

Item	Amount for current year	Amount for previous year	Change (%)
Cash received from sale of goods and of rendering services	73,358,515,737.67	60,080,393,051.10	22.10
△Net increase in customer deposits and interbank deposits	1,805,594,490.68	-6,867,616,168.89	N/A
△Net increase in borrowings from other financial institutions	-795,801,113.09	56,646,341.72	-1,504.86
△Cash received from interest, surcharges and commission fee	489,627,760.24	224,652,893.51	117.95
Tax refund received	24,819,326.87	313,339,603.59	-92.08
Other cash received from operating activities	4,960,367,306.20	4,207,870,538.57	17.88
Cash paid for purchase of goods and receipt of services	56,209,490,945.61	50,183,751,530.59	12.01
△Net increase in loans and advances to customers	-1,791,652,622.96	-2,898,003,869.83	N/A
△Net increase in central bank and interbank payments	515,329,667.61	-218,731,064.89	N/A
Payments of taxes and surcharges	2,777,690,323.72	2,219,757,282.66	25.13
Net cash received from disposal of subsidiaries and other business units	492,572,075.62		N/A
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,999,116,867.65	1,110,103,477.28	170.17
Cash paid for investments	35,650,572,826.54	25,219,966,200.00	41.36
Cash received from borrowings obtained	2,511,723,871.40	865,437,595.74	190.23
Other cash received from financing activities	593,536,697.59	436,326,577.79	36.03
Cash paid for debt repayment	316,217,093.56	709,002,286.14	-55.40
Cash paid for dividend, profit distribution or interest payments	1,655,173,254.10	1,188,638,536.38	39.25

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis of Assets and Liabilities

1. The status of assets and liabilities

Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Percentage of the amount at the end of the period in total assets (%)	Amount at the end of the previous period	Percentage of the amount at the end of the previous period in total assets (%)	Year-on-year change (%)	Explanation
Cash and cash equivalents	26,855,949,069.93	18.91	17,129,250,869.93	14.14	56.78	See other instructions for details
△Funds for lending	836,529,745.30	0.59			N/A	See other instructions for details
Trading financial assets	1,697,971,178.52	1.20	867,176,939.12	0.72	95.80	See other instructions for details
Prepayments	5,876,898,026.02	4.14	7,919,037,467.33	6.54	-25.79	See other instructions for details
Other receivables	546,279,763.42	0.38	412,067,046.11	0.34	32.57	See other instructions for details
Non-current assets due within one year	2,341,379,530.86	1.65	530,902,406.26	0.44	341.02	See other instructions for details
△Loans and advances	4,483,911,097.25	3.16	5,618,011,791.46	4.64	-20.19	See other instructions for details
Long-term receivables	21,879,106.99	0.02	201,486,860.12	0.17	-89.14	See other instructions for details
Long-term equity investments	2,924,013,842.93	2.06	1,783,080,682.00	1.47	63.99	See other instructions for details
Construction in progress	1,427,333,045.26	1.01	789,077,246.34	0.65	80.89	See other instructions for details
Right-of-use assets	554,692,874.36	0.39	345,268,409.32	0.29	60.66	See other instructions for details
Long-term deferred expenses	15,213,914.59	0.01	2,116,601.80	0.00	618.79	See other instructions for details
Short-term loans	75,080,000.00	0.05	110,165,544.44	0.09	-31.85	See other instructions for details
△Deposit absorption and interbank deposits	2,260,595,201.96	1.59	592,069,004.07	0.49	281.81	See other instructions for details
Accounts payable	24,833,045,021.46	17.49	19,306,103,748.81	15.94	28.63	See other instructions for details

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis of Assets and Liabilities (Continued)

1. The status of assets and liabilities (Continued)

Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Percentage of the amount at the end of the period in total assets (%)	Amount at the end of the previous period	Percentage of the amount at the end of the previous period in total assets (%)	Year-on-year change (%)	Explanation
Contract liabilities	40,665,996,771.34	28.64	32,171,926,049.36	26.56	26.40	See other instructions for details
Taxes and surcharges payable	782,649,173.71	0.55	439,788,690.24	0.36	77.96	See other instructions for details
Long-term loans	2,167,176,895.80	1.53	1,383,426,409.20	1.14	56.65	See other instructions for details
Lease liabilities	415,958,899.80	0.29	229,988,566.36	0.19	80.86	See other instructions for details
Deferred revenue	478,399,531.50	0.34	365,329,892.74	0.30	30.95	See other instructions for details
Deferred tax liabilities	229,850,405.47	0.16	180,156,104.32	0.15	27.58	See other instructions for details

Other instructions:

- (1) Reasons for change in cash and cash equivalents: the cash and cash equivalents for the year increased by 56.78% as compared with the beginning of the year, mainly due to better sales collection during the year.
- (2) Reasons for change in funds for lending: an increase in the funds for lending for the year as compared with the beginning of the year, mainly due to the increase in the funds for lending business of DEC Finance of the Company.
- (3) Reasons for change in trading financial assets: the trading financial assets for the year increased by 95.80% as compared with the beginning of the year, mainly due to the addition of Sichuan Energy Power's shares.
- (4) Reasons for change in prepayments: the prepayments for the year decreased by 25.79% as compared with the beginning of the year, mainly due to the decrease in prepayments settled during the year.
- (5) Reasons for change in other receivables: the other receivables for the year increased by 32.57% as compared with the beginning of the year, mainly due to the increase in guarantee deposits receivable and quality assurance funds.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis of Assets and Liabilities (Continued)

1. The status of assets and liabilities (Continued)

Other instructions: (Continued)

- (6) Reasons for change in non-current assets due within one year: the non-current assets due within one year for the year increased by 341.02% as compared with the beginning of the year, mainly due to the increase in loans and advances issued by the DEC Finance of the Company due within one year.
- (7) Reasons for the changes in loans and advances: the loans and advances decreased by 20.19% as compared with the beginning of the year, mainly due to the reclassification of part of the loans of DEC Finance of the Company which will be matured within one year in accordance with the enterprise accounting standards.
- (8) Reasons for the changes in long-term receivables: the long-term receivables for the year decreased by 89.14% as compared with the beginning of the year, mainly due to the recovery of instalment sales of goods during the year.
- (9) Reasons for change in long-term equity investments: the long-term equity investments for the year increased by 63.99% as compared with the beginning of the year, mainly due to the addition of Mulei New Energy and other associates during the year.
- (10) Reasons for change in construction in progress: the construction in progress for the year increased by 80.89% as compared with the beginning of the year, mainly due to the increase in innovation and overseas business center projects during the year.
- (11) Reasons for change in right-of-use assets: the right-of-use assets for the year increased by 60.66% as compared with the beginning of the year, mainly due to the signing of new lease contracts for office buildings and other assets during the year.
- (12) Reasons for change in long-term deferred expenses: the long-term deferred expenses for the year increased by 618.93% as compared with the beginning of the year, mainly due to the increase in renovation of factories and office buildings during the year.
- (13) Reasons for change in short-term loans: the short-term loans for the year decreased by 31.85% as compared with the beginning of the year, mainly due to the repayments.
- (14) Reasons for change in customer deposits and deposits due to banks and other financial institutions: the customer deposits and deposits due to banks and other financial institutions for the year increased by 281.81% as compared with the beginning of the year, mainly due to the year-on-year increase of the customer deposits and deposits due to banks and other financial institutions taken by the DEC Finance of the Company.
- (15) Reasons for change in accounts payable: the accounts payable for the year increased by 28.63% as compared with the beginning of the year, mainly due to the increase in purchase payables by the Company as a result of the order growth during the year.
- (16) Reasons for change in contract liabilities: the contract liabilities for the year increased by 26.40% as compared with the beginning of the year, mainly due to the increase in increase in prepayment received from customers for the projects.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis of Assets and Liabilities (Continued)

1. The status of assets and liabilities (Continued)

Other instructions: (Continued)

- (17) Reasons for change in taxes and surcharges payable: the taxes and surcharges payable for the year increased by 77.96% as compared with the beginning of the year, mainly due to the increase in payment of VAT and corporate income tax during the year.
- (18) Reasons for change in long-term loans: the long-term loans for the year increased by 56.65% as compared from the beginning of the year, mainly due to the increase of the entrusted loans of the state funds.
- (19) Reasons for change in lease liabilities: the lease liabilities for the year increased by 80.86% as compared from the beginning of the year, mainly due to the signing of new lease contracts for office buildings and other assets during the year.
- (20) Reasons for change in deferred revenue: the deferred revenue for the year increased by 30.95% as compared from the beginning of the year, mainly due to the increase in government grants such as research grants received during the year.
- (21) Reasons for change in deferred tax liabilities: the deferred tax liabilities for the year increased by 27.58% as compared from the beginning of the year, mainly due to the increase in deferred tax liabilities provided for right-of-use assets during the year.

2. Offshore assets

Assets scale

Among them: offshore assets of 1,219,994,943.77 (Unit: Yuan Currency: RMB), accounting for 0.86% of the total assets.

3. Restrictions on main assets as of the end of the Reporting Period

Item	Balance	Reason for restriction
Cash and bank balances	4,302,604,950.09	Deposits in the central bank, capital reserves and guarantee deposits
Notes	525,454,841.61	Discounted or endorsed without derecognition
Fixed assets	61,471,646.14	Security for loan
Intangible assets	530,089,264.57	Security for loan
Total	5,419,620,702.41	

4. The gearing ratio was 69.62% in 2024

Note: Gearing ratio = Total liabilities/Total assets X 100%.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(III) Analysis of investment

Overall analysis on external equity investment

No.	Name of investee	Principal business	Investment amount (RMB'000)	Major shareholders
1	DEC (Chengdu) Engineering Design and Consultation Company Limited (東方電氣(成都)工程設計諮詢有限公司)	Technical services; technical development, technical consulting, technical exchanges, technology transfer, technology promotion; engineering management services; engineering cost consulting services; planning and design management; import and export of goods; sales of machinery and equipment; sales of mechanical and electrical equipment; research and development of complete sets of nuclear power equipment and engineering technology; sales of wind farm related equipment; sales of special environmental protection equipment; research and development of engineering and technical research and testing; research and development of carbon emission reduction, carbon conversion, carbon capture, carbon sequestration technology research and development; business training (excluding educational training, vocational skills training and other training that requires a license). (Except for projects that require approval according to law, business activities can be carried out independently according to law with a business license.) Approved projects: construction engineering survey; construction engineering design; construction engineering supervision; surveying and mapping services; construction engineering construction; electrical installation services; installation, maintenance and testing of power transmission, power supply and power receiving facilities; special equipment design; professional construction work.	9,500	DEC International Cooperation Limited, Dongfang Electric Corporation Limited, DEC Group and DEC Dongfang Boiler Group Co., Ltd.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(III) Analysis of investment (Continued)

Overall analysis on external equity investment (Continued)

No.	Name of investee	Principal business	Investment amount (RMB'000)	Major shareholders
2	Dongfang Electric (Wuhan) Nuclear Equipment Co., Ltd. (東方電氣(武漢)核設備有限公司)	Design, manufacture and maintenance services for nuclear safety equipment and related equipment (no nuclear production operations without a licence); design, manufacture and maintenance services for metal pressure vessels and related mechanical equipment (operated with a licence); electromechanical equipment installation services; import and export of goods (except for goods or technology imports and exports prohibited by the state or those involving administrative approval); technical services, technical consulting, technology transfer and technology development; machinery and equipment leasing; real estate leasing.	12,000	Dongfang Electric Corporation Limited
3	Shanghai Dongran Green Driving Technology Service Company Limited (上海東燃綠動技術服務有限公司)	Technical services, technical development, technical consulting, technical exchanges, technology transfer, technology promotion; sales of turbines and auxiliary machinery; sales of mechanical parts and parts sales; general equipment repair; external contracting projects; metal product repair; machinery and equipment research and development; machinery and equipment sales; metal cutting processing services; special ceramic product sales; non-ferrous metal casting; electrical equipment repair; high-performance sealing material sales; machinery and equipment leasing; information system integration services; import and export of goods; import and export of technology; sales of electrical equipment; manufacturing of mechanical and electrical equipment; industrial engineering design services.	3,250	DEC Dongfang Steam Turbine Co., Ltd. and Shanghai Minglan Gas Turbine Industry Technology Co., Ltd.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(III) Analysis of investment (Continued)

Overall analysis on external equity investment (Continued)

No.	Name of investee	Principal business	Investment amount (RMB'000)	Major shareholders
4	Dongfang Electric (Deyang) Electric Auto Technology Co., Ltd. (東方電氣(德陽)電動機技術有限責任公司)	General items: technical services, technical development, technical consulting, technical exchanges, technology transfer, technology promotion; motor manufacturing; motor manufacturing; research and development of motors and control systems; manufacturing of mechanical and electrical equipment; sales of mechanical and electrical equipment; installation services for general mechanical equipment; maintenance of electronic and mechanical equipment (excluding special equipment); repair of electrical equipment; manufacturing of pumps and vacuum equipment; sales of pumps and vacuum equipment; manufacturing of fans and fans manufacturing; fans and ventilators sales; gas compression machinery manufacturing; gas compression machinery sales; mining machinery sales; nuclear power equipment and engineering technology research and development; energy management contracting; engineering management services; energy storage technology services; machinery parts and components sales; technology import and export; goods import and export; labour services (excluding labour dispatch). (Except for items that require approval according to law, business activities can be carried out independently according to law with a business license.) Licensed items: construction engineering; civil nuclear safety equipment design; civil nuclear safety equipment manufacturing; construction labor subcontracting.	9,900	DEC Dongfang Electric Machinery Co., Ltd. and Deyang Economic Development Zone Development (Holding) Group Co. Ltd* (德陽經開區發展(控股集團)有限公司)

* For identification purpose only

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(III) Analysis of investment (Continued)

Overall analysis on external equity investment (Continued)

No.	Name of investee	Principal business	Investment amount (RMB'000)	Major shareholders
5	Dongfang Electric Clean Energy (Shandong) Co., Ltd. (東方電氣清潔能源(山東)有限公司)	Permitted projects: power generation business, power transmission business, power supply (distribution) business; electrical installation services; construction engineering design; construction engineering construction. (For projects subject to approval according to law, business activities may not be commenced until they have been approved by the relevant authorities. Specific business projects are subject to the approval documents or permits issued by the relevant authorities.) General projects: wind power generation technical services; leasing services (excluding licensed leasing services); leasing of non-residential real estate; sales of new energy prime movers; sales of wind farm related equipment; sales of electrical equipment; energy storage technical services; solar power generation technical services; sales of solar thermal equipment; leasing of photovoltaic power generation equipment; engineering management services; energy management contracting; technical services, technical development, technical consulting, technical exchanges, technology transfer, technology promotion; manufacturing of photovoltaic equipment and components; research and development of complete sets of nuclear power equipment and engineering technology; manufacturing of steam turbines and auxiliary equipment; manufacturing of new energy prime mover equipment.	20,000	Dongfang Electric Wind Power Share Co., Ltd. (東方電氣風電股份有限公司), DEC Dongfang Steam Turbine Co., Ltd. and DEC Smart Light Energy Co., Ltd.

1. Significant equity investment

During the Reporting Period, the Company and its subsidiaries had no significant equity investment.

2. Significant non-equity investment

During the Reporting Period, the Company and its subsidiaries had no significant non-equity investment.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(III) Analysis of investment (Continued)

Overall analysis on external equity investment (Continued)

3. Financial assets at fair value measurement

Unit: Yuan Currency: RMB

Asset type	Amount at the beginning of period	Profit or loss from change in fair value for the period	Cumulative change of fair value recorded in equity for the period	Provision impairment for the period	Amount increased for the period	Amount sold/ redeemed for the period	Other changes	Amount at the end of period
Held for trading financial assets	867,176,939.12	-204,160,425.88			1,158,451,915.23	123,497,249.95		1,697,971,178.52
Other equity instrument investments	495,874,463.26		9,187,522.06		39,569,000.00	36,625.00		544,594,360.32
Total	1,363,051,402.38	-204,160,425.88	9,187,522.06	0.00	1,198,020,915.23	123,533,874.95		2,242,565,538.84

Securities Investment

Unit: 0'000 yuan Currency: RMB

Type	Stock Code	Stock short name	Initial investment cost	Funding source	Carrying amount at the beginning of the period	Profit or loss from change in fair value for the period	Cumulative change of fair value recorded in equity for the period	Amount increased for the period	Amount sold for the period	Investment profit or loss for the period	Carrying amount at the end of the period	Classification in accounting
Stock	601179	China XD Electric	1,010.77	Self-owned	713.37	384.90				14.61	1,098.27	Trading financial assets
Stock	000883	Hubei Energy	189.79	Self-owned	120.72	21.69				2.57	0.00	Trading financial assets
Stock	600995	Southern Power Grid Energy Storage	54,000.00	Self-owned	41,957.45		1,106.38			571.71	43,063.83	Other equity instrument investments
Stock	601005	Chongqing Iron & Steel	64.93	Self-owned	41.98	1.51					43.49	Trading financial assets
Stock	600917	Chongqing Gas	247.84	Self-owned	198.55	-11.10				3.02	187.46	Trading financial assets
Stock	000155	Sichuan Energy Power	115,845.19	Self-owned	0.00	-22,750.64		115,845.19		1,394.67	93,094.56	Trading financial assets
Bonds			30,000.00	Self-owned	36,200.68	717.34		3,997.44	8,997.44	-4.77	31,918.02	Trading financial assets
Fund			42,598.72	Self-owned	49,435.24	1,220.25		19,999.70	27,199.86	1,383.47	43,455.33	Trading financial assets
Total	/	/	243,957.24	/	128,667.99	-20,416.04	1,106.38	139,842.33	36,197.30	3,365.29	212,860.95	/

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

V. KEY OPERATION INDICATORS DURING THE REPORTING PERIOD (CONTINUED)

(IV) Material Assets and Disposals of Equity Interests

Dongfang Electric Wind Power Share Co., Ltd. (東方電氣風電股份有限公司), a controlling subsidiary of the Company, disposals of 51% equity interests in its subsidiary, Mulei East New Energy Co., Ltd. (木壘東新新能源有限公司) (Mulei East), to Sichuan Chuantou New Energy Co., Ltd. (四川川投新能源有限公司) (Chuantou New Energy) at a consideration of RMB929 million. With reference to the appraised value of RMB1,820.63 million of Mulei East using the income approach with 30 September 2024 as the valuation benchmark date, the transaction price was determined to be RMB929 million corresponding to the 51% equity interests, which was to be paid by Chuantou New Energy in cash through negotiation between the parties to the transaction. For details, please refer to the “Announcement of Dongfang Electric Corporation Limited on Transfer of Equity Interests in Subsidiaries” (No. 2025-001).

(V) Analysis of Major Holdings and Participating Companies

Subsidiary name	Closing balance (RMB100 million)					
	Current assets	Non-current assets	Total assets	Current Liabilities	Non-current liabilities	Total liabilities
Dongfang Electric Finance Co., Ltd.	295.46	246.24	541.70	503.28	0.14	503.42
DEC Dongfang Steam Turbine Co., Ltd.	303.85	68.20	372.05	269.95	13.73	283.68
DEC Dongfang Boiler Group Co., Ltd.	265.46	44.02	309.47	196.48	12.55	209.03
DEC Dongfang Electric Machinery Co., Ltd.	208.22	47.17	255.39	160.33	19.71	180.04
Dongfang Electric Wind Power Co., Ltd.	203.71	60.70	264.42	204.84	39.42	244.26
Dongfang Electric (Guangzhou) Heavy Machine Co., Ltd.	38.77	7.37	46.14	26.28	2.70	28.98
Dongfang Electric Automatic Control Engineering Co., Ltd.	37.79	10.76	48.55	31.20	1.99	33.19

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY

(I) Structure and trend of the industry

The Third Plenary Session of the 20th Central Committee of the Communist Party of China (CPC) made arrangements for accelerating the comprehensive green transformation of economic and social development. It clearly stated the need to speed up the planning and construction of a new energy system, and improve policies and measures for the consumption and control of new energy. Against this background, the proportion of non-fossil energy in China will continue to increase, and new energy technologies will continue to make breakthroughs, promoting the transition of energy structure towards a cleaner and low-carbon direction. The energy and power industry will continue to increase its efforts in technological innovation and industrial upgrading. Combined with the development of artificial intelligence and a new generation of communication technology, areas such as new energy equipment, smart grid, and energy storage technology continue to progress, continuously enhancing the capacity to accommodate and regulate new energy, which will further improve the flexibility and resilience of the power system.

The National Energy Work Conference pointed out that the energy work in 2025 will adhere to the general principle of seeking progress while maintaining stability, deeply promote the energy revolution, accelerate the planning and construction of a new energy system, and continuously deepen the reform of institutional mechanisms in the energy sector. It will develop new production forces according to local conditions and strive to write a new chapter of high-quality development in the energy sector at a new starting point. The conference also called for full efforts to complete the energy supply task, and make good use of coal and coal-fired power to provide a safeguard. It will vigorously promote the development and utilization of wind power and photovoltaics, coordinate the development of hydropower and ecological protection, and actively and safely develop nuclear power. It will also continue to promote major technological equipment research and development demonstrations, and strengthen scientific and technological innovation and standardization management.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY (CONTINUED)

(I) Structure and trend of the industry (Continued)

According to the forecast of the China Electricity Council, in 2025, the total electricity consumption of the whole society is expected to increase by around 6% compared with 2024, and there will be a tight balance between electricity supply and demand in some regions during peak periods such as peak summer demand. The newly added installed capacity of power generation nationwide is expected to exceed 450 million kilowatts, and the newly added installed capacity of new energy power generation is expected to exceed 300 million kilowatts. By the end of 2025, the total installed capacity of power generation in China is expected to exceed 3.8 billion kilowatts, an increase of about 14% year-on-year. Among them, the proportion of coal-fired power generation will be reduced to one-third by the end of 2025, installed non-fossil power generation capacity 2.3 billion kilowatts, with its proportion of the total installed capacity rising to about 60%. The installed capacity of hydropower will be 450 million kilowatts, while wind power will be 640 million kilowatts, solar power 1.1 billion kilowatts, nuclear power 65 million kilowatts, and biomass power 48 million kilowatts. The total installed capacity of solar power and wind power will exceed that of thermal power, and the pressure of new energy consumption will be highlighted in some regions.

Overall, under the background of the national “dual carbon” policy, the new energy system pays more attention to the high-quality development and high proportion consumption of renewable energy. With the continuous advancement of China’s equipment manufacturing industry towards high-end, intelligent, and green development, and the emergence of new industries, new business models, and new formats, there is a huge growth demand for equipment in all aspects of the power industry chain, including generation, transmission, distribution, and storage. The newly added installed capacity of renewable energy has become the main part of China’s newly added power generation capacity. The security and system regulation attributes of traditional energy in the power system are becoming more prominent. The development of traditional energy is driven by the need for economic and social development and the moderate advanced construction of infrastructure. Coal-fired power provides a backup for power supply, system regulation, and emergency reserves, driving the demand and maintaining a stable installed capacity. Nuclear power has entered a period of high installation, with more than 10 units approved for the past three years. Pumped storage has become the main form of hydropower and the dominant method of energy storage, with increasing construction speed and considerable development potential. Gas-fired power has maintained a steady growth after a rapid boom in the past two years, with a large potential demand. At the same time, new energy storage has shown high growth, hydrogen energy industry technology has continued to upgrade, and the application of energy conservation and environmental protection in the industrial field has continued to deepen. There is still a broad market demand in fields such as chemical equipment.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY (CONTINUED)

(II) Development Strategy of the Company

The Company vigorously implements the “11256” development strategy and is committed to promoting both the transformation and upgrading of traditional industries and the accelerated development of strategic emerging industries, and continuously optimizing its industrial structure. Efforts are made to increase the development of industries, maintain a leading position in the markets of hydropower, nuclear power, gas power, and coal power, and actively improve the market share of wind power. Focusing on the transition from old to new driving forces, the Company promotes the rapid development of strategic emerging industries and creates a green, low-carbon, and healthy industrial ecology. It also focuses on the construction of new energy mega-bases, explores and promotes new development models such as wind-solar-hydrogen storage and wind-solar-hydrogen-ammonia integration, vigorously develops regional operations, and optimizes overseas regional layout. The Company is committed to promoting the development of new productive forces through scientific and technological innovation. It deepens the construction of the “1+N+X” research and innovation system, carries out core technology research projects, and fully implements the industrial renewal and industrial takeoff actions. Focusing on areas such as independent gas turbine series, high-head impact hydropower, new generation coal-fired power technology, diversified nuclear energy application technology, and floating offshore wind power, the Company accelerates research, application, and iterative upgrades. It also strengthens the management of the entire chain of technology transformation, accelerates the industrialization of new materials, and actively promotes the application of artificial intelligence technology and the process of “intelligence reform and digital transformation.” The Company will continue to lead the construction of world-class enterprises with the “leading strategy,” stimulate vitality through reforms, shape advantages with talents, and improve efficiency through management. It will carefully plan for the development of the “15th Five-Year Plan” and solidly promote key work in 2025 to ensure the full achievement of annual operational goals.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY (CONTINUED)

(III) Business Plan

In 2025, the Company will firmly grasp the new mission and position of state-owned central enterprises, strive to become a “front-runner” in three areas, and focus on improving “five values” while highlighting quality and efficiency, strengthening scientific and technological innovation, comprehensively deepening reforms, and building a strong defense against risks to achieve a successful conclusion to the “14th Five-Year Plan”. The Company is expected to complete the production of 73 million kilowatts of power generation equipment.

1. Further enhance industrial competitiveness. Focusing on promoting new industrialization and building a modern industrial system, further efforts will be made to increase industrial development and maintain the leading position in traditional advantageous industries. Focusing on the transition from old to new driving forces, through models such as integrating old and new industries, new industries with new industries, and industries with resources, the development of new strategic industries such as wind power, hydrogen energy, new energy storage, power electronics, new materials, energy conservation, and environmental protection will be accelerated, creating a green and low-carbon and healthy development ecology. Efforts will be made to plan for and secure orders in traditional industries. Further deepening cooperation between the central and local governments, focusing on the construction of new energy megabases, and increasing efforts to connect resources, explore and promote new development models such as wind-solar-hydrogen storage and wind-solar-hydrogen-ammonia integration. A regional operation will be carried out focusing on key countries and areas along the “Belt and Road” initiative and optimizing overseas regional layout.
2. Focus on breakthroughs in key core technologies. Adhering to the development of new productive forces through scientific and technological innovation, the construction of the “1+N+X” research and innovation system will be deepened, and the role of the budget coordination mechanism for scientific research funds will be better utilized. Promoting the construction of the second phase of the science and technology management and information sharing system, establishing a scientific research basic database, and realizing the online operation of the first phase of the science and technology information system. Focusing on areas such as independent gas turbine series, high-head impact hydropower, new generation coal-fired power technology, diversified nuclear energy application technology, and floating offshore wind power, efforts will be made to accelerate research, application, and iterative upgrades. Strengthening the management of the entire chain of technology transformation, improving the standards for research topics to guide and lead and transform results, and further standardizing the management of high-value patents. Actively embracing artificial intelligence, promoting the implementation of pilot projects for scenario-based applications of artificial intelligence, and releasing action plans for the application of artificial intelligence, actively piloting the construction of scenarios. Actively promoting “intelligence reform and digital transformation”, accelerating the evolution of enterprise digital workshops into digital factories, exploring the establishment of a monitoring mechanism for the operation quality of digital workshops, and promoting the upgrade of digital workshops to level A where conditions permit.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY (CONTINUED)

(III) Business Plan (Continued)

3. Actively promote deepening reforms. Dynamically optimize the "1+10" reform work mechanism, organize the planning of the second batch of reform pilot projects through a "competitive and optimal" process and reform and co-construction pairing activities. The four demonstration enterprises are striving to achieve the "four benchmarks". We will focus on the reform pilot project of granting power to scientific and technological achievements, and strengthen process control. Continue to reduce the number of legal entities. In accordance with the requirements of the new Company Law, we will promote the revision of the articles of association of third-level and below enterprises, and promote the reform of the supervisory board to improve modern corporate governance of state-owned enterprises. We will promote the normalization, standardization, and institutionalization of the "cadres being able to move up and down, employees being able to enter and exit, income being able to be high or low, and institutions being able to increase or decrease", and ensure the continuous optimization of the three system reform performance indicators.
4. Continuously improve management level. Improve the "one overall, four precision, and two integrations" lean operation management system, promote the "strengthening the foundation, improving, and setting standards" action to improve quality and expand coverage. We will vigorously promote lean marketing, strengthen market information collection and analysis, and improve marketing planning capabilities. We will actively carry out lean design, optimize design processes, promote standardization and modularization, and strengthen coordination between design, technology, production, and procurement. We will implement lean management of the entire value chain, promote integrated project planning, lean inventory management, and standardization of product quantity and quality. We will expand the coverage of lean management and pilot and explore the implementation path of lean management for non-manufacturing enterprises.
5. Build a strong defense against risks. Enhance our bottom-line thinking and systematic thinking, deeply implement the construction work of the "three lines of defense", including business supervision, functional supervision, disciplinary supervision of anti-corruption and prevention of change, strengthen performance evaluation, and promote the extension of the "three lines of defense" from the headquarters to the enterprises and from anti-corruption risk prevention to comprehensive risk prevention. Focus on preventing and controlling risks in areas such as accounts receivable, contracts, quality, business transformation, and international operations, and do a good job in dynamic risk monitoring and implement quantitative control measures for each project. Use evaluation tools for internal control risk and compliance system construction to promote compliance among all employees. We will play the role of internal audit supervision, increase the supervision of new business models, new business processes, and major overseas projects.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY (CONTINUED)

(IV) Possible Risks

1. Price risk

Risk description: The market for strategic emerging industries is vast and the future market prospects are bright. However, the sales prices of some products are subject to temporary fluctuations in the market, and the cyclical fluctuations in raw material prices also bring uncertainty to product costs.

Risk control measures: The Company will guide each enterprise to conduct analysis and forecast of major material prices, and do a good job in procurement planning and reserve planning for major procurement items, strengthen cost control in procurement, and enhance target cost management of projects to strengthen the rigid constraints of product budgets and improve project marginal contribution.

2. Risks in the transformation and development of emerging industries

Risk description: In recent years, the Company has actively increased its investment in strategic emerging industries and the scale of these industries has grown rapidly. However, due to the uncertainty of technology routes and market applications, the incubation period for these industries is relatively long and the initial return on investment is relatively low.

Risk control measures: (1) By continuously increasing investment in scientific and technological innovation, the Company will actively connect with the government to expand application scenarios, vigorously expand the domestic market, strengthen the resilience of industrial and supply chains, reduce production and operating costs, and enhance its competitiveness in emerging industries. (2) Further deepen research on the development trends, technological routes, and business models of strategic emerging industries, benchmark and learn from the experience and practices of industry leaders, and dynamically optimize and adjust development strategies to promote the Company's rapid acquisition of mass orders and promote the industrial scale of development through new industries, models, and momentum.

3. International operation risks

Risk description: In recent years, international geopolitical risks have become more prominent, with intense and complex major power games, accelerated restructuring of global industrial chains, and weak global economic growth. This brings great uncertainty to the Company's "going global", expanding international markets, and implementing overseas projects. International operations face more risk challenges.

Risk control measures: (1) The Company will strengthen its attention, analysis, and judgment of the international situation, as well as research and analysis of international markets and risks, accelerate the technological innovation of wind power, solar power, and other clean energy technologies, actively develop international markets, and do a good job in overseas marketing and planning to continuously enhance the international brand influence of Dongfang Electric. (2) Strengthen research and response to rules of multilateral institutions such as the World Bank, highlight risk identification, prevention, and response in sensitive countries and regions, and deepen the implementation of two-way compliance. In overseas business marketing, transaction mode design, and other foreign-related business activities, actively apply international rules and improve accurate compliance capabilities.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VII. OTHER EVENTS

Saved as disclosed above, description in relation to the following issues included in the sections headed “Directors, Supervisors, Senior Management and Employees” and “Significant Events” forms part of this report.

(I) Directors and Supervisors

Please refer to Section IX headed “Directors, Supervisors, Senior Management and Employees” for list of members regarding the Board of Directors, the Supervisory Committee in 2024.

(II) Changes in information of the Directors

Pursuant to the disclosure requirement under Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors are set out below:

Mr. Zhang Jilie ceased to hold positions as a Director and senior vice president of the Company on 5 January 2024 as he had reached the statutory retirement age.

Mr. Sun Guojun has served as a Director of the Company since 5 February 2024.

Mr. Ma Yongqiang ceased to be an independent non-executive Director of the Company on 5 February 2024.

Mr. Zeng Daorong has served as an independent non-executive Director of the Company since 5 February 2024.

Mr. Liu Zhiquan resigned from his positions as a Director and the chief accountant of the Company on 29 April 2024.

Mr. Liu Dengqing will not participate in the re-election of independent-non-executive Director, he retired as an independent non-executive Director after the conclusion of the 2023 annual general meeting of the Company (i.e., 28 June 2024).

Ms. Chen Yu has served as an independent non-executive Director of the Company since 28 June 2024.

Mr. Song Zhiyuan ceased to hold position as a Director of the Company on 14 March 2025 as he had reached the statutory retirement age.

Mr. Zhang Shaofeng has served as a Director of the Company since 14 March 2025.

Save as disclosed in this report, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VII. OTHER EVENTS (CONTINUED)

(III) Share Incentive Scheme

The Restricted A Share Incentive Scheme for 2019 is formulated by the Company to further perfect the mid-and-long term incentive and restraint mechanism of the Company and achieve the incentive and restraint on the Directors, senior and middle management and frontline leaders of the Company to more tightly align their interests with the long-term development of the Company, and take on risks while share the interests together, and fully mobilize their enthusiasm and creativity.

The participants include the Company (including the branches and subsidiaries); the Directors (directors of the subsidiaries), senior management; middle management; the frontline leaders (including non-leadership core staffs in marketing, research and development, management, production).

For details of the Share Option Incentives Scheme of the Company during the year, please refer to Chapter VII "Significant Events IV. (I) Descriptions of the Incentive of the Company during the Reporting Period".

(IV) Permitted Indemnity Provisions

During the Reporting Period, the Company has arranged appropriate liabilities insurance for Directors, so as to provide protection against claims arising from the lawful discharge of duties by the Directors.

(V) Directors' and Supervisors' Interests in Material Transactions, Arrangement or Contracts

None of Directors or Supervisors had material interests in the material contracts with the Company or any subsidiaries of the Company as a party (as defined in Appendix D2 to the Listing Rules) has or had material interest, either directly or indirectly, during or at the end of the year.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VII. OTHER EVENTS (CONTINUED)

(VI) Key Relationships with Persons with Significant Impact

The Company has been keeping stable and sound relationship with our customers and suppliers. The Company cherishes talents and carefully performs its corporate responsibilities. By providing training management, health protection, it aims to assist employees to make progress and become talents. The information on the employees and remuneration policy of the Group are set out in the section headed “V. EMPLOYEES OF THE COMPANY AND PRINCIPAL SUBSIDIARIES AS AT THE END OF THE REPORTING PERIOD” of section IX “Directors, Supervisors, Senior Management and Employees” in this annual report.

(VII) Corporate Social Responsibility

For details, please refer to the Social Responsibility Report of Dongfang Electric Corporation Limited for 2024 (《東方電氣股份有限公司2024社會責任報告》) in the Company’s overseas regulatory announcement which is published on the website of the Stock Exchange.

(VIII) Share Capital and Issued Shares

For details of changes in the Company’s share capital during the Reporting Period and the issued shares during the year ended 31 December 2024, please refer to the “I (I) Table of total number of ordinary shares” of section VIII Changes in Shares and Particulars of Shareholders.

(IX) Distributable Reserves

For details of distributable reserves of the Company, please refer to Note V (51) “Undistributed Profit” to the financial statements.

(X) Major Acquisition or Disposal

Save as disclosed above, there were no major acquisition and disposal of subsidiaries and associates during the Reporting Period.

(XI) Compliance with Laws and Regulations

During the Reporting Period, the Company has complied with the relevant laws and regulations including the Company Law of the People’s Republic of China, the Securities Law, the Code of Corporate Governance for Listed Companies, the Corporate Governance Code and the Article of Association of the Company that have significant impact.

(XII) Donations

For the year ended 31 December 2024, the Group made charitable and donations of approximately RMB25.9037 million (2023: RMB 24.2692 million).

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VII. OTHER EVENTS (CONTINUED)

(XIII) Events Subsequent to the Reporting Period

On 28 October 2024 and 30 October 2024, the Supervisory Committee and the Board of the Company have considered and approved the Resolution on the Repurchase and Cancellation of Certain Restricted Shares. Pursuant to the Restricted A Share Incentive Scheme for 2019 (Amended Draft) (the “Incentive Scheme (Amended Draft)”) of the Company and the requirements of relevant laws and regulations, 1 Participant under the Reserved Grant has been transferred from the Company due to organizational arrangements and is no longer qualified as Participant, and the Board has considered and decided to repurchase and cancel all the Restricted Shares (17,334 A shares in total) that have been granted to the aforesaid Participant yet still locked up. The repurchase and cancellation of all the restricted shares that had been granted to 1 participant and yet still locked, totalling 17,334 A shares, was approved at the 2024 third extraordinary general meeting, the 2024 second A shares class meeting and the 2024 second H shares class meeting of the Company held on 27 December 2024 and such shares were cancelled on 23 January 2025.

On 19 February 2025 and 20 February 2025, the Supervisory Committee and the Board of the Company have considered and approved the Resolution on the Proposed Renewal of the General Mandate to Issue Shares Granted to the Board by the General Meeting, whereby the general mandate to issue shares granted to the Board to decide on the issuance of A and/or H shares, separately or concurrently, in an amount not exceeding 20% of the respective number of the issued A shares or H shares of the Company, shall be extended for a period of 12 months (i.e. 12 months from 20 April 2025). This resolution was approved at the 2025 first extraordinary general meeting. For details, please refer to the Company’s circular dated 26 February 2025 and the poll results announcement of the 2025 first extraordinary general meeting of the Company dated 14 March 2025.

On 19 February 2025 and 20 February 2025, the Supervisory Committee and the Board of the Company considered and approved the Resolution on the Company and Dongfang Electric Corporation Signing the ‘Supplemental Agreement to the Profit Forecast Compensation Agreement’ with Preconditions. In view of the fact that the Company has not yet completed the issuance of A shares to specific targets in 2024, the Company intends to make supplemental provisions with DEC Group in respect of the profit forecast compensation for the event that the completion of the transaction is in 2025, and to sign the supplemental agreement to the Profit Forecast Compensation Agreement. For details, please refer to the Company’s announcement dated 20 February 2025.

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

VII. OTHER EVENTS (CONTINUED)

(XIII) Events Subsequent to the Reporting Period (Continued)

On 14 April 2025, the Company has completed the Issuance of A Shares to Specific Targets, which involves the issuance and allotment of 272,878,203 A Shares in total at an issue price of RMB15.11 per Share, following completion of relevant registration and depositary procedures with the China Securities Depository and Clearing Co., Ltd. Shanghai branch. Upon completion of the Issuance of A Shares to Specific Targets, the number of total issued shares of the Company increases from 3,117,482,123 to 3,390,360,326 Shares, whereby the number of issued A Shares increases from 2,777,482,123 A Shares to 3,050,360,326 A Shares and the number of issued H Shares remains unchanged. For details, please refer to the announcement of the Company dated 17 April 2025.

Reference is made to the announcement of the Company dated 20 February 2025, in relation to the proposal to nominate Mr. Zhang Shaofeng as a candidate for director of the eleventh session of the Board of the Company, upon approval at the 2025 first extraordinary general meeting of the Company on 14 March 2025, Mr. Zhang Shaofeng was elected as a Director of the eleventh session of the Board of the Company for a term commencing from 14 March 2025 until the expiry of the term of the eleventh session of the Board. For details, please refer to the Company's circular dated 26 February 2025 and the poll results announcement of the 2025 first extraordinary general meeting of the Company dated 14 March 2025.

With effect from 14 March 2025, Mr. Song Zhiyuan ceased to be a director of the Company due to having reached the statutory retirement age. For details, please refer to the Company's announcement dated 14 March 2025.

REPORT OF THE SUPERVISORY COMMITTEE

In 2024, the Supervisory Committee, in accordance with the relevant laws and regulations of Company Law, the Securities Law, and the relevant provisions of Articles of Association and the Rules of Procedure of Supervisory Committee of the Company, performed the duties of the Supervisory Committee in accordance with the laws and regulations, considered significant events such as financial reports and work reports of the Company, internal control evaluation and connected transactions, supervised the standardized operation of the Company in accordance with the laws and regulations as well as the performance of duties by Directors and senior management, and expressed independent professional opinions and recommendations, to effectively safeguards the interests of the Company and all shareholders, and to promote the continuous enhancement of the governance system and governance capability of the Company. The relevant work is hereby reported as follows:

I. THE MEETINGS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

In 2024, a total of 9 meetings of the Supervisory Committee of the Company was convened, and all resolutions were carefully considered and voted on by the members of the Supervisory Committee, at which opinions and suggestions on relevant matters were made and resolutions and announcements of the meetings were disclosed in a timely manner, as set out below:

1. The 20th meeting of the tenth session of the Supervisory Committee was held on 4 January 2024, and considered four resolutions in relation to the comprehensive budget plan for the year 2024, the overall plan of bond issuance for the year 2024, and the repurchase and cancellation of certain restricted shares.
2. The 21st meeting of the tenth session of the Supervisory Committee was held on 27 March 2024, and considered eight resolutions in relation to the financial final report for the year 2023, the profit distribution plan for the year 2023, the 2023 appraisal report of internal control and the 2023 audit report on internal control.
3. The 22nd meeting of the tenth session of the Supervisory Committee was held on 10 April 2024, and considered the resolution on the additional audit report of the underlying assets involved in the issuance of A-shares to specific targets.
4. The 23rd meeting of the tenth session of the Supervisory Committee was held on 28 April 2024, and considered two resolutions in relation to the 2024 first quarterly financial report and the 2024 first quarterly report.
5. The 24th meeting of the tenth session of the Supervisory Committee was held on 31 May 2024, and considered two resolutions in relation to the nomination of candidates for the eleventh session of the Supervisory Committee of the Company as non-employee representative supervisors and the remuneration plan for the members of the eleventh session of the Supervisory Committee.

REPORT OF THE SUPERVISORY COMMITTEE (CONTINUED)

I. THE MEETINGS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD (CONTINUED)

6. The 1st meeting of the eleventh session of the Supervisory Committee was held on 28 June 2024, and considered the resolution on the election of the Chairman of the eleventh session of Supervisory Committee of the Company.
7. The 2nd meeting of the eleventh session of the Supervisory Committee was held on 27 August 2024, and considered two resolutions in relation to the 2024 interim financial report and the 2024 interim report.
8. The 3rd meeting of the eleventh session of the Supervisory Committee was held on 28 October 2024, and considered five resolutions in relation to the repurchase and cancellation of restricted A shares of certain participants, the unlocking of the reserved shares of Restricted A Share Incentive Scheme for 2019, and the 2024 third quarterly financial report.
9. The 4th meeting of the eleventh session of the Supervisory Committee was held on 17 December 2024, and considered the resolution on the Change of the Accounting Estimation to the Wind Power Business.

II. THE SUPERVISORY COMMITTEE'S INDEPENDENT OPINION ON THE RELEVANT MATTERS DURING THE REPORTING PERIOD

In 2024, members of the Supervisory Committee supervised the Company's operation in accordance with the law, attended the Company's general meetings and the Board meetings, supervised the Company's work reports, budget and final reports, internal controls, share repurchases, changes in accounting estimation, and management's performance of duties in accordance with the law, and independently issued supervisory opinions and recommendations, and the main supervisory matters are as follows:

1. Supervision of Legal Compliance of the Company's Operations

During the Reporting Period, members of the Supervisory Committee attended in 4 general meetings and attended 6 meetings of the Board meetings, giving advice and suggestions for the development of the enterprise, supervising the operation of the Company in accordance with the law, timely grasping and understanding the Company's operating conditions and major decision-making matters, and giving effective play to the Supervisors' right to make suggestions, right to know and right to supervise.

The Supervisory Committee considered that the meetings were held in compliance with the laws and regulations of the Company Law, Securities Law and the Articles of Association of the Company, with legal and effective decision-making procedures. With standardized operation of the Board of Directors, reasonable decision-making and lawful procedures, the Directors and senior management of the Company have been diligent in performing their duties and the Supervisory Committee did not notice any violation of laws and regulations, the Articles of Association of the Company and other conducts that undermined the interests of the Company and its shareholders.

REPORT OF THE SUPERVISORY COMMITTEE (CONTINUED)

II. THE SUPERVISORY COMMITTEE'S INDEPENDENT OPINION ON THE RELEVANT MATTERS DURING THE REPORTING PERIOD (CONTINUED)

2. Supervision of the Company's Financial Position

During the Reporting Period, the Supervisory Committee supervised and reviewed the financial position of the Company, and considered matters such as the Company's comprehensive budget for the year 2024, financial final report for the year 2023, profit distribution, quarterly financial reports and changes in accounting estimation. The members of the Supervisory Committee inquired about and paid attention to the Company's profitability, financial indicators, gross profit margin, operating income, risk control, alerted existing risks, made targeted professional opinions and suggestions, and urged the relevant departments in researching and responding.

The Supervisory Committee considered that the Company's financial position continued to be positive with sound operation, and standardized preparation and complete information of the financial report, which can objectively reflect the Company's financial position and operating results during the year.

3. Supervision of the Annual Work Report of the Company

During the Reporting Period, the Supervisory Committee considered the Company's annual (quarterly) report for 4 times, and members of the Supervisory Committee made inquiries on matters such as governance of loss-making companies and accounting of Sichuan Energy Power, and requested the Office of the Board of Directors to pay close attention to the changes in the capital market, actively communicate with investors, disclose the relevant information in accordance with the law, and make a good response plan in advance for the emergencies to prevent and resolve the risks.

The Supervisory Committee considered that the preparation process of the Company's annual report complied with the provisions of laws, regulations, and normative documents, and the report content truthfully and objectively reflected the Company's operation and financial situation.

4. Supervision of the Company's Related Party Transactions

During the Reporting Period, the Supervisory Committee supervised the resolution on the daily continuing related party transactions and considered on the Company's resolutions on the daily continuing related party transactions for the years from 2025 to 2027.

The Supervisory Committee considered that the framework agreements on daily continuing related transactions entered into between the Company and members of the Group, as well as other related parties were necessary for the maintenance of the Company's daily production and operation, and that the transactions were in the interests of the Company and all shareholders in accordance with the required fulfillment of the approval procedures.

REPORT OF THE SUPERVISORY COMMITTEE (CONTINUED)

II. THE SUPERVISORY COMMITTEE'S INDEPENDENT OPINION ON THE RELEVANT MATTERS DURING THE REPORTING PERIOD (CONTINUED)

5. Supervision of 2024 Bond Issuance Plan of the Company

During the Reporting Period, the Supervisory Committee considered the Overall Plan of Bond Issuance of the Company for the Year of 2024 and supervised the issuance of A shares to specific targets involving related party transactions and other matters.

The Supervisory Committee considered that the Overall Plan of Bond Issuance of the Company for the Year of 2024 utilized the favorable window period for bond issuance to support the Company's industrial development, to serve the business operation and to better satisfy the Company's financing needs, in compliance with the relevant provisions of laws and regulations and normative documents such as the Company Law and the Securities Law.

6. Supervision of the Internal Control Assessment Report and Internal Control Audit Report of the Company

During the Reporting Period, the Supervisory Committee carefully considered the Company's Internal Control Assessment Report and Internal Control Audit Report for 2023.

The Supervisory Committee considered the Internal Control Assessment Report for 2023 and Internal Control Audit Report of the Company for 2023 truly and objectively reflected the development and operation of the internal control system of the Company. The Company has established a relatively sound internal control system, which can be effectively executed.

7. Supervision of the Repurchase and Cancellation of Restricted Shares and Unlocking of Restricted Shares of the Company

During the Reporting Period, the Supervisory Committee considered the resolutions on the Repurchase and Cancellation of Certain Restricted Shares and the satisfaction of the unlocking conditions of the third phase of the First Grant of the Restricted A Share Incentive Scheme for 2019.

The Supervisory Committee considered that the Company's repurchase and cancellation of certain restricted shares involved in the incentive participants complied with the relevant provisions of laws and regulations such as the Administrative Measures for Share Incentives of Listed Companies and was in line with the consistent interests of all shareholders of the Company and the incentive participants, and did not materially affect the Company's financial position and operating results. The third lock-up period for the first grant under the Restricted A Share Incentive Scheme for 2019 was about to expire and the corresponding conditions for unlocking have been met, and the unlocking complied with the relevant provisions of the implementation of the appraisal management measures of the Restricted A Share Incentive Scheme for 2019.

REPORT OF THE SUPERVISORY COMMITTEE (CONTINUED)

III. WORK PLAN OF THE SUPERVISORY COMMITTEE IN 2025

In 2025, the Supervisory Committee of the Company will continue to perform its duties diligently and conscientiously in strict compliance with the relevant provisions and requirements of the Company Law, the Securities Law, the Articles of Association of the Company and the Rules of Procedure of the Supervisory Committee of the Company, constantly adapt to new situations and new requirements, and actively provide advice and suggestions to safeguard the rights and interests of the shareholders and the Company, and to escort the smooth and healthy development of the Company.

1. Strictly abiding by the supervision requirements and fulfilling supervisory duties

- (1) Adhere to Xi Jinping's ideology of socialism with Chinese characteristics in the new era as a guideline, thoroughly implement the spirit of the Central Economic Work Conference, closely follow up on supervisory requirements and give full play to the functional role of the Supervisory Committee.
- (2) Organize and hold meetings of the Supervisory Committee in accordance with the Rules of Procedure of the Supervisory Committee of the Company in a standardized and efficient manner, accurately grasp the focus of supervision, and express targeted opinions.
- (3) Increase attention to segments such as key areas of the Company's development and new business models, enhance supervision and make professional recommendations.

2. Enhance the quality and effectiveness of supervision by realizing the duties and responsibilities of supervision.

- (1) Give full play to its supervisory duties and promote the compliance and legal performance of the Board and senior management.
- (2) Make efforts in financial supervision and risk internal control supervision, strengthen supervision of annual financial budget and final accounts, annual report, profit distribution and internal control risk, timely understand and grasp the Company's operating conditions, and provide advice and suggestions for the Company's operation and development.
- (3) Strengthen self-construction, carry out multi-faceted and systematic learning, constantly adapt to the new situation, continuously enhance the awareness of compliance, and further improve the supervisory ability and level of the Supervisory Committee.

The Supervisory Committee of Dongfang Electric Corporation Limited
29 April 2025

I. EXPLANATION ON MATTERS REGARDING CORPORATE GOVERNANCE

The Company has been committed to improving its corporate governance structure and standardizing corporate operations in strict compliance with the Company Law, the Securities Law, relevant laws and regulations of the CSRC and requirements of the listing rules of the SSE and the Stock Exchange. An effective check and balance mechanism has been established with transparent segregation of duties and coordination among the general meeting, the Board of Directors, Supervisory Committee and managers of the Company.

In accordance with requirements of the regulatory bodies such as the Stock Exchange, the SSE and the CSRC, with the Articles of Association as its core, the Company established comprehensive governance systems, mainly including the Rules for Procedure of the General Meeting, Rules for Procedure of the Board, Rules for Procedure of the Supervisory Committee, Regulations for the Work of Remuneration and Assessment Committee of the Board, Regulations for the Work of Nomination Committee, Regulations for the Work of Audit and Review Committee, Regulations for the Work of Risk and Compliance Management Committee, Regulations for the Work of Strategic Development Committee. In order to further regulate acts of inside information management and to strengthen confidentiality of inside information, the Company formulated and complied with the Systems for Registration of Insiders and Management for External Users to effectively maintain openness, fairness and justice of information disclosure of the Company.

During the Reporting Period, major aspects of corporate governance are as follows:

1. In relation to shareholders and general meetings

The Company is able to treat all shareholders equally with due respect and protect their interests. In particular, non-controlling shareholders are entitled to their status and fully exercise their rights with their legal interests being protected. The Company ensures that shareholders are entitled to their right of access to information and right to participate in decision-making in respect of material events of the Company as required by laws and administrative rules and regulations. By strictly following the relevant requirements for convening and holding general meetings set out in the Articles of Association and the Rules for Procedure of the General Meeting, related persons are arranged to abstain from voting on connected transactions, so as to ensure that connected transactions are open, equal and fair. During the Reporting Period, the Company held four general meetings which were witnessed by lawyers with their legal opinions issued in such respect.

2. In relation to Directors and the Board of Directors

As at the date of this annual report, the eleventh session of Board of Directors of the Company consists of 7 Directors, of which 3 are independent non-executive Directors. The Board has the following committees including the Strategic Development Committee, the Audit and Review Committee, the Remuneration and Assessment Committee, the Nomination Committee and the Risk and Compliance Management Committee.

CORPORATE GOVERNANCE (CONTINUED)

I. EXPLANATION ON MATTERS REGARDING CORPORATE GOVERNANCE (CONTINUED)

2. In relation to Directors and the Board of Directors (Continued)

All the Directors are familiar with relevant laws and regulations as well as their responsibilities, rights and obligations, and are able to fully express opinions on the matters discussed. All Directors are able to perform their duties in an honest, faithful and diligent manner and in the interests of the Company and all shareholders as a whole. The Company convened the Board meetings in strict accordance with statutory procedures. During the Reporting Period, a total of 13 Board meetings were convened.

3. In relation to Supervisors and the Supervisory Committee

The eleventh session of Supervisory Committee of the Company comprises 3 Supervisors, of which 2 are shareholders representative Supervisors and 1 is staff representative Supervisor. Upholding the principle of being responsible to all shareholders of the Company, the Supervisory Committee supervised and inspected the legal compliance of the Company's operations, financial affairs and investments of the Company and maintained the legitimate interests of the Company and all its shareholders in accordance with the Company Law, the Securities Law as well as the requirements of the Articles of Association and Rules of Procedure of the Supervisory Committee. During the Reporting Period, the Supervisory Committee held a total of 5 meetings.

4. In relation to stakeholders

The Company is able to fully respect and protect the legal interests of stakeholders and also places high emphasis on social responsibility, with a view to achieve a balance among the interests of various parties including shareholders, staff and the society; and to promote the continuous and healthy development of the Company.

CORPORATE GOVERNANCE (CONTINUED)

II. APPRAISAL MECHANISM FOR SENIOR MANAGEMENT AND ESTABLISHMENT AND IMPLEMENTATION OF INCENTIVE MECHANISM DURING THE REPORTING PERIOD

The Company adopts annual salary system for senior management whose annual remuneration is determined based on the operating performance, job responsibilities and the results of annual performance. During the Reporting Period, the senior management of the Company has been diligent in their duties and responsibilities and fulfilled the annual appraisal targets in a relatively good manner.

III. DISCLOSURE OF SELF-ASSESSMENT REPORT ON INTERNAL CONTROL

For details, please refer to the overseas regulatory announcement on the 2024 Assessment Report on Internal Control of the Company disclosed on the website of the Stock Exchange.

IV. EXPLANATION OF AUDIT REPORT ON INTERNAL CONTROL

For details, please refer to the overseas regulatory announcement on the 2024 Audit Report on Internal Control of the Company disclosed on the website of the Stock Exchange.

V. CORPORATE GOVERNANCE REPORT

Corporate governance practices

The Company has been committed to the standardized operation of the Company and enhanced the accountability and transparency of the Company through strict implementation of corporate governance, so as to bring greater returns to the shareholders. The Board firmly believes that maintaining a good corporate governance mechanism and adopting an internationally advanced corporate governance model is one of the conditions for the Company to safeguard the interests of the shareholders, enhance corporate value, formulate business strategies and policies, and make the Company an internationally competitive enterprise.

The Company has adopted all the applicable code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Hong Kong Listing Rules. The Directors are of the view that, during the Reporting Period, the Company has complied with all the applicable code provisions as set out in the CG Code.

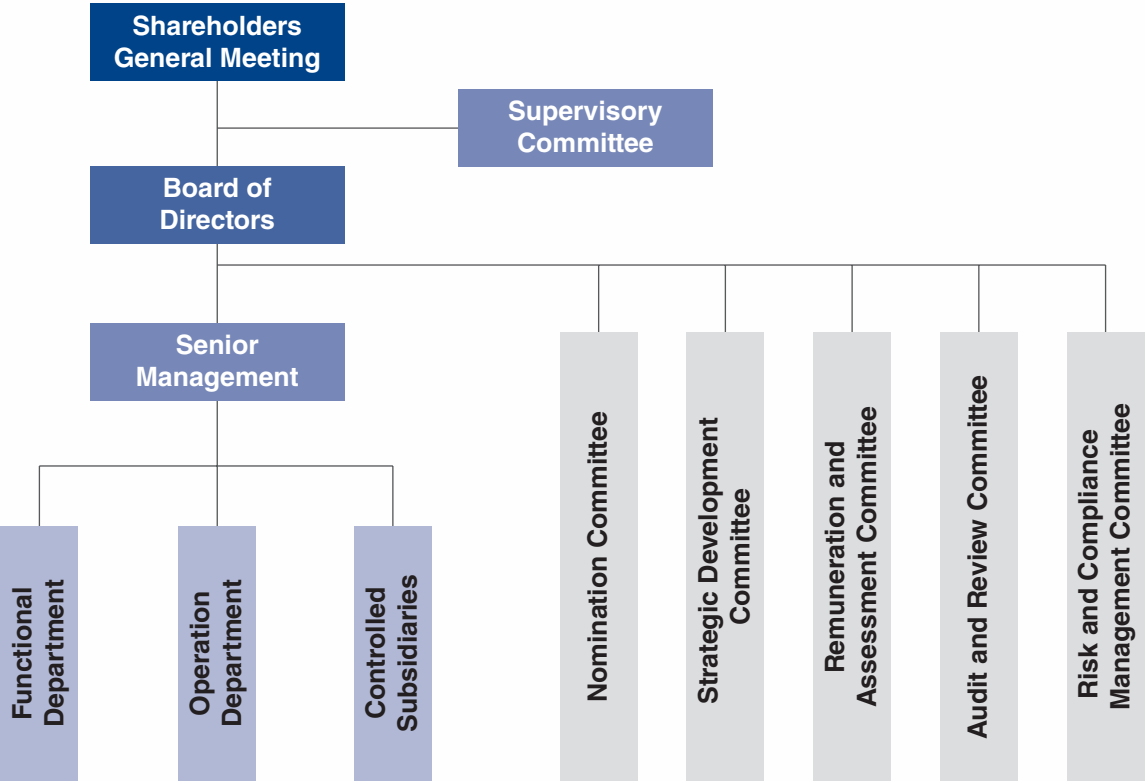
The documents related to corporate governance of the Company include the Articles of Association, Rules for Procedure of the General Meeting, Rules for Procedure of the Board, Rules for Procedure of the Supervisory Committee, Regulations for the Work of the Special Committees under the Board and Regulations for the Work of the President, etc. To achieve the highest level of corporate governance, the Board of Directors of the Company has set up 5 special committees, namely the Nomination Committee, the Strategic Development Committee, the Remuneration and Assessment Committee, the Audit and Review Committee and the Risk and Compliance Management Committee.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

The chart for corporate governance structure of the Company is as follows:



CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting

As the highest authority of the Company, the general meeting performs its functions and power in determining the material events of the Company under the laws. The AGM or EGM provides a direct communication channel for the Board and the shareholders. Hence, the Company regards highly of the shareholders' general meetings. Notice of meetings will be delivered before convening. All Directors and members of senior management are requested to attend as far as possible. The Company encourages all shareholders to attend the shareholders' meeting and welcomes shareholders to express their opinions in the meeting. The details of the shareholders' general meeting of the Company in 2024 are as follows:

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
The 2024 first extraordinary general meeting	5 February 2024	The following resolution was considered at the meeting by way of special resolution:		www.sse.com.cn www.hkexnews.hk	6 February 2024 5 February 2024
		1. To consider and approve the resolution on the Repurchase and Cancellation of Certain Restricted Shares	Approved		
		The following resolutions were considered at the meeting by way of ordinary resolution:			
		1. To elect Sun Guojun as a member of the tenth session of the Board of the Company	Approved		
The 2024 first A shares class meeting	5 February 2024	2. To elect Zeng Daorong as an independent non-executive Director of the tenth session of the Board of the Company	Approved	www.sse.com.cn www.hkexnews.hk	6 February 2024 5 February 2024
		The following resolution was considered at the meeting by way of special resolution:			
		1. To consider and approve the resolution on the Repurchase and Cancellation of Certain Restricted Shares	Approved		
The 2024 first H shares class meeting	5 February 2024	The following resolution was considered at the meeting by way of special resolution:		www.sse.com.cn www.hkexnews.hk	6 February 2024 5 February 2024
		1. To consider and approve the resolution on the Repurchase and Cancellation of Certain Restricted Shares	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
The 2024 second extraordinary general meeting	19 April 2024	The following resolutions were considered at the meeting by way of special resolution:		www.sse.com.cn www.hkexnews.hk	20 April 2024 19 April 2024
		1. The resolution on the renewal of the General Mandate to issue Shares granted to the Board by the general meeting	Approved		
		2. The resolution on the extension of the validity period of the general meeting's resolution on the Company's Issuance of A Shares to Specific Targets	Approved		
		3. The resolution on the extension of the validity period of authorisation to the Board and its authorised persons to deal with matters relevant to the Issuance of A Shares to Specific Targets to be submitted at the general meeting	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
2023 annual general meeting	28 June 2024	The following resolutions were considered at the meeting by way of ordinary resolution:		www.sse.com.cn www.hkexnews.hk	29 June 2024 28 June 2024
		1. To consider and approve the resolution on the 2023 work report of the Board of the Company	Approved		
		2. To consider and approve the resolution on the 2023 work report of the Supervisory Committee of the Company	Approved		
		3. To consider and approve the resolution on the 2023 annual report of the Company	Approved		
		4. To consider and approve the resolution on the 2023 profit distribution plan of the Company	Approved		
		5. To consider and approve the resolution on the 2023 audited financial statements of the Company	Approved		
		6. To consider and approve the resolution on the 2024 financial budget and investment plan of the Company	Approved		
		7. To consider and approve the resolution on the appointment of the auditor of the Company for 2024	Approved		
		8. To consider and approve the resolution on the amendments to the Working Rules for Independent Directors	Approved		
		9. To consider the resolution on the remuneration of the members of the eleventh session of the Board	Approved		
		10. To consider the resolution on the remuneration of the members of the eleventh session of the Supervisory Committee	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
		The following resolutions were considered at the meeting by way of special resolution:			
		1. To consider and approve the resolution on the general plan for bond issuance for 2024	Approved		
		2. Resolution on the election of Directors:			
		2.01 To elect Yu Peigen as a member of the eleventh session of the Board of the Company	Approved		
		2.02 To elect Zhang Yanjun as a member of the eleventh session of the Board of the Company	Approved		
		2.03 To elect Song Zhiyuan as a member of the eleventh session of the Board of the Company	Approved		
		2.04 To elect Sun Guojun as a member of the eleventh session of the Board of the Company	Approved		
		3. Resolution on the election of independent Directors:			
		3.01 To elect Huang Feng as an independent Director of the eleventh session of the Board of the Company	Approved		
		3.02 To elect Zeng Daorong as an independent Director of the eleventh session of the Board of the Company	Approved		
		3.03 To elect Chen Yu as an independent Director of the eleventh session of the Board of the Company	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
		4. Resolution on the election of Supervisors			
		4.01 To elect Hu Weidong as a member of the eleventh session of the Supervisory Committee of the Company	Approved		
		4.02 To elect Liang Shuo as a member of the eleventh session of the Supervisory Committee of the Company	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
The 2024 third extraordinary general meeting	27 December 2024	The following resolution was considered at the meeting by way of special resolution:		www.sse.com.cn www.hkexnews.hk	28 December 2024 27 December 2024
		1. To consider and approve the resolution in relation to the repurchase and cancellation of certain restricted shares	Approved		
		The following resolutions were considered at the meeting by way of ordinary resolution:			
		1. To consider and approve the resolution in relation to the 2025–2027 ordinary continuing connected transactions of the Company	Approved		
		1.01 To consider and approve the 2025–2027 Purchase and Production Services Framework Agreement	Approved		
		1.02 To consider and approve the 2025–2027 Sales and Production Services Framework Agreement	Approved		
		1.03 To consider and approve the 2025–2027 Combined Ancillary Services Framework Agreement	Approved		
		1.04 To consider and approve the 2025–2027 Financial Services Framework Agreement	Approved		
		1.05 To consider and approve the 2025–2027 Properties and Equipment Lease Lessee Framework Agreement	Approved		
		1.06 To consider and approve the 2025–2027 Properties and Equipment Lease Lessor Framework Agreement	Approved		
		1.07 To consider and approve the 2025–2027 Finance Lease Framework Agreement	Approved		

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

1. General Meeting (Continued)

Session of Meeting	Date	Resolutions	Voting results	Designated website for publication of resolutions	Publication date of resolutions
The 2024 second A shares class meeting	27 December 2024	The following resolution was considered at the meeting by way of special resolution: 1. To consider and approve the resolution in relation to the repurchase and cancellation of certain restricted shares	Approved	www.sse.com.cn www.hkexnews.hk	28 December 2024 27 December 2024
The 2024 second H shares class meeting	27 December 2024	The following resolution was considered at the meeting by way of special resolution: 1. To consider and approve the resolution in relation to the repurchase and cancellation of certain restricted shares	Approved	www.sse.com.cn www.hkexnews.hk	28 December 2024 27 December 2024

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors

(1) *Division of Responsibilities*

The main responsibility of the Board is to exercise the power to make management decisions on the Company's development strategy, management structure, investment and finance, planning and financial supervision as authorized at the shareholders' meeting. During the Reporting Period, the Company's Chairman and President are served by different persons respectively, and the Company has a clear division of responsibilities. The Chairman of the Board presides over the meetings of the Board, and reviews the implementation of the resolutions made by the Board. The responsibility of the President is to manage, operate and coordinate the business of the Company, execute the strategies formulated by the Board and make decisions in respect of daily matters.

(2) *Composition*

As at the date of this annual report, the eleventh session of Board is composed of 7 Directors, of which 3 are independent non-executive Directors, representing more than one third of all members of the Board. The three independent non-executive Directors of the Company are Ms. Chen Yu, Mr. Huang Feng and Mr. Zeng Daorong; and the remaining Directors of the Company are Mr. Yu Peigen, Mr. Zhang Yanjun, Mr. Zhang Shaofeng and Mr. Sun Guojun; the Chairman of the Company is Mr. Yu Peigen. This session of Board is the eleventh session of the Board since the establishment of the Company, the terms of whom are expected to be three years from 28 June 2024, until the expiry of the term of the eleventh session of the Board, except Mr. Zhang Shaofeng, his terms of office commences from 14 March 2025 until the expiry of the term of the eleventh session of the Board.

Members of the Board have different industry background. They all have professional knowledge in different areas, such as enterprise management, technical development, financial accounting, investment strategy, human resources etc. Their personal profiles are set out in the section headed "Directors, Supervisors, Senior Management and Employees" in this annual report. For the biographical details of the Directors of the Company, please refer to the section headed "Directors, Supervisors, Senior Management and Employees" in this annual report.

Saved as disclosed in the section, there is no other material relationship between the members of the Board (including financial, business, family or other material or relevant relationships).

In order to comply with the provisions under the CG Code, the Company has arranged appropriate liability insurance for Directors to provide insurance by way of indemnity for their liability arising from the activities of the enterprise.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(2) Composition (Continued)

Independent non-executive Directors of the Company understood the rights and obligations as a director and an independent non-executive director of a listed company. During the Reporting Period, the independent non-executive Directors attended the Board meetings in a prudent, responsible and serious attitude, fully using their experience and expertise, did a lot of work for improvement of corporate governance and major decision-makings, voiced their pertinent and objective opinions about the important matters of the Company and connected transactions, promoted the scientific decision-making and decision-making procedures of the Board, and safeguarded the interests of the Company and all shareholders. The three independent non-executive Directors of the Company also served in the Board's special committees.

As at the date of this annual report, the composition of the Board is as follows:

Designation	Independent non-executive Directors (3)		
Gender	Directors (4)	Male (6)	Female (1)
Ethnicity	Han (7)		
Age	51-55 (2) 56-60 (1) 61 or above (4)		
Directorship with the Company (Years)	3 years or under 3 years (4)	4-6 years (3)	7 years or above (0)
Skills, knowledge and profession	Engineers (3), Accounting professionals (2) and Business administration management (2)		
Education background	Doctor (2), Master (4) and Bachelor (1)		

Note: The numbers in parentheses are the number of directors included in the relevant category.

(3) Policy concerning diversity of Board members

The Board has authorized the Nomination Committee to formulate a series of diversified standards including, but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and term of office, and to review and supervise the effects of diversity of Board members. The Board has adopted the policy concerning diversity of Board members.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(3) Policy concerning diversity of Board members (Continued)

For the purpose of implementation of the Board Diversity Policy, the Company has adopted the following measurable objectives:

- at least one of the members of the Board shall be female;
- at least one third of the members of the Board shall be independent non-executive Directors; and
- at least one of the members of the Board shall have obtained accounting or other professional qualifications.

In accordance with the Board Diversity Policy, the Company aims to appoint at least one female Director. The Board is committed to increasing diversity on the Board and achieved the objectives by during the Reporting Period.

The Company values gender diversity at all levels of the Group. As at the date of this annual report, the Board of Directors of the Group consists of 6 males and 1 female (85.7% males; 14.3% females). The Group has a total of 6 senior management, with 5 being male (representing 83.3%) and 1 being female (representing 16.7%).

The Board and the Nomination Committee have reviewed the implementation and effectiveness of the Board diversity policy and considered it to be effective for the year ended 31 December 2024.

Further details of the Group's gender ratio and related data, please refer to the Environmental, Social and Governance Report of the Company.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(4) *Corporate governance functions*

The Board of Directors shall perform the corporate governance functions as set out below:

To develop and review the Company's policies and practices on corporate governance;

To review and monitor the training and continuous professional development of Directors and senior management;

To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; and to develop, review and monitor the code of conduct and compliance code applicable to employees and Directors; and

To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

(5) *Directors*

The election of Directors

The Directors are elected or replaced at general meetings. Director elections adopt the cumulative voting system. Director candidates may be nominated by the Board or the Supervisory Committee, or by shareholders individually or jointly holding at least 1% issued shares of the Company. The term of office of Directors is 3 years, eligible for re-election upon expiry of terms. The independent non-executive Directors shall be persons with no connected relationship with the management staff in the Company and major shareholders.

Directors' responsibilities and duties

Through the secretary of the Board, all the Directors can obtain the related information and latest trends about statutory, regulatory and other continuous responsibility, which the directors of a listed company must comply with. In this way, they can ensure the responsibility to be understood, implementation of the procedures of the Board and appropriate compliance with applicable laws and regulations. The Company possesses an enforceable and effective mechanism to ensure that the Board is provided with independent views and opinions. The Directors and special committees shall be entitled to appoint an independent professional organization for its service, in accordance with needs to exercise powers, fulfill duties and run its business. Reasonable fees arising here from shall be borne by the Company. During the Reporting Period, the Board has reviewed the Board Independence Assessment Mechanism and considered the implementation of the mechanism to be effective.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(5) Directors (Continued)

Directors' responsibilities and duties (Continued)

The Company strictly abides by the relevant binding clauses applied to the securities transactions conducted by the Directors as provided by the domestic and Hong Kong regulatory bodies and sticks to the principle of strict compliance.

Securities transactions by Directors and Supervisors

The Company has adopted a code of conduct regarding securities transactions by Directors and Supervisors of the Company as set out in the Model Code. Having made specific enquiry to all Directors and Supervisors of the Company, the Company confirms that, as of 31 December 2024, all Directors and Supervisors of the Company had complied with the provisions regarding the securities transactions by Directors and Supervisors as set out in the Model Code.

The Company confirmed that it has received, from each of the independent non-executive Directors, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines requirements of the Listing Rules and are independent in accordance with the provisions of the guidelines.

Director's service contract

According the Articles of Association of the Company, Directors are elected at the general meeting for a term of three years. The Company has entered into separate service contracts with each Director of the eleventh session of the Board. None of the Directors has a service contract with the Company which is not terminable by the Company within one year without payment of compensation (other than statutory compensation). The terms of appointments of Directors (including non-executive Directors) should refer to the section headed "Directors, Supervisors, Senior Management and Employees" of this annual report.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(6) Meeting of the Board of Directors

During the Reporting Period, 13 Board meetings were convened by the Company. Matters considered at the Board meetings include, among others:

- Financial results announcement;
- Appointment of senior management of the Company;
- Matters concerning the adjustment of the structure of internal organizations of the Company;
- Matters concerning the repurchase and cancellation of certain restricted shares;
- Corporate governance related systems; and
- Matters concerning equity investment.

Attendance of Directors to the Board meetings and shareholders' general meetings

Director	Independent Director or not	Required attendance during the year	Attendance in person	Attendance at the Board meetings			Absence in person for twice consecutively	Attendance at general meetings
				Attendance by communication equipment	Attendance by proxy	Absence		
Yu Peigen	No	13	6	7	0	0	No	3
Zhang Yanjun	No	13	4	7	2	0	No	0
Sun Guojun ⁽²⁾	No	11	4	6	1	0	No	0
Huang Feng	Yes	13	6	7	0	0	No	1
Zeng Daorong ⁽⁴⁾	Yes	11	5	6	0	0	No	2
Chen Yu ⁽⁷⁾	Yes	5	3	2	0	0	No	0
Zhang Shaofeng ⁽⁹⁾	No	0	0	0	0	0	No	0
Former Directors								
Zhang Jilie ⁽¹⁾	No	0	0	0	0	0	No	0
Liu Zhiqian ⁽⁵⁾	No	6	2	4	0	0	No	0
Liu Dengqing ⁽⁶⁾	Yes	8	2	5	1	0	No	1
Ma Yongqiang ⁽³⁾	Yes	2	0	1	1	0	No	0
Song Zhiyuan ⁽⁸⁾	No	13	6	7	0	0	No	0

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

2. Board of Directors (Continued)

(6) Meeting of the Board of Directors (Continued)

Notes:

1. Zhang Jilie ceased to serve as a director of the Company with effect from 5 January 2024 as he had reached the statutory retirement age.
2. Sun Guojun was elected as a director of the Company on 5 February 2024.
3. Ma Yongqiang resigned as an independent non-executive director of the Company on 13 December 2023 and ceased to serve as an independent non-executive director of the Company on 5 February 2024.
4. Zeng Daorong was elected as an independent non-executive director of the Company on 5 February 2024.
5. Liu Zhiqian resigned as a director of the Company on 29 April 2024.
6. Liu Dengqing will not participate in the re-election of independent non-executive director, he retired as an independent non-executive director after the conclusion of the 2023 annual general meeting of the Company (i.e. 28 June 2024).
7. Chen Yu was elected as an independent non-executive director of the Company on 28 June 2024.
8. Song Zhiyuan has ceased to be a director of the Company on 14 March 2025 as he has reached the statutory retirement age.
9. Zhang Shaofeng was elected as a director of the Company on 14 March 2025.

Number of Board meetings convened during the year	13
Among which: number of meetings convened on-site	6
Number of meetings convened by communication equipment	7
Number of meetings convened by a combination of the above two means	0

Directors who could not attend the Board meetings in person appointed other Directors to attend and vote at the meetings on their behalves.

Independent non-executive Directors did not raise objection to proposals of the Board meetings or other proposals during the Reporting Period.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board

The Board has established five special committees, each of which has the defined terms of reference to oversee the affairs of the Company's specific aspects.

(1) *Audit and Review Committee*

The main duties of the Audit and Review Committee are:

- ① to supervise and assess the work of the external audit institutions, and propose to appoint or change external audit institutions;
- ② to guide the internal audit work and supervise the internal audit system of the Company and its implementation;
- ③ to review the financial information of the Company and its disclosure, and review the interim and annual financial statements before submitting to the Board;
- ④ to coordinate the communication between the management, internal audit department and relevant departments and external audit institutions;
- ⑤ to examine the internal control system of the Company and assess its effectiveness;
- ⑥ to examine the major connected transactions of the Company;
- ⑦ to review the letter from the external auditor to the management and the feedback of the management;
- ⑧ other matters authorised by the Board of the Company and other matters mentioned in the relevant laws, regulations, and normative documents.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(1) Audit and Review Committee (Continued)

At the end of the Reporting Period, the members of audit and review committee under the eleventh session of the Board of the Company comprise of independent non-executive Directors of the Company, including Mr. Zeng Daorong (chairman and convener), Mr. Huang Feng and Ms. Chen Yu.

In 2024, the Audit and Review Committee held a total of 6 meetings, at which the Resolution on the Overall Budget for 2024, the Resolution on the Financial Final Account Report for 2023, the Resolution on the First Quarterly Financial Report for 2024, the Resolution on the Half Year Financial Report for 2024, the Resolution on the Third Quarterly Financial Report for 2024, etc. were considered and approved.

Members of the Audit and Review Committee and attendance at its meetings

Name	Position	Required attendance in 2024	Actual Attendance
Zeng Daorong	Chairman of the committee and convener	5	5
Liu Dengqing (retired on 28 June 2024)	Former Member of the committee	3	3
Huang Feng	Member of the committee	6	6
Chen Yu (appointed on 28 June 2024)	Member of the committee	3	3
Ma Yongqiang (resigned on 5 February 2024)	Former chairman of the committee and convener	1	1

Notes: On 5 February 2024, after consideration and approval by the Board, the members of the Audit and Review Committee were adjusted to Mr. Zeng Daorong (chairman and convener), Mr. Liu Dengqing and Mr. Huang Feng.

On 28 June 2024, after consideration and approval by the Board, the members of the Audit and Review Committee were adjusted to Mr. Zeng Daorong (chairman and convener), Mr. Huang Feng and Ms. Chen Yu.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(2) Strategic Development Committee

The main duties of the Strategic Development Committee are:

- ① to research and advise on the mid- and long-term development strategic planning of the Company;
- ② to research and advise on the material investment and financing proposals which are subject to approval by the Board as required under the Articles of Incorporation;
- ③ to research and advise on material capital operation and asset restructuring projects which are subject to approval of the Board as required under the Articles of Association;
- ④ to research and advise on significant issues that have effects on the development of the Company;
- ⑤ to review and assess the implementation of the above issues, and advise on the results of the review and assessment in writing;
- ⑥ other matters as authorized by the Board.

The members of the Strategic Development Committee of the eleventh session of the Board are Mr. Yu Peigen (chairman and convener), Mr. Zhang Yanjun, Mr. Sun Guojun and Mr. Huang Feng, independent non-executive Director.

In 2024, the Strategic Development Committee held a total of 2 meetings, at which the Resolution on the Overall Plan of Bond Issuance of the Company for the Year of 2024, the Resolution on the Application for Capital Increase, the Resolution on the Share Increase and Transfer of Registered Capital of DEC and the Resolution on the Environmental, Social and Corporate Governance (ESG) Management Regulation of the Company, etc. were considered and approved.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(2) Strategic Development Committee (Continued)

Members of the Strategic Development Committee and attendance at its meetings

Name	Position	Required attendance in 2023	Actual Attendance
Yu Peigen	Chairman of the committee and convener	2	2
Sun Guojun (appointed on 5 February 2024)	Member of the committee	2	2
Zhang Yanjun	Member of the committee	2	2
Huang Feng	Member of the committee	2	2

Notes: On 5 January 2024, after consideration and approval by the Board, the members of the Strategic Development Committee were adjusted to Mr. Yu Peigen (chairman and convener), Mr. Zhang Yanjun and Mr. Huang Feng, an independent non-executive Director.

On 5 February 2024, after consideration and approval by the Board, the members of the Strategic Development Committee were adjusted to Mr. Yu Peigen (chairman and convener), Mr. Zhang Yanjun, Mr. Sun Guojun and Mr. Huang Feng, an independent non-executive Director.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(3) *Remuneration and Assessment Committee*

The main duties of the Remuneration and Assessment Committee are:

- ① to formulate remuneration plan or scheme for Directors and senior management based on their work scope, duties and importance and the remuneration level of related positions in other related enterprises;
- ② to make recommendations to the Board on the Company's policy and structure for remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing such remuneration policy;
- ③ to review and approve the management's remuneration proposals by reference to the corporate goals and objectives set by the Board;
- ④ to make recommendations to the Board on the remuneration of independent non-executive Directors;
- ⑤ to consider the remuneration paid by similar companies, the time commitment, job duties and the employment conditions for other positions in the Group;
- ⑥ to examine the duty performance of Directors and senior management, and conduct annual performance appraisal;
- ⑦ to review and approve compensation payable to non-independent Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair, reasonable and not excessive;
- ⑧ to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- ⑨ responsible for supervising the implementation of the remuneration system of the Company;
- ⑩ other matters authorized by the Board.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(3) Remuneration and Assessment Committee (Continued)

At the end of the Reporting Period, the members of the Remuneration and Assessment Committee under the eleventh session of the Board of Directors of the Company comprises of independent non-executive Directors Mr. Huang Feng (chairman and convener), Mr. Zeng Daorong and Ms. Chen Yu.

During the year of 2024, the Remuneration and Assessment Committee convened 5 meetings to mainly consider the Resolution on the Conditions for Unlocking the Third Tranche of the First Grant under the Restricted A Share Incentive Scheme for 2019, the Resolution on the Proposed Plan for 2023 Performance Assessment Results for the Company's Senior Executives, the Resolution on the Proposed Plan for 2024 Performance Assessment Target Values for the Company's Senior Executives, the Resolution on the Remuneration of Members of the Eleventh Session of the Board, the Resolution on the Repurchase and Cancellation of Restricted A Shares of Certain Incentive Participants, the Resolution on the Unlocking of Reserved Shares under the Restricted A Share Incentive Scheme for 2019, and the Resolution on the Improving the Approval Rules of the Company's Senior Executives' Remuneration and Fulfilling the 2023 Annual Remuneration, etc.

Members of the Remuneration and Assessment Committee and attendance at its meetings

Name	Position	Required attendance in 2024	Actual Attendance
Huang Feng	Chairman of the committee and convener	5	5
Liu Dengqing (retired on 28 June 2024)	Former member of the committee	2	2
Ma Yongqiang (resigned on 5 February 2024)	Former member of the committee	1	1
Zeng Daorong (appointed on 5 February 2024)	Member of the committee	4	4
Chen Yu (appointed on 28 June 2024)	Member of the committee	3	3

Notes: On 5 February 2024, after consideration and approval by the Board, the members of the Remuneration and Assessment Committee were adjusted to Mr. Huang Feng (chairman and convener), Mr. Liu Dengqing and Mr. Zeng Daorong, all being independent non-executive Directors.

On 28 June 2024, after consideration and approval by the Board, the members of the Remuneration and Assessment Committee were adjusted to Mr. Huang Feng (chairman and convener), Mr. Zeng Daorong and Ms. Chen Yu, all being independent non-executive Directors.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(3) *Remuneration and Assessment Committee (Continued)*

For details of remuneration of Directors, Supervisors and senior management during the Reporting Period, please refer to “I (I) Particulars about changes in the shareholding and remuneration of existing Directors, Supervisors and senior management during the Reporting Period” of section IX Directors, Supervisors, Senior Management and Employees.

(4) *Risk and Compliance Management Committee*

The main duties of the Risk and Compliance Management Committee are:

- ① to submit the annual report on overall risk management to the Board of Directors;
- ② to consider the risk management strategies and the solutions for major risk management;
- ③ to consider the judgment criteria or the judgment mechanism related to major decision makings, major risks, major events and important business procedures, as well as the risk assessment report of major decisions;
- ④ to consider the comprehensive report on the supervision, assessment and audit of risk management submitted by the internal audit department;
- ⑤ to consider the establishment of the risk management organizations and their proposed responsibilities;
- ⑥ to handle other matters as authorised by the Board.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(4) Risk and Compliance Management Committee (Continued)

At the end of the Reporting Period, the members of the Risk and Compliance Management Committee under the eleventh session of the Board of Directors comprises of the Chairman of the Board Mr. Yu Peigen (chairman and convener), independent non-executive Directors Mr. Huang Feng, Mr. Zeng Daorong and Ms. Chen Yu.

During the year of 2024, the Risk and Compliance Management Committee convened 1 meeting to consider and approve the Resolution on the Risk Assessment Report of Dongfang Electrical Finance Co., Ltd. and the Resolution on the Report on the Assessment of Internal Control and the Audit Report on the Internal Control of the Company for 2023, which were agreed to be submitted to the Board of the Company for consideration..

Members of the Risk and Compliance Management Committee and attendance at its meeting

Name	Position	Required attendance in 2024	Actual Attendance
Yu Peigen	Chairman of the committee and convener	1	1
Liu Zhiquan (resigned on 29 April 2024)	Former member of the committee	1	1
Liu Dengqing (retired on 28 June 2024)	Former member of the committee	1	1
Huang Feng	Member of the committee	1	1
Ma Yongqiang (resigned on 5 February 2024)	Former member of the committee	0	0
Zeng Daorong (appointed on 5 February 2024)	Member of the committee	1	1
Chen Yu (appointed on 28 June 2024)	Member of the committee	0	0

Notes: On 5 February 2024, after consideration and approval by the Board, the members of the Risk and Compliance Management Committee were adjusted to Mr. Yu Peigen (chairman and convener), Mr. Liu Zhiquan, Mr. Liu Dengqing, Mr. Huang Feng and Mr. Zeng Daorong.

On 29 April 2024, after consideration and approval by the Board, the members of the Risk and Compliance Management Committee were adjusted to Mr. Yu Peigen (chairman and convener), Mr. Liu Dengqing, Mr. Huang Feng and Mr. Zeng Daorong.

On 28 June 2024, after consideration and approval by the Board, the members of the Risk and Compliance Management Committee were adjusted to Mr. Yu Peigen (chairman and convener), Mr. Huang Feng, Mr. Zeng Daorong and Ms. Chen Yu.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(5) *Nomination Committee*

The main duties of the Nomination Committee are:

- ① to review the structure, composition and diversification (including but not limited to gender, age, cultural and educational background, ethnics, skills, knowledge, term of service and experience) of the Board and senior management at least once a year according to the operating activities, asset scale and shareholding structure of the Company, and make recommendations in respect of any proposed changes on the Board to be in line with the corporate strategies;
- ② to study the criteria and procedures for selection of Director and senior management and make recommendations to the Board;
- ③ to review the qualification of candidates for Directors and senior management and make recommendations on this regard;
- ④ to formulate policy for nomination of Directors to identify individuals suitably qualified to become members of the Board, and select and nominate such individuals to serves as Directors or make recommendations to the Board on this regard. When the committee identifies suitable individuals, it shall take into account the strength of such individuals and objective criteria with due regard to the benefits of diversity on the Board;
- ⑤ to assess the independence of independent non-executive Directors;
- ⑥ to review the implementation of the Board diversity policy, review the diversity policy as and when appropriate, and review the measurable target set by the Board for the implementation of the Board diversity policy and its progress and make recommendations to the Board;
- ⑦ to make recommendation to the Board on the appointment and re-appointment of Directors and the succession plan of Directors (in particular the Chairman and the president of the Company) in accordance with the corporate strategy of the Company, the techniques, knowledge and experience that meet future need and the diversification of the Board;
- ⑧ to handle other matters as authorised by the Board.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(5) *Nomination Committee (Continued)*

In identifying suitable individuals, the Nomination Committee makes recommendation to the Board after considering (i) individuals on merit (ii) the objective criteria, with due regard for the benefits of diversity on the Board; and (iii) the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future.

The procedures for nominating Directors and senior managers of the Company:

1. A list of proposed candidates shall be first put forward by persons or organizations having the right to nominate Directors of the Company to the Nomination Committee for review before being presented to the Board for consideration. The list, if approved by the Board, shall be submitted to the general meeting of the Company for consideration.
2. A list of proposed candidates for the president of the Company, secretary to the Board and other senior managers shall be first put forward by persons or organizations having the right to nominate such executives to the Nomination Committee for review before being presented to the Board for consideration.

The procedures for examining the qualifications of candidates for Directors and senior managers:

1. The Nomination Committee may request the relevant department of the Company to provide or may collect by itself all relevant information about the occupation, academic qualifications, professional titles, detailed working experience and concurrent posts of the candidates and compile written reports.
2. The Nomination Committee shall convene a meeting to conduct a qualification review on the candidate(s) according to the employment requirements of Directors and senior managers, and specify its opinions and recommendations on selection in the form of proposals.
3. The Nomination Committee shall carry out other relevant work according to the decisions and feedback of the Board.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

3. Special committees of the Board (Continued)

(5) Nomination Committee (Continued)

At the end of the Reporting Period, the members of the Nomination Committee under the eleventh session of the Board of Directors comprises of independent non-executive Directors Ms. Chen Yu (chairman and convener), Mr. Huang Feng and Mr. Zeng Daorong.

During the year of 2024, the nomination committee convened 7 meetings to consider and approve the Resolution on the Appointment of Sun Guojun as the Senior Vice President of the Company, the Resolution on the Appointment of President, the Resolution on the Nomination of Candidates for Directors of the Eleventh Session of the Board, the Resolution on the Appointment of Wang Jun as the Senior Vice President of the Company, the Resolution on the Appointment of Hu Xianfu as the Chief Accountant of the Company, the Resolution on the Appointment of Li Jianhua as the Senior Vice President of the Company, etc.

Members of the Nomination Committee and attendance at its meeting

Name	Position	Required attendance in 2024	Actual Attendance
Chen Yu (appointed on 28 June 2024)	Chairman of the committee and convener	3	3
Liu Dengqing (retired on 28 June 2024)	Former Chairman of the committee and convener	4	4
Huang Feng	Member of the committee	7	7
Ma Yongqiang (resigned on 5 February 2024)	Former member of the committee	2	2
Zeng Daorong (appointed on 5 February 2024)	Member of the committee	5	5

Notes: On 5 February 2024, after consideration and approval by the Board, the members of the Nomination Committee were adjusted to Mr. Liu Dengqing (chairman and convener), Mr. Huang Feng and Mr. Zeng Daorong.

On 28 June 2024, after consideration and approval by the Board, the members of the Nomination Committee were adjusted to Ms. Chen Yu (chairman and convener), Mr. Huang Feng and Mr. Zeng Daorong.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

4. Duties of the Management Team

Pursuant to the terms of reference under the Articles of Association, the management of the Company mainly discharges the following duties:

- (1) to take charge of the management of the production and business operations of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report the work to the Board of Directors;
- (2) to organize the implementation of the annual business plans and investments plans of the Company;
- (3) to propose development programs, annual production and operation plans, annual plan for financial budget and final accounts, plans for after-tax profit distributions and plans for making up losses of the Company;
- (4) to formulate plans for the establishment of the internal management organization of the Company;
- (5) to formulate the basic management system of the Company;
- (6) to formulate basic rules and regulations of the Company;
- (7) to propose to appoint or dismiss the Senior Vice President, Vice President, chief accountant and other senior management members;
- (8) to appoint or dismiss and deploy management personnel and staff other than those required to be appointed or dismissed by the Board, unless otherwise provided in the Articles of Association;
- (9) to decide on the reward and punishment, promotion and demotion, salary increment and reduction, appointment, dismissal and firing of the Company's employees;
- (10) to represent the Company externally in handling important business matters within the scope of authorization by the Board of Directors.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

5. Secretary to the Board and Company Secretary

The Company has a secretary to the Board who shall be appointed by the Board and acts as a senior management member of the Company with following duties:

- (1) to be responsible for releasing the Company's information to the external, coordinating the Company's information disclosure, organising the formulation of Information Disclosure Management System of the Company, and urging the Company and relevant information disclosure obligors to comply with the regulations on information disclosure;
- (2) to be responsible for managing investor relations, and coordinating the information communication among the Company, securities regulatory authorities, investors, securities service institutions and media;
- (3) to organise the preparation of the Board meetings and general meetings, attend the general meetings, the Board meetings and the meetings of the Supervisory Committee and senior management, and be responsible for record work of the Board meetings and sign;
- (4) to be responsible for confidentiality work of information disclosure, timely report and disclose to the stock exchange in the event of divulgence of undisclosed significant information;
- (5) to keep close eyes on media reports and actively seek to prove their truthness, and to urge the Board to timely respond to the stock exchange's enquiry;
- (6) to organise trainings on laws and administrative regulations for the Company's directors, supervisors and senior management members and assist them in understanding their respective duties in information disclosure;
- (7) to inform the Company's directors, supervisors and senior management members should they in violation of laws, administrative regulations and other regulatory documents, regulations on stock exchange and articles of association, or to remind relevant persons and timely report to the CSRC and the stock exchange in the event of any or potential decision against the relevant regulations by the Company;
- (8) to be responsible for the Company's equity interest management and keep information on the shareholding of the Company's directors, supervisors, senior management members and controlling shareholder and its directors, supervisors, and senior management members, and to be responsible for disclosing changes in the shareholdings of the Company's directors, supervisors, senior management members;
- (9) other duties as prescribed by the Company Law, CSRC and the stock exchange.

On 18 December 2024, Ms. So Ka Man resigned as a joint company secretary of the Company; Ms. Tsang Wing Man was appointed as a joint company secretary of the Company, and Mr. Feng Yong will continue to act as the other joint company secretary of the Company. The joint company secretaries are responsible for making recommendations to the Board on corporate governance matters and ensuring compliance with the Board's policies and procedures and applicable laws, rules and regulations. The principal contact of Ms. Tsang Wing Man in the Company is Mr. Feng Yong, the joint company secretary of the Company.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

5. Secretary to the Board and Company Secretary (Continued)

During the Reporting Period, Mr. Feng Yong and Ms. Tsang Wing Man have confirmed that they have received relevant professional trainings for not less than 15 hours.

6. Participation of Directors, Supervisors and Senior Management in Training and Continuous Professional Development

During the Reporting Period, the Company provides training for all the Directors (including Mr. Yu Peigen, Mr. Zhang Yanjun, Mr. Song Zhiyuan, Mr. Sun Guojun, Mr. Huang Feng, Mr. Zeng Daorong and Ms. Chen Yu), Supervisors (including Mr. Wang Zhiwen, Mr. Hu Weidong and Ms. Liang Shuo), and senior management through the provision of timely and comprehensive information on listed company compliance, etc. Training materials were prepared and distributed for their information on update of their knowledge and skills, to ensure that their continuous contribution to the Board was under the comprehensive and relevant circumstance.

Mr. Sun Guojun, who was elected as a Director on 5 February 2024, obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 29 January 2024, and has confirmed he understood his obligations as a Director. Mr. Zeng Daorong, who was elected as an independent non-executive Director on 5 February 2024, obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 31 January 2024, and has confirmed he understood his obligations as a Director. Ms. Chen Yu, who was elected as an independent non-executive Director on 28 June 2024, obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 20 June 2024, and has confirmed she understood her obligations as a Director.

7. Information Disclosure and Investor Relation

Secretary to the Board and representative of securities affairs are responsible for information disclosure and investor relation management.

As for information disclosure, in order to enable the investors to understand the Company's operation conditions, the Company made meticulous organization and careful arrangement to strengthen coordination of information disclosure work, analyze and identify keys and difficulties and make effective communication with regulatory authorities. Accordingly, the Company finished the disclosure work as required. In 2024, the Company has made information disclosure for approximately 367 times in mainland China and Hong Kong, covering regular reports and temporary announcements.

As for investor relation management, the Company organized investors to discuss key issues, analyzed trend of capital market and operation status of the Company and timely kept up with investors' opinions on DEC, so as to make a targeted communication with investors and enhance communication quality. The Company further regulated processes of reception arrangements and made such processes standardized and professional. The Company's communication methods with investors mainly include shareholders' general meetings, results briefing conferences, road shows, reception of investor's visits, SSE e-interaction, teleconference, the Company's website and email box, facsimile and hotline, etc., to enable shareholders to express opinions or exercise rights.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

8. Responsibilities of the Directors and auditor for Preparing the Accounts and Auditors' Remuneration

All Directors have acknowledged their responsibilities for preparing the accounts of the Group for the year ended 31 December 2024.

BDO China Shu Lun Pan Certified Public Accountants LLP, the auditor of the Company, has acknowledged its reporting responsibilities in the Auditor's Report of the financial statements prepared under the PRC accounting standards for the year ended 31 December 2024.

For details of audit fees and non-audit service fees payable by the Group to the external auditors for the year ended 31 December 2024, please refer to "I. APPOINTMENT OR DISMISSAL OF THE AUDITOR" of section VII Significant Events.

9. Material changes in the constitutional documents of the Company

During the Reporting Period, there were no changes to the Articles of Association.

10. Internal control

The Company has established effective risk management and internal control systems, which are designed to manage rather than eliminate the risk of failure to achieve business objectives. The Risk and Compliance Management Committee of the Board of the Company is mainly responsible for the deliberation of risk management strategies and major risk management plans of the Company, and the assessment of decisions on major risks, and report to the Board.

The Board is responsible for implementing the risk management and internal control systems of the Company and its subsidiaries and reviewing the effectiveness of such systems. The Board assesses and reviews the effectiveness of the risk management and internal control systems and procedures based on the information derived from discussions with the senior management, internal audit team and external auditor and the reports from the internal audit team. Our internal audit team regularly reviews the effectiveness of our Company's material internal controls, including financial, operational and compliance controls and risk management functions according to the audit plans and reports to the Board with its findings and makes recommendations to improve the internal controls of our Company. The audit and review committee has reviewed the comments of external auditors provided at the audit and review committee meetings. BDO China Shu Lun Pan Certified Public Accountants LLP was engaged by the Company to review the effectiveness of internal control on the financial report as of 31 December 2024, and issued the audit report on internal control with unqualified opinion.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

10. Internal control (Continued)

During the year, the Board reviewed the effectiveness of the risk management (including environmental, social and governance risks) and internal control systems of the Company and its subsidiaries, and was not aware of any breach of laws, regulations and rules or any material mistake in respect of compliance monitor and risk management. The Board considered that such systems are effective and adequate. With reference to assessment opinions from the Audit and Review Committee, the management, the internal audit team and external auditor, the Board makes its assessment on the efficiency of the internal control. The annual review also includes consideration of the adequacy of resources, qualifications and experience of staff in terms of accounting and financial reporting functions, including their training programme and training budget.

For the year ended 31 December 2024, based on the assessment made by the audit and review committee, the senior management and the internal audit team, the Board reviewed the risk management and internal control systems of the Company and its subsidiaries.

Building and implementation of internal control systems during the Reporting Period

During the Reporting Period, the Company strictly implemented the Basic Standards for Internal Control of Companies, the Guidelines on Application of Enterprise Internal Control and the relevant provisions of the CSRC on the internal control of listed companies, continuously strengthened the “three lines of defense” for risk prevention and control, and focused on building a comprehensive, strongly constrained, and strictly supervised internal control system. The Company completed the evaluation of the effectiveness of the internal control system on the basis of the review conclusions and management practices, promoted the reconstruction of the system and regular revisions, and newly formulated 2 systems including performance evaluation and internal control evaluation, effectively guiding and constraining business activities in new businesses and fields. Throughout the year, the Company revised 21 operational rules and regulations in total to ensure that the systems are compatible with business activities, and continuously improved and perfected the “1+N” internal control system. At the same time, the Company organized special inspections on the effectiveness of system processes and key area controls across various enterprises, investigated the implementation of systems, supervised the construction of key systems, as well as guided each enterprise in completing system revisions, boosting the continuous improvement of the corporate governance system. The Company carried out functional optimization of the system process management platform, improved the accuracy of job and authority matching, standardized the project initiation and release processes of systems, and achieved effective online lifecycle management of systems, thereby enhancing the informatization level of system management.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

10. Internal control (Continued)

Management of and control over subsidiaries during the Reporting Period

In accordance with the Management of Division of Duties and Responsibilities for Major Decision-making Matters of the Parent Company and Subsidiaries and other control systems, the Company strengthened management and control of subsidiaries, standardize their internal operation mechanism, safeguard the legitimate rights and interests of the Company and investors, and promote the healthy development of the Company.

Firstly, the Company conducted overall management of and control over the operation and management of each subsidiary through comprehensive budget management, operation plan management, organization and personnel management, tenure system and contractual assessment management.

Secondly, through the Company's unified accounting system, the Company implemented unified coordination and hierarchical management on the financial management of subsidiaries, and the financial department of the Company guided and supervised the accounting and financial management of controlled subsidiaries.

Thirdly, the Company continued to improve and perfect the modern enterprise management system with Chinese characteristics. The Company guided and urged subsidiaries to strengthen the construction of their boards of directors, established a team of full-time directors for subsidiaries, fully equipped and strengthened the boards of directors of subsidiaries with a majority of external directors, implemented the powers of the board of directors, and participated in the operating decision-making activities of subsidiaries through appointing shareholder representatives and full-time directors to realize governance-based control over subsidiaries.

Fourthly, the Company established a reporting system for significant events, and relevant departments and subsidiaries timely reported significant business matters, significant financial matters and other information that may have a significant impact on the trading prices of the Company's shares and derivatives to the person in charge of the Company.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy

(1) *Dividend Policy*

The Company has made clear the cash dividend policy in its Articles of Association, which stipulates that when the net profit attributable to the shareholders of the Company of the year is positive and the accumulated distributable profit at the end of the year is positive, the dividend can be distributed in cash. Under the condition that the undistributed profit is positive, the accumulated payment of dividend by way of cash for the last three years may not be less than 30% of the Company's average distributable profit for the last three years.

(2) *The ordinary share dividend allocation scheme or plan and those for converting capital reserve into share capital for the Company in the past three years (including the Reporting Period)*

Profit Distribution Scheme for 2022: Audited by Da Hua Certified Public Accountants LLP, the net profit attributable to shareholders of the parent company is RMB2,854,650,575.05 in 2022; the parent company has procured a net profit of RMB1,145,716,562.34. The Company proposed to distribute a cash dividend of RMB3.35 (tax inclusive) per 10 shares on the basis of the total share capital of 3,118,533,797 shares as at the publication date of the annual report, totaling payment of a cash dividend of RMB1,044,708,822.00. The Company did not convert any capital reserve into share capital nor make any bonus issue.

Profit Distribution Scheme for 2023: Audited by BDO China Shu Lun Pan Certified Public Accountants LLP, the net profit attributable to shareholders of the parent company is RMB3,550,393,576.32 in 2023; the parent company has procured a net profit of RMB1,308,482,494.47. The Company proposed to distribute a cash dividend of RMB4.75 (tax inclusive) per 10 shares on the basis of 3,117,499,457 shares as at the publication date of the annual report, totaling payment of a cash dividend of RMB1,480,812,242.08, accounting for 41.71% of the net profit attributable to the parent company in the 2023 consolidated financial statements. The Company did not convert any capital reserve into share capital nor make any bonus issue.

Profit Distribution Scheme for 2024: The Board proposed the payment of a cash dividend of RMB4.03 for every 10 shares (tax inclusive) for the year 2024 (2023: cash dividend of RMB4.75 for every 10 shares (tax inclusive)) to all shareholders based on the total share capital registered on the registration date for the implementation of the equity distribution. The Company will not convert any capital reserve into share capital or make any bonus issue. Based on the total share capital of the Company of 3,390,360,326 shares as at the Board meeting held on 29 April 2025, the total cash dividend distribution is estimated to be RMB1,366,315,211.38. If there is any change in the total share capital of the Company on the registration date for the implementation of the equity distribution, the Company intends to keep the total amount of the distribution unchanged and adjust the amount of the distribution per share accordingly.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy (Continued)

- (2) *The ordinary share dividend allocation scheme or plan and those for converting capital reserve into share capital for the Company in the past three years (including the Reporting Period)*
(Continued)

The dividend payment proposal shall be approved by the shareholders at the annual general meeting for the year of 2024 (the “AGM”) of shareholders. If approved, the final dividend is expected to be paid to the shareholders listed on the register of members by 31 August 2025. Dividends payable to H shareholders of the Company will be paid in Hong Kong dollars. The amount payable in Hong Kong dollars will be calculated on the basis of the average value of the central parity rate between RMB and Hong Kong dollar published by the People’s Bank of China in a week preceding the announcement of the payment of final dividend (if approved) at the AGM.

Unit: Yuan Currency: RMB

Year of distribution	Number of bonus shares for every 10 shares (share(s))	Dividend for every 10 shares (Tax inclusive) (Yuan)	Number of scrip shares for every 10 shares (share(s))	Total amount of cash dividend (Tax inclusive)	Net profits attributable to shareholders of the Company in the consolidated financial statements for the year	Percentage of dividend to the net profits attributable to shareholders of the Company in the consolidated financial statements (%)
2024	0	4.03	0	1,366,315,211.38	2,922,100,908.48	46.76
2023	0	4.75	0	1,480,812,242.08	3,550,393,576.32	41.71
2022	0	3.35	0	1,044,708,822.00	2,854,650,575.05	36.60

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy (Continued)

(3) *Enterprise Income Tax or Individual Income Tax on Withholding and Payment of Dividend*

Withholding and Payment of Income Tax

Enterprise Income Tax Withholding of Overseas Non-Resident Enterprises

Pursuant 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》), the Implementation Rules 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》) and the Notice on Issues Regarding Withholding Enterprise Income Taxes when Chinese Resident Enterprises Distribute Dividends to H-share Holders which are Foreign Non-resident Enterprises (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, a PRC resident enterprise shall withhold and pay enterprise income tax at the uniform tax rate of 10% on behalf of its shareholders when distributing the dividends to foreign non-resident enterprise holders of H Share for the year 2008 and subsequent years.

Pursuant to the provisions in the Notice on Tax Policies Regarding the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (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 the CSRC, for dividend and bonus incomes obtained by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, such H-share companies shall not withhold and pay any income taxes on such dividends and bonuses, as the income taxes shall be reported and paid by the investing enterprises on their own. Meanwhile, for dividends and bonuses obtained by mainland resident enterprises from holding relevant H shares for 12 months consecutively, enterprise income taxes shall be exempted according to laws.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy (Continued)

- (3) *Enterprise Income Tax or Individual Income Tax on Withholding and Payment of Dividend (Continued)*

Withholding and Payment of Income Tax (Continued)

Individual Income Tax Withholding of Overseas Individual Shareholders

Pursuant to provisions in the Notice by the State Administration of Taxation on Issues Regarding the Administration of Individual Income Tax Collection after the Annulment of Document Guo Shui Fa [1993] No. 045 (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)), for dividend and bonus incomes received by individual shareholders as foreign residents from shares of domestic non-foreign-invested enterprises listed in Hong Kong, the individual income taxes thereof shall be withheld and lawfully paid by a withholding agent. When a domestic non-foreign-invested enterprise lists its shares in Hong Kong, its individual shareholders, as foreign residents, can claim relevant preferential tax treatment pursuant to the provisions in the tax treaty entered into between the country where their residential identity belongs and the PRC and in the tax arrangements between Mainland China and Hong Kong (Macau). Pursuant to the relevant tax treaties and tax arrangements, the tax rate for dividends is normally 10%. To simplify the administration of tax collection, when dividends and bonuses are distributed by a domestic non-foreign-invested enterprise for shares listed in Hong Kong, individual income taxes thereof are generally withheld and paid at the tax rate of 10% with no need to file any application. If the dividend tax rate is not 10%, the following provisions shall be followed: (1) for residents subject to tax rates below 10%, pursuant to relevant treaties, withholding agents may handle the application for relevant treatments under such treaties on their behalf, and extra tax payments shall be refunded upon the approval of the governing tax authority; (2) for residents subject to tax rates over 10% but lower than 20%, pursuant to relevant treaties, withholding agents shall withhold and pay the individual income taxes at the effective rate when the dividends and bonuses are distributed, with no need to apply for review and approval; (3) for residents whose countries have not entered into any tax treaty with the PRC, withholding agents shall withhold and pay the individual income taxes at the tax rate of 20% when the dividends and bonuses are distributed.

Pursuant to the provisions in the Notice on Tax Policies Regarding the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (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 the CSRC for dividends and bonuses obtained by mainland individual investors from investing in H-shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, such H-share companies shall withhold individual income tax at the rate of 20%. For dividend and bonus incomes obtained by mainland securities investment funds by investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the individual income tax will be levied pursuant to the provisions mentioned above.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy (Continued)

- (3) *Enterprise Income Tax or Individual Income Tax on Withholding and Payment of Dividend (Continued)*

Withholding and Payment of Income Tax (Continued)

Profit Distribution to Investors of Northbound Trading

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares listed on the SSE (the “Investors of Northbound Trading”), their dividends and bonuses will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominees holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For Investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend and bonus tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date, the date of distribution of Final Dividend and other arrangements for the Investors of Northbound Trading will be the same as those for the holders of A Shares of the Company. Profit Distribution to Investors of Southbound Trading for investors of the SSE and the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the “Investors of Southbound Trading”), the Company has arranged for the China Securities Depository and Clearing Corporation Limited or its branches, as the nominee of the holders of H Shares for Southbound Trading, to receive all Final Dividend distributed by the Company and distribute the Final Dividend to the relevant investors of H Shares of Southbound Trading through its depository and clearing system.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

11. Dividend Policy (Continued)

- (3) *Enterprise Income Tax or Individual Income Tax on Withholding and Payment of Dividend (Continued)*

Withholding and Payment of Income Tax (Continued)

Profit Distribution to Investors of Southbound Trading

The Final Dividend for the investors of H Shares of Southbound Trading will be paid in RMB. In accordance with relevant requirements of the Notice on Tax Policies Regarding the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) and the Notice on Tax Policies Regarding 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)》, for Final Dividend received by mainland individual investors from investing in H Shares of the Company listed on the Hong Kong Stock Exchange through Shanghai/Shenzhen-Hong Kong Stock Connect, the Company will withhold and pay individual income tax at the rate of 20% on their behalf. For Final Dividend received by mainland securities investment funds from investing in H Shares of the Company listed on the Hong Kong Stock Exchange through Shanghai/Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends and bonuses for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The record date, the date of distribution of Final Dividend and other arrangements for the Investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

Anyone has the intention to change their identity as a shareholder in the register of members, please inquire about relevant procedures from nominees and trustees. The Company will strictly abide by relevant laws and regulations of relevant government departments, and strictly adhere to data set out in the register of members of the Company on the record date to withhold enterprise income tax of non-resident enterprise shareholders.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

12. Shareholder's Rights

(1) *Shareholder's rights*

Procedures for shareholders convening an extraordinary general meeting ("EGM")

Shareholders requesting to convene an EGM shall follow the procedures below:

- (1) The shareholders who individually or jointly hold 10% or more of the Company's shares have the right to propose the Board of Directors to convene an EGM, and shall put forward the proposal to the Board of Directors in written form. The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, give a written reply on whether to convene an EGM or not within 10 days upon receipt of the proposal. The aforesaid amount of the shares held by the shareholders is calculated on the date on which the shareholders put forward the written proposal.
- (2) If the Board of Directors does not agree to convene an EGM or fails to give feedback within 10 days upon receipt of the proposal, the shareholders who individually or jointly hold 10% or more of the Company's shares shall have the right to propose in written form to the Supervisory Committee to convene an EGM.
- (3) If the Supervisory Committee fails to send out a notice of the EGM within the prescribed time limit, it shall be deemed that the Supervisory Committee will not convene or preside over the meeting, and the shareholders who individually or jointly hold 10% or more of the Company's shares for a consecutive 90 or more days may convene and preside over the meeting by themselves. The procedures of convening the meeting shall be the same with that of convening the meeting by the Board of Directors, and the place of the meeting shall be at the domicile of the Company.
- (4) Where the Supervisory Committee or shareholders decide to convene the EGM by themselves, they shall send out a written notice to the Board of Directors, and shall put on the records toward the stock exchange. Before the resolution of the EGM is announced, the shareholding proportion of the summoning ordinary shareholders (including preference shareholders with restored voting rights) shall be no less than 10%.

The Supervisory Committee or the shareholders that convene the meeting shall, when circulating a notice of meeting and making an announcement on the resolution of a shareholders' general meeting, submit the relevant certification materials to the stock exchange.

- (5) In respect of the EGM convened by the Supervisory Committee or shareholders on their own initiative, the Board of Directors and its secretary shall cooperate. The Board of Directors shall provide the register of members on the date of equity registration.
- (6) The necessary expenses for convening the EGM by the Supervisory Committee or shareholders shall be borne by the Company. The expenses will be deduced from the sum owed by the Company to the Directors in neglect of duty.

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

12. Shareholder's Rights (Continued)

(1) *Shareholder's rights (Continued)*

Procedures for putting forward proposals to the shareholders' general meeting

When the Company convenes a shareholders' general meeting, shareholders individually or jointly holding 3% or more shares of the Company are entitled to make proposals to the Company.

The shareholders who individually or jointly hold 3% or more of the shares of the Company may put forward a temporary proposal and submit it to the convener in writing within 10 days before the general meeting. The convener shall issue a supplementary notice of the meeting and announce the contents of the temporary proposal within 2 days upon receipt of the aforesaid proposal.

Procedures for shareholders to propose a Director candidate

For the procedures for proposing a Director candidate, please refer to the procedures published on 21 June 2012 under the Investor Relation section at the Company's website www.dec-ltd.cn.

Procedures for shareholders to make enquiries to the board

Shareholders may send any enquiries and questions in writing to the Board secretary who will forward the same to the Board. The contact details of the Board secretary are set out as follows:

Secretarial office of the Board of Dongfang Electric Corporation Limited at No. 18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC

Fax No.: 028-8758 3551

Email: dsb@dongfang.com

Shareholders may also put forward enquiries to the Board at the shareholders' general meeting of the Company.

CORPORATE GOVERNANCE (CONTINUED)

V. CORPORATE GOVERNANCE REPORT (CONTINUED)

Corporate governance practices (Continued)

13. Policies Relating to Shareholders

The Company has in place a Shareholders' Communication Policy to ensure that shareholders' views and concerns are appropriately addressed. During the year ended 31 December 2024, the Company has reviewed the Shareholders' Communication Policy and considered that the policy was effectively implemented with the measures as disclosed under the paragraphs headed "Information Disclosure and Investor Relation" and "Shareholder's Rights".

14. Compliance with Code on Securities Transactions

The Company has adopted the Model Code as the code of conduct regarding the transactions of securities of the Company by all Directors and Supervisors. Having made specific inquiries, all Directors and Supervisors of the Company have confirmed that during the Reporting Period, they have strictly complied with the standards under the Model Code. The Company is not aware of any breach of the Model Code by the relevant employees. The Board will inspect the corporate governance and its operation from time to time, in order to comply with the applicable requirements under the Hong Kong Listing Rules and safeguard the interests of Shareholders.

ENVIRONMENT AND SOCIAL RESPONSIBILITY

I. ENVIRONMENTAL INFORMATION

- (I) Description of environmental protection efforts of the Company and its major subsidiaries which are key pollutant discharging entities announced by the environmental protection authorities

1. Pollutant discharge information

Company name	Major pollutants	Emission method	Number of discharge outlets	Emission concentration	Emission Standard Implemented	Standard Limit	Total emissions (t)	Whether exceeded or not
Dongfang Electrica	COD	Indirect emissions	2	60.02mg/L	Class 3 standards under "Integrated Wastewater Discharge Standard" (GB8978-1996)	500mg/L	68	No
Dongfang Electrica	Ammonia nitrogen	Indirect emissions	2	12.30mg/L	Class 3 standards under "Integrated Wastewater Discharge Standard" (GB8978-1996)	-	13.85	No
Dongfang Electrica	VOCs	Organised emissions	30	4.70mg/m ³	Phase 2 emission limits for volatile organic compounds from exhaust funnel under table 3 of the Emission Standard for Atmospheric Volatile Organic Compounds from Fixed Pollution Sources in Sichuan Province DB51 2377-2017	60mg/m ³	6.45	No
Dongfang Steam Turbine	VOCs	Organised emissions	9	6.88mg/m ³	Phase 2 emission limits for volatile organic compounds from exhaust funnel under table 3 of the Emission Standard for Atmospheric Volatile Organic Compounds from Fixed Pollution Sources in Sichuan Province DB51 2377-2017	60mg/m ³	4.5	No
Dongfang Boiler	COD	Indirect emissions	4	38.67mg/L	Class 3 standards under "Integrated Wastewater Discharge Standard" (GB8978-1996)	500mg/L	10.64	No
Dongfang Boiler	Ammonia nitrogen	Indirect emissions	4	4.57mg/L	Class 3 standards under "Integrated Wastewater Discharge Standard" (GB8978-1996)	-	4.90	No
Dongfang Boiler	VOCs	Organised emissions	20	0.66mg/m ³	Phase 2 emission limits for volatile organic compounds from exhaust funnel under table 3 of the Emission Standard for Atmospheric Volatile Organic Compounds from Fixed Pollution Sources in Sichuan Province DB51 2377-2017	60mg/m ³	2.87	No

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

I. ENVIRONMENTAL INFORMATION (CONTINUED)

- (I) Description of environmental protection efforts of the Company and its major subsidiaries which are key pollutant discharging entities announced by the environmental protection authorities (Continued)

1. Pollutant discharge information (Continued)

Company name	Major pollutants	Emission method	Number of discharge outlets	Emission concentration	Emission Standard Implemented	Standard Limit	Total emissions (t)	Whether exceeded or not
Dongfang KWH	VOCs	Organised emissions	3	3.16mg/m ³	Phase 2 emission limits for volatile organic compounds from exhaust funnel under table 3 of the Emission Standard for Atmospheric Volatile Organic Compounds from Fixed Pollution Sources in Sichuan Province DB51 2377-2017	60mg/m ³	1.53	No
Dongfang KWH	Particulates	Organised emissions	9	20mg/m ³	Class 2 under the table 2 of "Integrated Emission Standard of Air Pollutants" GB16297-1996	120mg/m ³	1.59	No

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

I. ENVIRONMENTAL INFORMATION (CONTINUED)

(I) Description of environmental protection efforts of the Company and its major subsidiaries which are key pollutant discharging entities announced by the environmental protection authorities (Continued)

2. Construction and operation of pollution prevention facilities

The Company strengthened the prevention and control of pollutant sources, strictly reviewed the energy consumption and pollutant emissions of fixed asset investment projects, and controlled the generation and emissions of pollutants from the source. In accordance with the requirements, affiliated enterprises carried out project approval and facility construction for air, water, and soil pollution control; strengthened the upgrade of pollution prevention and control facilities as well as operation and maintenance management, ensuring the effective operation of environmental protection equipment and facilities.

3. Environmental impact assessment of construction projects and other administrative licensing for environmental protection

The affiliated enterprises strictly implemented the environmental impact assessment system of construction projects, implemented the “three synchronizations” requirements for pollutant prevention facilities, and applied for pollution permits or carry out pollution registration in strict accordance with the requirements of the Environmental Protection Law, the Water Pollution Prevention Law, the Air Pollution Prevention Law, the Pollution Discharge Permit Administration Regulations, and the Measures for the Administration of Discharge Permits as well as the relevant local laws and regulations.

4. Contingency plan for environmental emergencies

The Company has incorporated sudden environmental incidents into its comprehensive emergency plan, and its key pollutant discharge units have developed emergency plans for sudden environmental incidents and filed them with the local environmental protection department as required. In case of sudden environmental incidents, emergency preparedness and response plans will be initiated based on the event classification; affiliated enterprises have developed the “Heavy Pollution Weather Emergency Plan” in accordance with the “Technical Guidelines for Developing Emergency Emission Reduction Measures for Key Industries in Heavy Pollution Weather (2020 Edition)” and the requirements for graded management of enterprise environmental performance. According to the local department’s heavy pollution weather warning information, the enterprise emergency plan is synchronously activated, and measures such as production suspension and emission reduction are implemented according to the warning level.

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

I. ENVIRONMENTAL INFORMATION (CONTINUED)

- (I) Description of environmental protection efforts of the Company and its major subsidiaries which are key pollutant discharging entities announced by the environmental protection authorities (Continued)

5. Environmental self-monitoring program

Key pollutant discharge units entrusted a third-party professional organization to carry out environmental risk assessment, develop a self-monitoring scheme for the environment, configure online environmental monitoring equipment as required, and entrust units with environmental monitoring qualifications to carry out environmental monitoring of wastewater, waste gas, noise and other work as planned.

6. Administrative penalties due to environmental issues during the Reporting Period

During the Reporting Period, the Company did not receive any administrative penalty due to environmental issues.

7. Other environmental information that should be disclosed

According to the requirements of Administrative Measures for the Legal Disclosure of Environmental Information of Enterprises promulgated by Ministry of Ecology and Environment, the affiliated enterprises whose environmental information has been included in the list of enterprises for legal disclosure of environmental information by their local ecological and environmental authorities shall disclose their environmental information through their websites, the legal disclosure system for environmental information of enterprises, and other means that are easily accessible to the public.

- (II) Description of Environmental Protection of Companies other than Key Pollutant Discharging Units

Not applicable

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

I. ENVIRONMENTAL INFORMATION (CONTINUED)

(III) Information on Protecting the Ecology, Preventing and Controlling Pollution, and Fulfilling Environmental Responsibilities

1. Incorporate energy conservation and indicators relating to ecological environment protection into the business performance assessment of enterprises as important indicators, establish the Implementation Measures for Safety and Environmental Protection Incentives, and strengthen process supervision and accountability, promote the gradual change of dual-control of energy consumption to dual-control of carbon emissions, and comprehensively pressurize the main responsibility of energy conservation and carbon reduction of enterprises.
2. Actively promote the creation of green demonstration, complete the creation of the third batch of 8 internal green workshops, and create a total of 28 green workshops; add 3 provincial green factories, create a total of 8 provincial green factories, and 4 enterprises have been selected as national green factories.
3. In accordance with the Technical Guidelines for Formulating Emergency Emission Reduction Measures for Key Industries in Heavy Polluted Weather (2020 Edition) and the requirements of enterprise environmental performance grading and control, the Company organized its subsidiaries to continue to promote environmental performance improvement and transformation, adding two new B-grade enterprises, with a cumulative total of five enterprises recognized as B-grade enterprises in terms of their environmental performance.
4. Organize and sort out toxic and hazardous raw and auxiliary materials that can be reduced or replaced, and formulate reduction and substitution implementation action plans to further reduce the use of hazardous substances at source, such as the acetone reduction project initiated by its subsidiary Dongfang Electrical, the completion of the improvement of polyurethane diluents and epoxy diluents without benzene, and the promotion and realization of the 100% substitution of benzene-free detergents in some of the sub-factories.

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

I. ENVIRONMENTAL INFORMATION (CONTINUED)

(IV) Measures Taken to Reduce Carbon Emissions During the Reporting Period

Are carbon reduction measures taken?	Yes
Reduction of carbon dioxide equivalent emissions (in tons)	19,656
Types of carbon reduction measures (such as using clean energy for power generation, using carbon reduction technologies in the production process, researching and developing new products that contribute to carbon reduction, etc.)	Develop and produce energy-saving and carbon reducing power generation equipment, use lowcarbon energy supply systems, and use carbon reduction technologies in the production process

Detailed explanations

1. The Company accomplished the upgrade of the Peak Carbon Program (Version C) and implemented the new requirements of the “Double Carbon” work.
2. The Company continuously boosted the improvement of energy utilization efficiency, collaborated to promote greening and digital transformation, and carried out energy and resource conservation through intellectual and digital transformation, process improvement, equipment upgrading and transformation, as well as promotion of energy-saving products.
3. The Company achieved a 40% share of electricity consumption from renewable energy sources by actively propelling green energy substitution, utilizing factory resources to build rooftop photovoltaics, etc.
4. Taking the National Ecology Day and June 5 Environment Day as opportunities, the Company widely publicized the concept of green development, popularized energy-saving knowledge, enhanced the awareness of resource conservation and environmental protection, accelerating the formation of a simple and moderate, green and low-carbon, civilized and healthy way of production and life.

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

II. SOCIAL RESPONSIBILITY WORK

(I) Whether to separately disclose social responsibility report, sustainable development report or ESG report

For details, please refer to the 2024 Social Responsibility Report of Dongfang Electric Corporation Limited and 2024 Environment, Social and Governance Report of Dongfang Electric Corporation Limited in the overseas regulatory announcement disclosed by the Company on the website of the Stock Exchange.

(II) Particulars of social responsibility work

External donations and public welfare projects	Quantity/ Content	Explanation
Total investment (RMB10,000)	2,590.37	Among them, RMB24.9 million was spent on rural revitalization in Zhaojue County, Jixian County, and other areas; RMB322,600 was donated to educational and charitable institutions in India; RMB681,100 was donated for other public welfare.
Including: Fund (RMB10,000)	2,577.26	Among them, RMB24.9 million was spent on rural revitalization in Zhaojue County, Jixian County, and other areas
Equivalent material (RMB10,000)	13.11	Among them, supplies worth RMB131,100 was donated to Zhaojue County.
Number of beneficiaries (person)	68,565	

III. CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALIZATION WORK

Poverty alleviation and rural revitalization projects	Quantity/Content	Explanation
Total investment (RMB10,000)	2,503.11	
Including: Fund (RMB10,000)	2,490	
Equivalent material (RMB10,000)	13.11	
Number of beneficiaries (person)	66,820	
Assistance forms (such as industrial poverty alleviation, employment poverty alleviation, education poverty alleviation, etc.)	Industrial revitalization, talent revitalization, cultural revitalization and ecological revitalization	See detailed explanation

III. CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALIZATION WORK (CONTINUED)

Detailed explanations

1. Expand the characteristic industries. The Company promoted the Yi ethnic clothing industry project in Zhaojue County, establishing a Yi ethnic clothing cultural museum that has created employment for over 400 people in embroidery workshops. The Company supported the construction of a silage feed processing plant, securing orders worth nearly RMB3 million as the corn stalks realized “from waste to treasure”. The agricultural four-condition system technology assisted the increase in blueberry yields of 5%-10%. The dwarfing and dense planting technology in the modern efficient demonstration orchard of Jixian apples contributed to a production value of RMB3 million, and the apple pulp assistance workshop driven employment and income growth for more than 200 farmers. In 2024, the Company introduced 8 assistance projects in the supported areas, supported 11 leading enterprises, 4 rural cooperatives, and continued to assist 5 workshops. Relying on the assistance projects, the Company helped 720 people from the poverty-stricken population to transfer employment, and the Company directly recruited 10 people from the poverty-stricken areas.
2. Cultivate rural talents. The Company supported the assisted counties in conducting training on practical skills such as modern agricultural technology, new media operations, rural teacher skills, and grassroots governance for rural revitalization, with training grassroots cadres 1,457 times, revitalization leaders 998 times, and technical personnel 3,628 times, achieving 169% of the planned training in terms of the three types. Benefiting from its assistance of implementation of vocational education and training projects, the Company improved the labor export system for migrant workers. The Company recommended 2 key talents from the assisted counties for on-the-job training to help cultivate management talents.
3. Explore rural culture. The Yi ethnic clothing culture and intangible cultural heritage projects in Zhaojue County have protected and passed on the excellent Yi folk culture, supporting the transformation of Yi embroidery from “fingertip craftsmanship” to “fingertip economy.” The “Village BA” event in Zhaojue County has enriched the rural cultural heritage, blending local dialects and sentiments. The rural cultural stage construction and exchange project in Jixian County has promoted cultural benefits for the people and the dissemination of art. Regular activities to change outdated customs and practices are conducted, advocating modern civilized concepts and lifestyles.

ENVIRONMENT AND SOCIAL RESPONSIBILITY (CONTINUED)

III. CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS OF POVERTY ALLEVIATION AND RURAL REVITALIZATION WORK (CONTINUED)

Detailed explanations

4. Promote ecological revitalization. The Company supported the development of livable and workable beautiful rural demonstration projects, accelerated the improvement of living environment shortcomings, and created ecologically livable demonstration villages. The waste-to-energy project for domestic waste in Zhaojue County can effectively alleviate the difficulties in waste disposal and the material environmental pressure in five counties in the eastern part of Liangshan Prefecture. The new energy projects invested in and implemented will effectively assist the assisted counties in their green and low-carbon transformation.
5. Strengthen industrial cooperation. By comprehensively leveraging the advantages of the energy equipment industry and the resource endowments of the assisted counties, the Company continued to advance the waste-to-energy project for domestic waste in Zhaojue County, the 48.5 MW distributed wind power project, the 264 MW centralized wind power project, and the 40 MW and 90 MW wind power projects in Jixian County. The total investment is expected to exceed RMB2.5 billion, driving local employment during the construction and operation periods. After completion, it is expected to generate over RMB30 million in annual taxes, providing a guarantee for local industrial development. As of now, the 48.5 MW distributed wind power project has officially commenced construction.

SIGNIFICANT EVENTS

I. APPOINTMENT OR DISMISSAL OF THE AUDITOR

Unit: Yuan Currency: RMB

Now engaging		
Name of the domestic auditor	BDO China Shu Lun Pan Certified Public Accountants LLP	
Remuneration of the domestic auditor		2,110,000
Term of audit of the domestic auditor		2
Name of the certified public accountant of the domestic auditor	Zhang Junshu, Zhang Wengang	
Cumulative term of audit of the certified public accountant of the domestic auditor		2
Name		Remuneration
Internal control auditor	BDO China Shu Lun Pan Certified Public Accountants LLP	400,000

SIGNIFICANT EVENTS (CONTINUED)

II. BANKRUPTCY REORGANIZATION

On 28 September 2018, the Intermediate People's Court of Jiuquan City, Gansu Province, based on the application of Dongfang Electric Automatic Control Engineering Co., Ltd., ruled to accept the bankruptcy liquidation of Dongfang Electric (Jiuquan) New Energy Co., Ltd.. On 27 November 2024, the Intermediate People's Court of Jiuquan City, Gansu Province issued a civil ruling to terminate the bankruptcy proceedings of Dongfang Electric (Jiuquan) New Energy Co., Ltd..

On 26 August 2019, the Intermediate People's Court of Tongliao City, Inner Mongolia Autonomous Region, ruled the bankruptcy of Dongfang Electric (Tongliao) Wind Power Engineering Technology Co., Ltd.. Currently, bankruptcy property distribution is underway. On 4 June 2024, the Intermediate People's Court of Tongliao City, Inner Mongolia Autonomous Region made a public announcement and ruled to terminate the bankruptcy proceedings of Dongfang Electric (Tongliao) Wind Power Engineering Technology Co., Ltd..

On 27 September 2020, the People's Court of Xiaoshan District, Hangzhou City ruled the bankruptcy of Dongfang Electric New Energy Equipment (Hangzhou) Co., Ltd., and subsequently conducted two creditor distributions. Currently, the administrator of Hangzhou New Energy is handling the relevant debt recovery cases and there are outstanding legal proceedings in respect of the bankruptcy.

III. SIGNIFICANT LITIGATION OR ARBITRATION EVENTS

During the year, the Company was not involved in any material litigation and arbitration.

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF

(I) Descriptions of the Restricted A Share Incentive Scheme for 2019 of the Company during the Reporting Period

The conditions for unlocking the third tranche of the First Grant under the Restricted A Share Incentive Scheme for 2019 had been fulfilled and the Company uniformly handled the unlocking arrangement and listing for 673 participants who satisfied the unlocking conditions. The number of unlocked restricted shares involved was 7,877,563 A shares.

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(I) Descriptions of the Restricted A Share Incentive Scheme for 2019 of the Company during the Reporting Period (Continued)

On 12 January 2024, the Company notified creditors that it would repurchase and cancel 1,034,340 A shares, and correspondingly reduce the registered capital.

On 11 March 2024, the Company implemented the repurchase and cancellation of restricted shares. The cancellation date was 14 March 2024, and the repurchase and cancellation of restricted shares involved 40 people, with a total of 1,034,340 A shares repurchased and cancelled.

On 28 October 2024, the Company convened the 3rd meeting of the eleventh session of the Supervisory Committee; and on 30 October 2024, the Company convened the 4th meeting of the eleventh session of the Board, at which both meetings the Resolution on Repurchase and Cancellation of Certain Restricted Shares and the Resolution on Fulfilment of the Conditions for the Third Unlocking Period under the Reserved Grant under the Restricted A Share Incentive Scheme for 2019, etc. were considered and approved, agreeing that the Company uniformly handled the unlocking arrangement for 23 participants who satisfied the unlocking conditions, with a total of 275,001 A shares unlocked.

The conditions for unlocking the third tranche of the Reserved Grant under the Restricted A Share Incentive Scheme for 2019 had been fulfilled and the Company uniformly handled the unlocking arrangement and listing for 23 participants who satisfied the unlocking conditions. The number of unlocked restricted shares involved was 275,001 A shares.

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019

(1) Purpose of the Scheme

The purpose is to further perfect the corporate governance structure of the Company and improve the mid-and-long term incentive and restraint mechanism of the Company and achieve the incentive and restraint on Senior and Middle Management and frontline leaders of the Company to more tightly align their interests with the long-term development of the Company, and take on risks while share the interests together, and fully mobilize their enthusiasm and creativity to form a long-term behavior of decision-makers and operators, and improve the motivation force of the growth of the Company as well as cohesion and competitiveness of the Company to promote the sustainable and high quality development of the Company so that the value of the Company and shareholders will be maximized. On the basis of fully safeguarding Shareholders' interests, the Restricted A Share Incentive Scheme for 2019 has been formulated on the principle of aligning return with contribution to the Company and in accordance with relevant laws, regulations and regulatory documents such as the Company Law, the Securities Law, the Administrative Measures, the Trial Measures and the Notice, as well as the relevant requirements of the Articles of Association.

(2) Participants under the Scheme

The Participants under the Restricted A Share Incentive Scheme for 2019 are the directors, senior management, mid-level management and frontline leaders of the Company, excluding independent directors and supervisors of the Company, as well as shareholders individually or in aggregate holding 5% or more of the shares of the Company or the de facto controllers and their spouses, parents or children.

(3) Total Number of Shares Available for Issuance under the Scheme

30,000,000 Restricted Shares shall be granted under the Restricted A Share Incentive Scheme for 2019, accounting for approximately 0.97% of the Company's total share capital of 3,090,803,431 shares as at the date of the announcement of the draft of the Restricted A Share Incentive Scheme for 2019. Specifically, 29,000,000 shares shall be granted at the initial grant (the **"First Grant"**), accounting for approximately 0.94% of the Company's total share capital of 3,090,803,431 shares as at the date of the announcement of the draft of the Restricted A Share Incentive Scheme for 2019, and accounting for approximately 96.67% of the total Restricted Shares available under the Restricted A Share Incentive Scheme for 2019; and 1,000,000 shares shall be granted at the reserved grant (the **"Reserved Grant"**), accounting for approximately 0.03% of the Company's total share capital of 3,090,803,431 shares as at the date of the announcement of the draft of the Restricted A Share Incentive Scheme for 2019, and accounting for approximately 3.33% of the total Restricted Shares available under the Restricted A Share Incentive Scheme for 2019.

SIGNIFICANT EVENTS (CONTINUED)

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019 (Continued)

(4) Maximum Entitlement of each Participant under the Scheme

The total number of Restricted Shares to be granted under the Restricted A Share Incentive Scheme for 2019 to any one of the Participants during the Validity Period will not exceed 1% of the total share capital of the Company.

(5) Lock-Up Periods and Unlocking Arrangement of the Scheme

Unlocking Period	Unlocking Time	Ratio unlocking
The First Unlocking Period under the First Grant and Reserved Grant	Commencing from the first trading day after expiry of the 24-month period from the date of completion of registration of certain corresponding Restricted Shares and ending on the last trading day of the 36-month period from the date of completion of registration of certain corresponding Restricted Shares	1/3
The Second Unlocking Period under the First Grant and Reserved Grant	Commencing from the first trading day after expiry of the 36-month period from the date of completion of registration of certain corresponding Restricted Shares and ending on the last trading day of the 48-month period from the date of completion of registration of certain corresponding Restricted Shares	1/3
The Third Unlocking Period under the First Grant and Reserved Grant	Commencing from the first trading day after expiry of the 48-month period from the date of completion of registration of certain corresponding Restricted Shares and ending on the last trading day of the 60-month period from the date of completion of registration of certain corresponding Restricted Shares	1/3

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019 (Continued)

(6) Grant Price and Basis of Determination of the Grant Price of Restricted Shares

1. *Basis for determination of the Grant Price of the Restricted Shares under the First Grant*

The Grant Price of the restricted shares granted by the Company via means of issuing additional shares shall be determined according to principle of fair market price, and shall not be lower than the higher of the following prices:

- (1) 60% of the average trading price of the underlying shares of the Company on the last trading day immediately preceding the date of announcement of the draft of the Restricted A Share Incentive Scheme for 2019;
- (2) 60% of one of the average trading price of the underlying shares of the Company for the last 20 trading days, 60 trading days and 120 trading days immediately preceding the date of announcement of the draft of the Restricted A Share Incentive Scheme for 2019.

Based on the above pricing principles, the Grant Price of the Restricted Shares under the First Grant shall be RMB5.93 per share.

2. *Basis for determination of the Grant Price of the reserved Restricted Shares*

Before each grant of the reserved Restricted Shares under the Restricted A Share Incentive Scheme for 2019, the Company shall hold a Board meeting to pass the relevant resolution, and shall disclose the information on such grant. The Grant Price of the restricted shares granted by the Company via means of issuing additional shares shall be determined according to principle of fair market price, and shall not be lower than the higher of the following prices:

- (1) 60% of the average trading price of the underlying shares of the Company on the last trading day immediately preceding the date of announcement of the Board resolution on the grant of the reserved Restricted Shares;
- (2) 60% of one of the average trading price of the underlying shares of the Company for the last 20 trading days, 60 trading days and 120 trading days immediately preceding the date of announcement of the Board resolution on the grant of the reserved Restricted Shares.

SIGNIFICANT EVENTS (CONTINUED)

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019 (Continued)

(7) Remaining Validity Period of the Scheme

The Validity Period of the Restricted A Share Incentive Scheme for 2019 at the initial grant shall commence on the date of the registration of the Restricted Shares and end on the date when all the Restricted Shares which have been granted to the Participants are unlocked or repurchased and cancelled, and shall not exceed 72 months. The validity period shall be from 7 January 2020 to 6 January 2026.

(8) Accounting Treatment on Restrictive Shares

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11-Share-based Payments, at each balance sheet date within the Lock-up Period, the Company shall revise the number of the Restricted Shares which are expected to be unlocked according to the change in the latest available number of persons eligible to unlock the Restricted Shares, completion of the performance targets and other subsequent information, and recognize the services acquired during such period in relevant costs or expenses and capital reserve at the fair value of the Restricted Shares on the Grant Date.

The fair value of the Restricted Shares was determined by the market price on the Grant Date or the subscription price paid by the Participants. On the estimation date, the fair value of share payment per Restricted Shares is equal to the market price of Shares of the Company less the Grant Price, being RMB3.83.

Under the requirements of China accounting standards, assuming the Grant Date will be late November 2019, the estimated effects of the Restricted Shares to be granted for the first time under the Scheme on the accounting costs incurred in each accounting period are as follows:

Number of Restricted Shares to be granted for the first time (0'000)	Total costs (RMB0'000)	2019 (RMB0'000)	2020 (RMB0'000)	2021 (RMB0'000)	2022 (RMB0'000)	2023 (RMB0'000)	2024 (RMB0'000)
2,900	11,107.00	334.24	4,010.86	3,856.6	2,056.85	848.45	230

Note: The above result does not represent the final accounting cost. The accounting cost is related not only to the Grant Date, Grant Price and number of Restricted Shares granted, but also to the actual number of the Restricted Shares that are valid and invalid. The final result of the above effects on the operating performance of the Company is subject to the annual audited report issued by the accounting firm.

SIGNIFICANT EVENTS (CONTINUED)

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019 (Continued)

(8) Accounting Treatment on Restrictive Shares (Continued)

Status for 2024 of the Restricted A Share Incentive Scheme for 2019 – First Grant of Restricted Shares

Name	Position	Number of the Restricted Shares granted (share(s))	Shares unvested at the beginning of the Reporting Period (share(s))	Shares vested during the Reporting Period (share(s))	Shares cancelled during the Reporting Period (share(s))	Shares lapsed during the Reporting Period (share(s))	Shares not yet vested at the end of the Reporting Period (share(s))
Gao Feng	Former vice president (Retired in March 2023)	150,000	50,000	50,000	0	0	0
Hu Xiukui	Vice president	75,000	25,000	25,000	0	0	0
Wang Jun	Vice president	75,000	25,000	25,000	0	0	0
Li Jianhua	Vice president	75,000	25,000	25,000	0	0	0
Total	Connected person	375,000	125,000	125,000	0	0	0
Mid-level management and frontline leaders (669 persons)		23,257,699	8,773,569	7,752,563	1,021,006	0	0
Total		23,632,699	8,898,569	7,877,563	1,021,006	0	0

Notes: 1. The date of the First Grant was 22 November 2019. For the First Grant under the Restricted A Share Incentive Scheme for 2019 (which has been granted prior or subsequent to the Reporting Period), the number of Restricted Shares granted was 27,988,699 with a purchase price of RMB5.93 and the registration date was 7 January 2020. The unlocking periods under the First Grant of Restricted Shares are 24 months, 36 months and 48 months respectively from the date of completion of registration. The total number of shares that available for issue for the First Grant under the Restricted A Share Incentive Scheme for 2019 of the Company is nil, as of the date of this report.

2. During the Reporting Period, immediately prior to the vesting date of the restricted shares under the First Grant, the weighted average closing price of the A shares of the Company was RMB14.36 per share.

SIGNIFICANT EVENTS (CONTINUED)

IV. EQUITY INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVES AND EFFECTS THEREOF (CONTINUED)

(II) Overview of the Restricted A Share Incentive Scheme for 2019 (Continued)

(8) Accounting Treatment on Restrictive Shares (Continued)

Status for 2024 of the Restricted A Share Incentive Scheme for 2019 – Reserved Grant of Restricted Shares

Name	Position	Number of the Restricted Shares granted (share(s))	Shares unvested at the beginning of the Reporting Period (share(s))	Shares vested during the Reporting Period (share(s))	Shares cancelled during the Reporting Period (share(s))	Shares lapsed during the Reporting Period (share(s))	Shares not yet vested at the end of the Reporting Period (share(s))
Mid-level management and frontline leaders (23 persons)		825,000	305,669	275,001	13,334	0	17,334
Total		825,000	305,669	275,001	13,334	0	17,334

Notes: 1. The date of the Reserved Grant was 24 September 2020. For the Reserved Grant under the Restricted A Share Incentive Scheme for 2019 (which has been granted prior or subsequent to the Reporting Period), the number of Restricted Shares granted was 972,000 with a purchase price of RMB6.54 and the registration date was 26 November 2020. The unlocking periods under the Reserved Grant of Restricted Shares are 24 months, 36 months and 48 months respectively from the date of completion of registration. The total number of shares that available for issue for the Reserved Grant under the Restricted A Share Incentive Scheme for 2019 of the Company is nil, as of the date of this report.

2. During the Reporting Period, immediately prior to the vesting date of the restricted shares under the Reserved Grant, the weighted average closing price of the A shares of the Company was RMB15.13 per share.

3. On 30 October 2024, the Board considered and decided to repurchase and cancel 17,334 shares of the restricted shares under the Reserved Grant, and the cancellation were completed on 23 January 2025.

During the Reporting Period, there was no restricted shares granted under the Restricted A Share Incentive Scheme for 2019.

No restricted shares were available for grant under the Restricted A Share Incentive Scheme for 2019 as at 1 January 2024 and 31 December 2024.

V. MATERIAL CONNECTED TRANSACTIONS

During the Reporting Period, details of the continuing related transactions between the Company and Dongfang Electric Corporation are as follows:

(I) Continuing connected transactions

1. Continuing Connected Transaction Agreements

On 31 December 2021, the Company entered into the 2022-2024 Purchase and Production Service Framework Agreement (《2022-2024採購及生產服務框架協議》), 2022-2024 Marketing and Production Service Framework Agreement (《2022-2024銷售及生產服務框架協議》), the 2022-2024 Combined Ancillary Service Framework Agreement (《2022-2024綜合配套服務框架協議》), the 2022-2024 Property and Equipment Lessee Framework Agreement (《2022-2024物業及設備租賃承租人框架協議》) and the 2022-2024 Property and Equipment Lessor Framework Agreement (《2022-2024物業及設備租賃出租人框架協議》) with Dongfang Electric Corporation in Chengdu City, Sichuan Province; Dongfang Electric Finance Co., Ltd. and Dongfang Electric Corporation entered into the 2022-2024 Financial Services Framework Agreement (《2022-2024財務服務框架協議》). The validity period of these continuing connected transaction agreements is from 1 January 2022 to 31 December 2024.

On 15 November 2023, the Company entered into the Supplementary Agreement to the 2022-2024 Combined Ancillary Service Framework Agreement and the Supplementary Agreement to the 2022-2024 Property and Equipment Lessor Framework Agreement with Dongfang Electric Corporation in Chengdu City, Sichuan Province, to revise the annual caps for each year of the fiscal years 2023 and 2024.

On 30 September 2022, the Company entered into the 2022-2024 Finance Lease Framework Agreement with Honghua Group Limited in Chengdu City, Sichuan Province. This agreement is valid from 1 October 2022 to 31 December 2024.

Dongfang Electric Corporation is the controlling shareholder of the Company, and Honghua Group Limited is the holding subsidiary of Dongfang Electric Corporation. Therefore, the agreements entered into by the Company, Dongfang Electric Corporation and Honghua Group Limited, and the daily continuing connected transactions thereunder constituted the continuing connected transactions of the Company pursuant to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

SIGNIFICANT EVENTS (CONTINUED)

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

1. Continuing Related Transaction Agreements (Continued)

The basic content of these agreements are:

(1) 2022-2024 Purchase and Production Service Framework Agreement

Dongfang Electric Corporation and its subsidiaries shall supply products and provide production services to the Company and its affiliated enterprises. The products include but are not limited to raw materials, semi-finished products, accessories, auxiliary materials, components, production tools and equipment, processing tools, employee necessities, and other related products and materials. The production services include but are not limited to processing services, import agency services, technical services, inspection and testing services, after-sales services, transportation services, maintenance, repair and management services of relevant tools and equipment, vehicle maintenance and other related services.

(2) 2022-2024 Marketing and Production Service Framework Agreement

The Company and its subsidiaries shall supply products and provide production services to Dongfang Electric Corporation and its affiliated enterprises. The products include but are not limited to raw materials, semi-finished products, finished products, turbine products, boiler products, nuclear products, gas turbines, power generation equipment, production equipment, components, spare parts, supporting materials, employee necessities and other related products and materials. The production services include but are not limited to processing services, technical services, transportation services, import agency services, and other related production services.

SIGNIFICANT EVENTS (CONTINUED)

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

1. Continuing Related Transaction Agreements (Continued)

- (3) 2022-2024 Combined Ancillary Service Framework Agreement and the Supplemental Agreement to the 2022-2024 Combined Ancillary Service Framework Agreement

The Company and its subsidiaries shall provide the combined ancillary services (including but not limited to training services, utility services (including water, electricity and gas), communication services, combined management services and other ancillary services) to Dongfang Electric Corporation and its affiliated enterprises. Dongfang Electric Corporation and its affiliated enterprises shall provide the combined ancillary services (including but not limited to medical services, cleaning services, employee management services, kindergarten services, management services for retired employees, militia services, educational services, training services, and other ancillary services) to the Company and its subsidiaries.

- (4) 2022-2024 Financial Services Framework Agreement

Dongfang Electric Finance Co., Ltd. shall provide the following financial services to Dongfang Electric Corporation and its affiliated enterprises in accordance with financial permit and business license it currently holds: deposit-taking services, loans services, fund settlement services and other investment and financial services approved by the China Banking and Insurance Regulatory Commission.

- (5) 2022-2024 Property and Equipment Lessee Framework Agreement and the Supplemental Agreement to the 2022-2024 Property and Equipment Lessee Framework Agreement

Dongfang Electric Corporation and its affiliated enterprises shall lease out the property to the Company or its subsidiaries, and guarantee that the Company and its subsidiaries, as lessees, have the exclusive right to use the leased property continuously and legally during the lease term.

- (6) 2022-2024 Property and Equipment Lessor Framework Agreement

The Company and its subsidiaries shall lease out the property to Dongfang Electric Corporation or its affiliated enterprises, and guarantee that Dongfang Electric Corporation and its affiliated enterprises, as lessees, have the exclusive right to use the leased property continuously and legally during the lease term.

SIGNIFICANT EVENTS (CONTINUED)

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

1. Continuing Connected Transaction Agreements (Continued)

(7) 2022-2024 Finance Lease Framework Agreement

Honghua Group Limited and its affiliated enterprises shall provide finance lease services for production equipment, including but not limited to direct leasing and sale-and-leaseback services, to Dongfang Electric Corporation and its affiliated enterprises.

For details of these agreements, please refer to the announcements published by the Company on the website of SSE on 9 December 2021, 1 October 2022 and 16 November 2023.

The above-mentioned continuing connected transactions expired on 31 December 2024. As approved by the Board on 30 October 2024 and voted on by the Shareholders at the 2024 third EGM on 27 December 2024, the Company entered into the 2025–2027 Purchase and Production Services Framework Agreement, the 2025–2027 Sales and Production Services Framework Agreement, the 2025–2027 Combined Ancillary Services Framework Agreement, the 2025–2027 Combined Ancillary Services Framework Agreement, the 2025–2027 Properties and Equipment Lease Lessee Framework Agreement and the 2025–2027 Properties and Equipment Lease Lessor Framework Agreement with DEC, DEC Finance entered into the 2025–2027 Financial Services Framework Agreement with DEC, as well as the Company entered into the 2025–2027 Finance Lease Framework Agreement with Honghua Financial Leasing (Shanghai) Co., Ltd..

The above-mentioned daily continuing connected transactions between the Company and Dongfang Electric Corporation and other related parties are necessary for the Company's production and operation, and are in accordance with the normal commercial terms, at arm's length and on the basis of Framework Agreement and relevant specific transaction agreements. The trading conditions and pricing are fair, and the approval procedures have been fulfilled in accordance with relevant regulations, and there is no harm to the interests of the Company and shareholders. The continuing connected transactions are beneficial to the sustainable and stable development of the Company's production and operation.

These connected transactions have been formally effective with the approval of the independent Directors of the Board of the Company and/or the independent shareholders of the general meeting of the Company. The specific amounts of these major continuing connected transactions as at 31 December 2024 did not exceed the annual caps approved by the Board or the general meeting.

SIGNIFICANT EVENTS (CONTINUED)

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

2. Details of the continuing connected transactions as at 31 December 2024

Actual amount of the connected transaction as at 31 December 2024 and the annual cap amount in 2024

Unit: 0'000 Yuan Currency: RMB

Name of framework agreement	Subject of transactions	Maximum annual cap	Amount for the year
2022–2024 Purchase and Production Service Framework Agreement	Dongfang Electric Corporation and its affiliated enterprises shall supply products and provide production services to the Company and its subsidiaries	180,000	78,068.77
2022–2024 Marketing and Production Service Framework Agreement	The Company and its subsidiaries shall supply products and provide production services to Dongfang Electric Corporation and its subsidiaries	180,000	103,738.51
2022–2024 Combined Ancillary Service Framework Agreement.	The Company and its subsidiaries shall provide the combined ancillary services to Dongfang Electric Corporation and its affiliated enterprises	0	
Supplemental Agreement to the 2022–2024 Combined Ancillary Service Framework Agreement	Dongfang Electric Corporation and its affiliated enterprises shall provide the combined ancillary services to the Company and its subsidiaries	13,000	6,277.77
2022–2024 Financial Services Framework Agreement	Dongfang Electric Finance Co., Ltd. shall provide the deposit, loan and other services to Dongfang Electric Corporation and its affiliated enterprises		
	(1) Maximum daily deposit balance and earned deposit interest income	1,000,000	361,834.94
	(2) Maximum daily loan balance and loan interest expenses paid	180,000	179,497.22
2022–2024 Property and Equipment Lessee Framework Agreement	Dongfang Electric Corporation and its affiliated enterprises shall lease out the property to the Company or its subsidiaries	50,000	11,303.00
2022–2024 Property and Equipment Lessor Framework Agreement, Supplemental Agreement to the 2022–2024 Property and Equipment Lessor Framework Agreement	The Company and its subsidiaries shall lease out the property to Dongfang Electric Corporation or its affiliated enterprises	1,800	73.89
2022–2024 Finance Lease Framework Agreement	Honghua Group Limited and its affiliated enterprises shall provide finance lease services for production equipment to Dongfang Electric Corporation and its affiliated enterprises	15,000	0

SIGNIFICANT EVENTS (CONTINUED)

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

3. Review and confirmation for continuing connected transactions

- (i) Pursuant to Rule 14A.56 of the Listing Rules, the auditors of the Company engaged by the Company has reported and confirmed these continuing connected transactions for 2024:
 - (1) have been approved by the Board of the Company;
 - (2) have been conducted in accordance with the company's pricing policy (if applicable);
 - (3) have been conducted in accordance with the terms of the agreements governing the transactions; and
 - (4) did not exceed the caps disclosed in the previous announcement.
- (ii) The independent non-executive Directors of the Company reviewed the continuing connected transactions and confirmed that:
 - (1) these transactions are the daily business of the Company;
 - (2) these transactions are conducted in accordance with the normal commercial terms, or the terms of the transactions are no less favourable than those obtained from or provided by the independent third parties (as the case may be) the terms if the comparable transactions are insufficient to determine whether the terms of the transactions are the normal commercial terms; and
 - (3) these transactions are conducted in accordance with the terms of the agreement in relation to the transaction, and the terms of the transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole.

V. MATERIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Continuing connected transactions (Continued)

4. Related-party transactions

The connected transactions entered into by the Group for the year ended 31 December 2024 are set out in Note XI (5) of the financial statements, of which, certain connected transactions/related party transactions also constitute continuing connected transactions. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of such connected transactions.

At the 26th meeting of the tenth session of the Board, the 15th meeting of the tenth session of the Supervisory Committee and the 2023 third extraordinary general meeting, the Resolution on Issue of A Shares to Specific Targets has been considered and approved, agreeing that the Company would privately issue no more than 272,878,203 shares (inclusive) to 35 specific targets including DEC Group to raise funds up to RMB5,000 million (inclusive), of which DEC Group participated in the subscription with cash of RMB500 million; furthermore, the net proceeds from the issuance after deducting issuing expenses are intended to be used in part for the acquisition of 8.14% equity interests in Dongfang Electric Machinery, 8.70% equity interests in Dongfang Turbine, 4.55% equity interests in Dongfang Boiler and 5.63% equity interests in Dongfang Heavy Machinery. Besides, the Company entered into the Profit Forecast Compensation Agreement with DEC Group, pursuant to which, DEC Group undertook to provide the performance guarantees and related compensation in respect of the assets acquisition mentioned above. For details, please refer to the Company's announcement dated 4 April 2023, the circular dated 5 April 2023, the circular dated 3 April 2024, the poll results announcement of the 2023 third extraordinary general meeting dated 20 April 2023 and the poll results announcement of the 2024 second extraordinary general meeting dated 19 April 2024.

In November 2024, the application for the targeted capital increase was approved by the China Securities Regulatory Commission for registration.

On 19 February 2025 and 20 February 2025, at the 5th meeting of the eleventh session of the Supervisory Committee and the 6th meeting of the eleventh session of the Board of the Company, the Resolution on the Company and DEC Group Signing the 'Supplemental Agreement to the Profit Forecast Compensation Agreement' with Preconditions was considered and approved, as the Company has not yet completed the issuance of A shares to specific targets in 2024, the Company intended to make supplemental provisions with DEC Group in respect of the profit forecast compensation for the event that the completion of the transaction is in 2025 and signed a supplemental agreement to the profit forecast compensation agreement. For details, please refer to the Company's announcement dated 20 February 2025.

On 14 April 2025, the Company has completed the Issuance of A Shares to Specific Targets, which involves the issuance and allotment of 272,878,203 A Shares in total at an issue price of RMB15.11 per Share, following completion of relevant registration and depositary procedures with the China Securities Depository and Clearing Co., Ltd. Shanghai branch. For details, please refer to the announcement of the Company dated 17 April 2025.

SIGNIFICANT EVENTS (CONTINUED)

VI. MATERIAL CONTRACTS AND IMPLEMENTATION THEREOF

(I) Guarantee

External guarantees provided by the Company (excluding guarantees provided for subsidiaries)

Unit: Yuan Currency: RMB

Guarantor	Relationship between guarantor and listed company	Guaranteed parties	Guaranteed amount	Date of agreement	Commencement date of guarantee (execution date of agreement)	Expiry date of guarantee	Type of guarantee	Item of guarantee (if any)	Is the guarantee fully fulfilled	Is the guarantee overdue	Overdue amount	Any counter guarantee	Is the guarantee provided to related party	Related party relationship
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Energy Power Hongnijing Wind Power Co., Ltd.	16,000,000	19 January 2016	19 January 2016	19 January 2026	General guarantee		No	No	0	No	Yes	Associate
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Mengneng Sanshengtai Wind Power Co., Ltd.	16,000,000	29 June 2016	29 June 2016	29 June 2026	General guarantee		No	No	0	No	Yes	Associate
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Mengneng Wulan New Energy Co., Ltd.	36,000,000	26 August 2016	26 August 2016	27 October 2026	General guarantee		No	No	0	No	Yes	Associate
DEC Dongfang Steam Turbine Co., Ltd.	Wholly-owned subsidiary	Mitsubishi Heavy Industries Dongfang Gas Turbine (Guangzhou) Co., Ltd.	24,500,000	22 September 2016	22 September 2016	Termination date of long-term service agreement	General guarantee		No	No	0	No	Yes	Joint venture

Total guarantee incurred during the Reporting Period
(excluding those provided for subsidiaries)

Total balance of guarantee as at the end of the Reporting Period (A)
(excluding those provided for subsidiaries)

92,500,000.00

Guarantees provided by the Company and its subsidiaries to their subsidiaries

Total guarantee for subsidiaries incurred during the Reporting Period

0

Total balance of guarantee for subsidiaries as at the end of the Reporting Period (B)

0

SIGNIFICANT EVENTS (CONTINUED)

VI. MATERIAL CONTRACTS AND IMPLEMENTATION THEREOF (CONTINUED)

(I) Guarantee (Continued)

Total guarantee provided by the Company (including the guarantee to its subsidiaries)

Aggregate guarantee (A+B)	92,500,000.00
Total guarantee as a percentage of the net assets of the Company (%)	0.21
Representing:	
Amount of guarantee provided for shareholders, de facto controller and their related parties (C)	0
Balance of debts guarantee directly or indirectly provided to guaranteed parties with gearing ratio over 70% (D)	0
Excess amount of aggregate guarantee over 50% of net assets (E)	0
Aggregate amount of the above three items (C+D+E)	

Statement on the contingent joint and several liability in connection with unexpired guarantee	The Company provided guarantees for Inner Mongolia Energy Power Hongnijing Wind Power Co., Ltd., Inner Mongolia Mengneng Sanshengtai Wind Power Co., Ltd. and Inner Mongolia Mengneng Wulan New Energy Co., Ltd. with its 20% equity interests in each of above three companies and their derivative equity. The guarantees shall be valid from the effective date of the Equity Pledge Agreement until all debts under the Financial Leasing Contract are being repaid. The guarantee provided by DEC Dongfang Steam Turbine Co., Ltd., a controlling subsidiary of the Company, for Mitsubishi Heavy Industries Dongfang Gas Turbine (Guangzhou) Co., Ltd., constituted a continuous guarantee of payment and performance of obligations. The guarantor's obligations under the guarantee should not exceed and should be limited to the scope of obligations and liabilities to be assumed by the vendor pursuant to the contract.
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Details of the guarantees	For details on the above guarantees, please refer to the announcements issued by the Company on the website of SSE on 9 January 2016, 28 June 2016 and 26 August 2016, respectively.
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SIGNIFICANT EVENTS (CONTINUED)

VII. PROPOSAL ON ORDINARY SHARE PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE INTO SHARE CAPITAL

(I) Formulation, Execution or Adjustment of Cash Dividend Policy

The Company has made clear the cash dividend policy in its Articles of Association, which stipulates that when the net profit attributable to the shareholders of the Company of the year is positive and the accumulated distributable profit at the end of the year is positive, the dividend can be distributed in cash. Under the condition that the undistributed profit is positive, the accumulated payment of dividend by way of cash for the last three years may not be less than 30% of the Company's average distributable profit for the last three years.

Profit Distribution Scheme for 2022: Audited by Da Hua Certified Public Accountants LLP, the net profit attributable to shareholders of the parent company is RMB2,854,650,575.05 in 2022; The parent company has procured a net profit of RMB1,145,716,562.34. The Company intended to distribute a cash dividend of RMB3.35 (tax inclusive) per 10 shares on the basis of 3,118,533,797 shares of its share capital as at the date of the annual report, totaling payment of a cash dividend of RMB1,044,708,822.00. The Company did not convert any capital reserve into share capital nor make any bonus issue.

Profit Distribution Scheme for 2023: Audited by BDO China Shu Lun Pan Certified Public Accountants LLP, the net profit attributable to shareholders of the parent company is RMB3,550,393,576.32 in 2023; The parent company has procured a net profit of RMB1,308,482,494.47. The Company intended to distribute a cash dividend of RMB4.75 (tax inclusive) per 10 shares on the basis of 3,117,499,457 shares of its share capital as at the date of the annual report, totaling payment of a cash dividend of RMB1,480,812,242.08, accounting for 41.71% of the net profit attributable to the parent company in the 2023 consolidated financial statements. The Company did not convert any capital reserve into share capital nor make any bonus issue. The proposal still needs to be submitted to the 2023 annual general meeting for consideration and approval.

Profit Distribution Scheme for 2024: The Board proposed the payment of a cash dividend of RMB4.03 for every 10 shares (tax inclusive) for the year 2024 (2023: cash dividend of RMB4.75 for every 10 shares (tax inclusive)) to all shareholders based on the total share capital registered on the registration date for the implementation of the equity distribution. The Company will not convert any capital reserve into share capital or make any bonus issue. Based on the total share capital of the Company of 3,309,360,326 shares as at the Board meeting held on 29 April 2025, the total cash dividend distribution is estimated to be RMB1,366,315,211.38. If there is any change in the total share capital of the Company on the registration date for the implementation of the equity distribution, the Company intends to keep the total amount of the distribution unchanged and adjust the amount of the distribution per share accordingly. The proposal is subject to approval at the annual general meeting for 2024. If approved, the 2024 final dividend is expected to be paid to the shareholders before 31 August 2025.

SIGNIFICANT EVENTS (CONTINUED)

VII. PROPOSAL ON ORDINARY SHARE PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVE INTO SHARE CAPITAL (CONTINUED)

- (II) The ordinary share dividend allocation scheme or plan and those for converting capital reserve into share capital for the Company in the past three years (including the Reporting Period)

Unit: Yuan Currency: RMB

Year of distribution	Number of bonus shares for every 10 Shares (share(s))	Dividend for every 10 shares (Tax inclusive) (RMB)	Number of scrip shares for every 10 shares (share(s))	Total amount of cash dividend (Tax inclusive)	Net profits attributable to ordinary shareholders of the Company in the consolidated financial statements during the year of distribution	Percentage of the net profits attributable to ordinary shareholders of the Company in the consolidated financial statements (%)
2024	0	4.03	0	1,366,315,211.38	2,922,100,908.48	46.76
2023	0	4.75	0	1,480,812,242.08	3,550,393,576.32	41.71
2022	0	3.35	0	1,044,708,822.00	2,854,650,575.05	36.60

SIGNIFICANT EVENTS (CONTINUED)

VIII. DISCLOSURE OF OTHER EVENTS (CONTINUED)

(I) Public Float

Based on the public information available to the Company and its Directors as at the end of the Reporting Period and the date of this annual report, the Company has maintained sufficient public float in compliance with the Listing Rules.

(II) Purchase, Sale or Redemption of Listed Securities of the Company

During the Reporting Period, the Company repurchased and cancelled part of the Restricted A shares granted under the 2019 Restricted A Share Incentive Scheme (the “**Incentive Scheme**”).

1 Participant under the Reserved Grant has been transferred from the Company due to organizational arrangements and is no longer qualified as a Participant, and the Board has considered and decided to repurchase and cancel all the Restricted Shares (13,334 shares in total) that have been granted to the aforesaid Participant yet still locked up. 39 Participants under the First Grant have been included in the Other Employee Stock Ownership Scheme and therefore could no longer participate in the Incentive Scheme of the Company in accordance with the relevant provisions of the SASAC of the State Council; 23 Participants are no longer qualified due to their retirement after reaching the statutory retirement age; 7 Participants have been transferred from the Company due to organizational arrangements and are no longer qualified as Participants; 2 Participants have resigned due to personal reasons and are no longer qualified as Participants; 2 Participants do not meet the conditions for the unlock of the third phase of the First Grant of the Incentive Scheme due to the substandard personal performance assessment; 1 Participant is no longer qualified due to his/her service as the supervisor of the Company; and 1 Participant is no longer qualified due to suspected violations of his/her duties. The Board has considered and decided to repurchase and cancel all the Restricted Shares (1,021,006 A shares in total) that have been granted to the aforesaid 75 Participants yet still locked up. For details, please refer to the relevant announcements of the Company dated 30 October 2023, 5 January 2024 and 11 March 2024.

Save for the above matters, none of the Company or its subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company during the Reporting Period. As of 31 December 2024, the Company did not hold any treasury shares.

SIGNIFICANT EVENTS (CONTINUED)

VIII. DISCLOSURE OF OTHER EVENTS (CONTINUED)

(III) Audit and Review Committee

The Board has established an audit and review committee, which consists of three independent non-executive Directors, namely Mr. Zeng Daorong, Mr. Huang Feng and Ms. Chen Yu during the Reporting Period. The audit and review committee has reviewed the annual report of the Company for the Reporting Period, and agreed with the accounting treatment method adopted by the Company.

(IV) Five-year Financial Summary

Unit: Yuan Currency: RMB

Item	2024 (31 December 2024)	2023 (31 December 2023)	2022 (31 December 2022)	2021 (31 December 2021)	2020 (31 December 2020)
Total assets	142,009,284,851.87	121,108,373,341.62	115,344,350,441.40	103,104,573,304.33	97,795,137,769.16
Total liabilities	98,867,036,719.24	79,888,498,579.02	76,708,775,713.68	67,720,696,078.96	64,153,537,732.09
Total shareholders' equity	43,142,248,132.63	41,219,874,762.60	38,635,574,727.72	35,383,877,225.37	33,641,600,037.07
Including: Equity attributable to shareholders of the parent company	38,796,282,366.86	37,244,895,786.52	34,992,066,981.24	32,497,661,980.41	30,907,668,527.78
Non-controlling shareholders' equity	4,345,965,765.77	3,974,978,976.08	3,643,507,746.48	2,886,215,244.96	2,733,931,509.29
Operating income	69,695,135,723.47	60,676,613,395.82	55,363,782,450.06	47,819,166,940.47	37,282,871,287.38
Total profit/(loss)	3,884,243,745.66	4,006,164,166.98	3,327,359,675.84	2,667,047,594.90	2,067,223,836.63
Income tax expenses	596,717,889.35	362,454,836.22	313,620,616.00	237,824,064.64	150,959,705.84
Net profit/(loss)	3,287,525,856.31	3,643,709,330.76	3,013,739,059.84	2,429,223,530.26	1,916,264,130.79
Including: Net profit/(loss) attributable to the parent company	2,922,100,908.48	3,550,393,576.32	2,857,898,505.21	2,289,036,817.45	1,861,998,155.29
Non-controlling shareholders profit or loss	365,424,947.83	93,315,754.44	155,840,554.63	140,186,712.81	54,265,975.50

(V) Pre-emptive Rights

There are no provisions regarding pre-emptive rights under the Company Law of the People's Republic of China and the Articles of Association, which require the Company to issue new shares to the existing shareholders in proportion to their existing shareholdings.

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

I. CHANGES IN ORDINARY SHARES CAPITAL

(I) Table of total number of ordinary shares

Total number of ordinary shares of the Company and changes in the shareholder structure of the Company

1. Table of changes in shares

Unit: share

	Prior to the current movements		Increase/(decrease) of current movements (+, -)					After current movements	
	Number of shares	Percentage (%)	Issue of new shares	Bonus issue	Capitalization of surplus reserve	Others	Sub-total	Number of shares	Percentage (%)
I. Shares subject to trading moratorium	763,107,301	24.47				-9,186,904	-9,186,904	753,920,397	24.18
1. State-owned share	0	0						0	0
2. State-owned legal person shares	753,903,063	24.17						753,903,063	24.18
3. Other domestic shares	9,204,238	0.30				-9,186,904	-9,186,904	17,334	0.00056
Including: shares owned by domestic non-state-owned legal persons	0	0						0	0
Shares owned by domestic natural persons	9,204,238	0.30				-9,186,904	-9,186,904	17,334	0.00056
4. Foreign owned shares	0	0						0	0
Including: shares owned by overseas legal persons	0	0						0	0
Shares owned by overseas natural persons	0	0						0	0
II. Tradable shares not subject to trading moratorium	2,355,426,496	75.53				8,152,564	8,152,564	2,363,579,060	75.82
1. RMB-denominated ordinary shares	2,015,426,496	64.63				8,152,564	8,152,564	2,023,579,060	64.91
2. Domestic listed foreign shares	0	0						0	0
3. Overseas listed foreign shares	340,000,000	10.90						340,000,000	10.91
4. Others	0	0						0	0.00
III. Total number of shares	3,118,533,797	100				-1,034,340	-1,034,340	3,117,499,457	100

Note: As a result of a change in the personal circumstances of Participants under the Restricted Share Scheme of the Company, the Company repurchased and cancelled 17,334 Restricted A Shares of certain Participants which were granted but not yet unlocked on 23 January 2025. The Company issued A shares to specific targets, and on 14 April 2025, the registration, custody and selling restriction procedures of 272,878,203 shares were completed at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. As of the date of disclosure in this report, the total number of ordinary shares of the Company was 3,390,360,326.

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

I. CHANGES IN ORDINARY SHARES CAPITAL (CONTINUED)

(I) Table of total number of ordinary shares (Continued)

Total number of ordinary shares of the Company and changes in the shareholder structure of the Company (Continued)

2. Explanation on changes in shares

During the Reporting Period, due to changes in the individual circumstances of the Participants under the Restricted Share Scheme of the Company, the Company repurchased and cancelled a total of 1,034,340 Restricted A Shares which were granted to certain Participants but not yet unlocked on 14 March 2024. For details, please refer to the relevant announcements published on the website of Shanghai Stock Exchange (www.sse.com.cn).

3. The impact of share changes on financial indicators such as earnings per share and net assets per share for the most recent year and period (if any)

During the Reporting Period, due to the repurchase of Restricted Shares that have been granted to some participants yet still locked up, the Company cancelled 1,034,340 ordinary A shares in total, accounting for 0.03% of the total shares of the Company, which has little impact on the main financial indicators of the Company.

(II) Changes in shares subject to trading moratorium

Unit: share

Name of shareholder	Number of shares subject to selling restrictions at the beginning of the year	Number of shares released from selling restrictions during the year	Increased number of shares subject to selling restrictions during the year	Number of shares subject to selling restrictions at the end of the year	Reason for selling restrictions	Date of release from selling restrictions
Dongfang Electric Corporation Limited	753,903,063	0	0	753,903,063	Non-public issuance of shares	Note
Participants under the Restricted A Share Incentive Scheme	9,204,238	8,152,564	-1,034,340	17,334	Incentive schemes with restricted stock as an incentive method	The lock-up periods shall be 24 months, 36 months and 48 months from the relevant completion date of registration of the restricted shares under the grant, the proportion of unlocking shares in the equity granted is 1/3
Total	763,107,301	8,152,564	-1,034,340	753,920,397	/	/

Note: The shares of Dongfang Electric which were subscribed for with the target assets owned by Dongfang Electric Corporation shall not be transferred in any way within 36 months from their listing date, i.e. 12 June 2018. If the closing price of Dongfang Electric shares for 20 consecutive trading days is lower than the issue price of this transaction within 6 months from the listing of new shares in this transaction, or if the closing price as at the end of the six-month period after the completion of this transaction is lower than the issue price of this transaction, the lock-up period of Dongfang Electric shares obtained by the Company in this transaction will be automatically extended for 6 months from the original lock-up period.

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER

(I) Total number of shareholders

Total number of ordinary shareholders as of the end of the Reporting Period (shareholder)	99,892
Total number of ordinary shareholders as of the end of the month prior to the date of disclosure of the Annual Report (shareholder)	103,003
Total number of preferred shareholders with restored voting rights as of the end of the Reporting Period (shareholder)	0
Total number of preferred shareholders with restored voting rights as of the end of the month prior to the date of disclosure of the Annual Report (shareholder)	0

(II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period

Unit: share

Shareholdings of top 10 shareholders (Excluding shares lent through refinancing)							
Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen		Type of shareholder
					Status of shares	Number of shares	
Dongfang Electric Corporation	+7,835,300	1,739,215,126	55.79	753,903,063	Nil		State-owned legal person
HKSCC Nominees Limited	-47,000	337,847,369	10.84	0	Unknown		Overseas legal person
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 Trading Open Index Securities Investment Fund (華泰柏瑞滬深 300交易型開放式指數證券投資基 金)	+10,982,930	19,170,933	0.61	0	Unknown		Other
China Construction Bank Corporation – E Fund CSI 300 Exchange Traded Open-end Index Seed Securities Investment Fund (中國建設銀行股份有限公司－易 方達滬深300交易型開放式指數發 起式證券投資基金)	+10,181,724	13,229,425	0.42	0	Unknown		Other

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER (CONTINUED)

(II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period (Continued)

Shareholdings of top 10 shareholders (Excluding shares lent through refinancing)							
Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Reporting Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen		Type of shareholder
					Status of shares	Number of shares	
China Construction Bank Corporation –Huaxia Energy Reform Equity Securities Investment Fund (中國建設銀行股份有限公司－華夏能源革新股票型證券投資基金)	+12,088,110	12,088,110	0.39	0	Unknown		Other
Industrial and Commercial Bank of China Limited – China AMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	+6,466,300	8,794,300	0.28	0	Unknown		Other
Guoshou Pension Strategy No. 7 Stock-based Pension Product (國壽養老策略7號股票型養老金產品)	+8,526,682	8,526,682	0.27	0	Unknown		Other
Bank of China Limited – Harvest CSI 300 Trading Openended Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	+5,763,300	8,332,700	0.27	0	Unknown		Other
Gong Youhua(龔佑華)	+8,246,100	8,246,100	0.26	0	Unknown		Domestic natural persons
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金－農業銀行－南方中證金融資產管理計劃)	0	7,834,964	0.25	0	Unknown		Other

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER (CONTINUED)

(II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period (Continued)

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium (Excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
Dongfang Electric Corporation	985,312,063	RMB ordinary shares	985,312,063
HKSCC Nominees Limited	337,847,369	Overseas-listed foreign shares	337,847,369
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 Trading Open Index Securities Investment Fund (華泰柏瑞滬深300交易型開放式指數證券投資基金)	19,170,933	RMB ordinary shares	19,170,933
China Construction Bank Corporation – E Fund CSI 300 Exchange Traded Open-end Index Seed Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	13,229,425	RMB ordinary shares	13,229,425
China Construction Bank Corporation –Huaxia Energy Reform Equity Securities Investment Fund (中國建設銀行股份有限公司－華夏能源革新股票型證券投資基金)	12,088,110	RMB ordinary shares	12,088,110
Industrial and Commercial Bank of China Limited – China AMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	8,794,300	RMB ordinary shares	8,794,300
Guoshou Pension Strategy No. 7 Stock-based Pension Product (國壽養老策略7號股票型養老金產品)	8,526,682	RMB ordinary shares	8,526,682
Bank of China Limited – Harvest CSI 300 Trading Openended Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	8,332,700	RMB ordinary shares	8,332,700
Gong Youhua(龔佑華)	8,246,100	RMB ordinary shares	8,246,100
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Program (南方基金－農業銀行－南方中證金融資產管理計劃)	7,834,964	RMB ordinary shares	7,834,964

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER (CONTINUED)

- (II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period (Continued)

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium (Excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class of shares	Number
Explanation on the special repurchase accounts under the top ten shareholders	Nil		
Explanation on the voting rights entrusted by or to, or waived by the above shareholders	Nil		
Explanation on the connected relationship or concerted actions among the aforesaid shareholders	The Company is not aware of any connected relationship or concerted actions among the top ten shareholders and top ten holders of tradable shares		
Explanation on holders of preference shares with restored voting rights and number of shares held	Nil		

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER (CONTINUED)

(II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period (Continued)

Particulars of shareholdings of top ten holders of shares not subject to trading moratorium (Excluding shares lent through refinancing) (Continued)

Unit: Share

Shareholders holding more than 5% of shares, shareholdings of top 10 shareholders and top 10 holders of tradable shares held not subject to trading moratorium participating in the lending of shares through refinancing business								
Name of shareholder (full name)	Shares lent through							
	General and credit		refinancing at the beginning		General and credit account		Shares lent through	
	account shares held at the		of period and not yet		shares held at the end of		refinancing at the end of	
	beginning of period		returned		period		period and not yet returned	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
	(%)	(%)		(%)		(%)		(%)
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 Trading Open Index Securities Investment Fund (華泰柏瑞滬深300交易型開放式指數證券投資基金)	8,188,003	0.26	99,100	0.0032	19,170,933	0.61	0	0
China Construction Bank Corporation – E Fund CSI 300 Exchange Traded Open-end Index Seed Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	3,047,701	0.10	29,400	0.0009	13,229,425	0.42	0	0
Industrial and Commercial Bank of China Limited – China AMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	2,328,000	0.07	76,200	0.0024	8,794,300	0.28	0	0
Bank of China Limited – Harvest CSI 300 Trading Openended Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	2,569,400	0.08	64,300	0.0021	8,332,700	0.27	0	0

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. PARTICULARS OF SHAREHOLDERS AND DE FACTO CONTROLLER (CONTINUED)

(II) Shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders that were not subject to trading moratorium) as of the end of the Reporting Period (Continued)

Shareholdings of the top ten shareholders subject to trading moratorium and trading moratorium

Unit: Share

No.	Name of holders of shares subject to trading moratorium	Number of shares held subject to trading moratorium	Listing status of shares which are subject to trading moratorium Eligible listing time	Number of new listed shares	Conditions of trading moratorium
1	Dongfang Electric Corporation	753,903,063	See Explanation	0	See Explanation 1
2	Sun Manjun	17,334	repurchased and cancelled on 23 January 2025	0	See Explanation 2
	Description of connected relationship or concert party relationship among the above shareholders	The Company is not aware of any connected relationship and concert party relationship among the above-mentioned shareholders			

- Notes:
- The shares of Dongfang Electric which were subscribed for with the target assets owned by DEC shall not be transferred in any way within 36 months from their listing date, i.e. 12 June 2018. If the closing price of Dongfang Electric shares for 20 consecutive trading days is lower than the issue price of this transaction within 6 months from the listing of new shares in this transaction, or if the closing price as at the end of the six-month period after the completion of this transaction is lower than the issue price of this transaction, the lockup period of Dongfang Electric shares obtained by the Company in this transaction will be automatically extended for 6 months from the original lockup period.
 - Sun Manjun is the participant of the Restricted A Share Incentive Scheme of the Company. For the details of the conditions for unlocking of the restricted shares, please refer to the Restricted A Share Incentive Scheme for 2019 (Draft Amendment) of Dongfang Electric Corporation Limited published by the Company on the website of SSE (<http://www.sse.com.cn>) on 28 September 2019.

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

III. INFORMATION OF CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER

(I) Information of Controlling Shareholder

1. Legal person

Name	Dongfang Electric Corporation
Person in charge of the company or legal representative	Yu Peigen
Date of establishment	6 November 1984
Principal business	Operation of state-owned assets within the scope as authorized by the State-owned Assets Supervision and Administration Commission of the State Council, and related investment business; operation and management of the assets of invested companies and directly affiliated enterprises; general equipment manufacturing; special equipment manufacturing; transportation equipment manufacturing; electrical machinery and equipment manufacturing; communication equipment, computer and other electronic equipment manufacturing; instrumentation, cultural and office machinery manufacturing; electricity and heat generation and supply; gas production and supply; water production and supply; housing and civil engineering construction; construction and installation; other construction; road transportation; urban public transportation; computer service; software; wholesale; other financial activities; real estate; house leasing; education; polysilicon; chemical raw materials and chemical products; business services; research and experimental development; professional technical services; technology exchange and promotion service; environmental management; general contracting for domestic and foreign projects; international trade. (The above business scope does not cover legitimate projects that require pre-approval or permission in accordance with the laws, regulations and the State Council's decisions).

Equity interests in other controlled and invested companies whose shares were listed in the PRC or overseas during the Reporting Period

Stock account under the Controlling Shareholder of the Group also held shares of the following listed companies as at the end of 2024:

Stock Code	Company Name	Number of Shares Held
600011	Huaneng Power International	500,000
600027	Huadian Power International	200,000
600733	BAIC BLUEPARK	9,782,570
600795	GD Power	3,040,000
601399	SINOMACH-HI Equipment	85,455,868
601985	China Nuclear Power	800,000
601991	Datang International Power Generation	17,173,679

Other explanation

Nil

CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

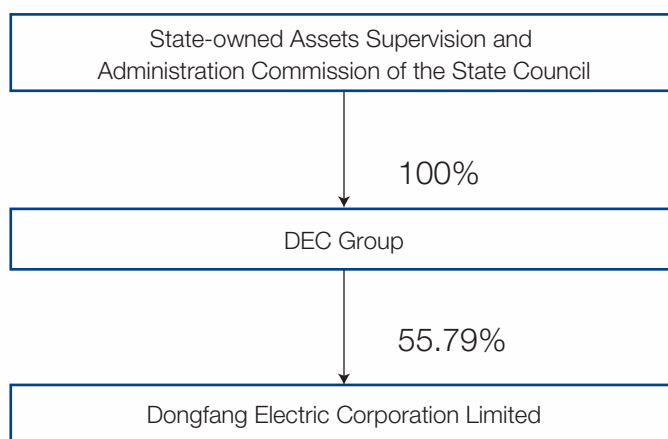
III. INFORMATION OF CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER (CONTINUED)

(II) Information of De Facto Controller

1. Legal person

Name	State-owned Assets Supervision and Administration Commission of the State Council
Person in charge or legal representative	Zhang Yuzhuo

2. Framework of the property right and controlling relationship between the Company and the De Facto Controller



CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

III. INFORMATION OF CONTROLLING SHAREHOLDER AND DE FACTO CONTROLLER (CONTINUED)

(III) INTERESTS OF SUBSTANTIAL SHAREHOLDERS

To the best knowledge of the Directors, as of 31 December 2024, the following person was recorded in the register required to be kept pursuant to Section 336 of the Hong Kong Securities and Futures Ordinance as the substantial shareholder (defined in the Hong Kong Securities and Futures Ordinance) of the Company, whose interests were as follows:

Name	Share class	Capacity	Number of shares held	Percentage of total share capital (%)	Percentage in the respective class of share capital (%)
Dongfang Electric A Shares Corporation	A Shares	Beneficial owner	1,739,215,126	55.79(L)	62.62(L)
	H Shares	Interest held by controlled corporation	858,800(L)	0.03(L)	0.25(L)

(L) – Long position

Notes:

1. Dongfang Electric Corporation held 100% of interests in Dongfang Electric (HongKong) Limited, therefore, Dongfang Electric Corporation was deemed to own the interests in such H shares held by Dongfang Electric (Hong Kong) Limited pursuant to the Hong Kong Securities and Futures Ordinance.
2. The above interests held by Dongfang Electric Corporation reflected its latest disclosure of interests of substantial Shareholder under the Hong Kong Securities and Futures Ordinance.
3. The above percentage of total share capital and the percentage in the respective class of share capital were calculated on the basis of total share capital and respective class of share capital of the Company as at 31 December 2024.

Save as disclosed above, as at 31 December 2024, the Company did not record other interests (including derivative interests) or short positions in the register required to be kept pursuant to Section 336 of the Hong Kong Securities and Futures Ordinance.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION

(I) Particulars about changes in the shareholding and remuneration of existing Directors, Supervisors and senior management during the Reporting Period

Unit: share

Name	Position (Note)	Gender	Age	Commencement of term of office	Expiry of term of office	Number of share held at the beginning of the year	Number of shares held at the end of the year	Number of shares changed during the year	Reasons for change	Total remuneration received from the Company in Reporting Period (RMB'000)	Whether get payment from related parties
Yu Peigen	Chairman of the Board	Male	62	8 May 2019	27 June 2027	0	0	0		0	Yes
Zhang Yanjun	Director and general manager	Male	54	29 June 2021	27 June 2027	0	0	0		0	Yes
Zhang Shaofeng	Director	Male	53	14 March 2025	27 June 2027	0	0	0		0	Yes
Sun Guojun	Director and senior vice president	Male	56	5 January 2024	27 June 2027	0	0	0		0	Yes
Huang Feng	Independent Director	Male	68	29 June 2021	27 June 2027	0	0	0		11.3	No
Zeng Daorong	Independent Director	Male	64	5 February 2024	27 June 2027	0	0	0		10.03	No
Chen Yu	Independent Director	女	61	28 June 2024	27 June 2027	0	0	0		5.87	No
Wang Zhiwen	Chairman of the Supervisory Committee	Male	57	14 February 2020	27 June 2027	0	0	0		94.74	No
Hu Weidong	Supervisor	Male	56	30 June 2022	27 June 2027	0	0	0		0	Yes
Liang Shuo	Supervisor	Female	54	30 March 2023	27 June 2027	18,000	18,000	0		78.72	No
Wang Jun	Senior vice president	Male	52	30 October 2024	27 June 2027	25,000	25,000	0		50.37	Yes
Li Jianhua	Senior vice president	Male	54	27 September 2023	27 June 2027	62,000	62,000	0		99.51	Yes
Ly Shuang	Chief accountant	Female	50	28 March 2025	27 June 2027	0	0	0		0	Yes
Hu Xiukui	Vice president	Male	59	5 July 2021	27 June 2027	65,000	65,000	0		165.24	No
Feng Yong	Secretary to the Board	Male	57	13 March 2023	27 June 2027	0	0	0		113.31	No
Dan Jun	Vice president	Male	57	13 September 2024	27 June 2027	30,000	30,000	0		17.51	No
Li Zhongjun	Senior vice president (resigned)	Male	52	14 September 2022	18 November 2024	0	0	0		0	Yes
Liu Zhiqian	Director and chief accountant (resigned)	Male	56	30 March 2022	30 April 2024	0	0	0		0	Yes
Zhang Jilie	Director and senior vice president (resigned)	Male	61	29 June 2022	5 January 2024	0	0	0		0	Yes
Gao Feng	Vice president (resigned)	Male	60	18 June 2010	7 March 2024	117,500	112,500	-5,000	Holding reduction through centralized bidding transactions	89.77	No
Ma Yongqiang	Independent Director (resigned)	Male	49	29 June 2021	5 February 2024	0	0	0		1.33	No
Liu Dengqing	Independent Director (resigned)	Male	54	29 June 2018	28 June 2024	0	0	0		4.9	No
Total	/	/	/	/	/	317,500	312,500	-5,000	/	742.6	/

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(I) Particulars about changes in the shareholding and remuneration of existing Directors, Supervisors and senior management during the Reporting Period (Continued)

- Notes:*
1. The former chief accountant of the Company, Hu Xianfu, resigned in January 2025. During the Reporting Period, Hu Xianfu did not hold any shares in the Company and did not receive any remuneration from the Company.
 2. The former Director of the Company, Song Zhiyuan, resigned in March 2025. During the Reporting Period, Song Zhiyuan did not hold any shares of the Company and did not receive any remuneration from the Company.
 3. The former vice president of the Company, Gao Feng, reduced his holdings of the Company's shares during the Reporting Period more than 6 months after he resigned from his position as vice president of the Company.
 4. The remuneration disclosed in the above table represents the pre-tax remuneration paid to the Directors, Supervisors and senior management of the Company during their tenure as the Directors, Supervisors and senior management during the Reporting Period (including the remuneration paid of previous years during the Reporting Period), the disclosed remuneration information does not include the fulfillment of the tenure incentive income of the senior management of the Company for the years of 2020–2022, and the tenure incentive income paid to the senior management of the Company during the Reporting Period amounted to: RMB627,600 for Hu Xiukui and RMB808,500 for Gao Feng.
 5. The commencement date of the term of office of the re-elected Directors and Supervisors is counted from the date of their first appointment.

Explanations on other matters

Save as disclosed above, none of the Directors, Supervisors and senior management of the Company or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company nor had they exercised any such right before 31 December 2024.

Save as disclosed above, as at 31 December 2024, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associate corporations (within the meaning under Part XV of the Securities and Futures Ordinance), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including interests or short positions which they were taken or deemed to have under such provisions of the Securities and Futures Ordinance); or which were required to be recorded in the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 to the Listing Rules ("Model Code") adopted by the Company.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management

Name	Principal working experience
Yu Peigen	Born in November 1962, is currently the Chairman of the Company, the Chairman of the Board of Directors and secretary of the Party Committee of Dongfang Electric Corporation. He graduated from Zhejiang University, majoring in thermal power with a bachelor's degree in engineering. He completed his postgraduate study from Renmin University of China and received a master's degree in Executive Master of Business Administration (EMBA), and is a senior engineer. Mr. Yu successively served as the deputy general manager and the general manager of Qinshan Nuclear Power Company(秦山核電公司); the head of the nuclear power department of China National Nuclear Corporation; the manager of the nuclear power department, the chief engineer on nuclear power, a member of the Party Committee of China Power Investment Corporation (中國電力投資集團公司); the deputy general manager and a member of the Party Committee of China National Nuclear Corporation (中國核工業集團公司); the deputy general manager and a member of the Party Committee of China National Nuclear Corporation (中國核工業集團有限公司); deputy secretary of the Party Leadership Group, a director, and general manager of Dongfang Electric Corporation. Since April 2021, he has served as the chairman of the board of directors, and secretary of Party Leadership Group of Dongfang Electric Corporation. He served as the Director and president of the Company from May 2019 to April 2021. Mr. Yu has served as the Chairman of the Company since April 2021.
Zhang Shaofeng	Born in July 1971, is currently a Director of the Company, a director and the deputy secretary of the Party group of Dongfang Electric Corporation. He graduated from the China University of Petroleum, Beijing majoring in industrial foreign trade, took a business administration course at Tsinghua University through on-the-job learning, and obtained a master's degree in business administration. He is a senior accountant. He successively served as the deputy director of finance office of finance department and director of debt management office of finance department of PetroChina Company Limited (中國石油天然氣股份有限公司), deputy chief accountant and chief accountant of Trans-Asia Gas Pipeline Company Limited (中石油中亞天然氣管道有限公司), general manager of finance department of China National Petroleum Corporation (中國石油天然氣集團有限公司), and chief accountant and member of the Party group of China Petrochemical Corporation (中國石油化工集團有限公司). From January 2025, he has served as the director and deputy secretary of the Party group of Dongfang Electric Corporation. Mr. Zhang has served as a Director of the Company since March 2025.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
Zhang Yanjun	<p>Born in March 1970, is currently a Director and president of the Company, the director, general manager of Dongfang Electric Corporation and the vice secretary of the Party Leadership Group. He graduated from the School of Energy and Power Engineering of Xi'an Jiaotong University with a bachelor's degree in engineering, majoring in thermal energy engineering (boiler class); graduated from the College of Energy of Zhejiang University with a master's degree in engineering, majoring in engineering thermophysics; and graduated from the College of Energy Engineering of Zhejiang University with a doctor's degree in engineering, majoring in power engineering and engineering thermophysics. He successively served as the deputy director and director of the design division, the deputy chief engineer and chief engineer of the general manager department of Harbin Boiler Company Limited* (哈爾濱鍋爐廠有限責任公司); deputy general manager and vice chairman, general manager, the deputy secretary of the Party Committee of Harbin Boiler Company Limited* (哈爾濱鍋爐廠有限責任公司); the director of the science and technology management department of Harbin Electric Corporation and Harbin Electric Company Limited as well as the director of management office of Shuangchuang base of Harbin Electric Corporation, the secretary of the Party Committee and the president of the Central Research Institute, and the chairman of Harbin Power Equipment National Engineering Research Center Co., Ltd.* (哈電發電設備國家工程研究中心有限公司); the general manager of science and technology management department (Shuangchuang office) of Harbin Electric Corporation; vice general manager and a member of the Party Leadership Group of Dongfang Electric Corporation. He has been a Director of the Company since June 2021 and served as senior vice president of the Company from June 2021 to April 2024. He has been a director, general manager and deputy secretary of the Party Leadership Group of China Dongfang Electric Corporation since March 2024. He has been the president of the Company since April 2024.</p>
Sun Guojun	<p>Born in November 1968, is currently a Director and senior vice president of the Company, a deputy general manager and member of the Party Leadership Group of Dongfang Electric Corporation. He graduated from Northeast University of Finance and Economics with a bachelor's degree in material economics and management, and graduated from the Institute of Economics, Renmin University of China with a master's degree in economics, majoring in national economic planning and management. He had successively served as a principal staff member of the third division of planning (規劃三處) and a deputy division director of the general division (綜合處) of the Department of Development Planning of the State Planning Commission (國家計委發展規劃司); a deputy division director of the Integrated Planning Team of the Western Region Development Office of the State Council (國務院西部開發辦綜合規劃組); a division director of the General Economy Research Department (總體經濟研究司) of the Research Office of the State Council (國務院研究室); a deputy director of the General Economy Research Department (總體經濟研究司) of the Research Office of the State Council (國務院研究室), a deputy director of the Comprehensive Research Department (綜合研究司), an inspector of the General Economy Research Department, the director of the Integrated Research First Development (綜合研究一司) of the Research Office of the State Council; a member of the Party group and the director of the Integrated Research First Development (Development Strategy Research Department) of the Research Office of the State Council; a member of the Party group of the Research Office of the State Council. He has served as a deputy general manager and a member of the Party group of Dongfang Electric Corporation since March 2023, and has served as a senior vice president of the Company since January 2024 and a Director of the Company since February 2024.</p>

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
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Huang Feng	<p>Born in June 1956, is currently an independent non-executive Director of the Company. He graduated from the Department of Electrical Engineering of Tsinghua University First Branch with a bachelor degree; he is a professor-level senior engineer. He has successively served as the engineer, deputy head and head of the power division of energy project department of China International Engineering Consulting Corporation* (中國國際工程諮詢有限公司); the deputy director and director of energy project department of China International Engineering Consulting Corporation*; the general manager assistant and concurrently the director of energy business department of China International Engineering Consulting Corporation* from 2008 to 2010; a member of the Party group and the deputy general manager of China International Engineering Consulting Corporation* and concurrently the deputy director of the Expert Academic Committee of the company from 2011 to 2016. He has served as the deputy director of the Expert Academic Committee of China International Engineering Consulting Corporation* since 2017. He is currently the chairman of the Study Committee of Energy System of Chinese Society for Electrical Engineering, a member of Strategy and Management Advisory Committee of China National Nuclear Corporation (中國核工業集團公司), a member of expert committee of China Southern Power Grid Co., Ltd. (中國南方電網有限公司), a member of expert committee deputy director of the China Nuclear Energy Association Expert Committee (中國核能行業協會專家委員會) of the southwestern energy research center of Tsinghua University, and a member of expert committee of nuclear of China Energy Research Council. He is currently the independent director of China Yangtze Power Co., Ltd. (中國長江電力股份有限公司). He has served as an independent non-executive Director of the Company since June 2021.</p>
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Zeng Daorong	<p>Born in November 1960, is currently an independent non-executive director of the Company, with graduate degree, holding a doctor's degree in management, a professor, graduated from Southwestern University of Finance and Economics in July 1986, majoring in accounting, and stayed on as a teacher in the university. He served as deputy secretary of the general branch of the School of Accounting of Southwestern University of Finance and Economics from February 1992 to February 1994; the deputy director and director of the General Affairs Office of Southwestern University of Finance and Economics from February 1994 to September 2000; the general manager of Logistics Service Corporation (後勤服務總公司) from September 2000 to July 2007; the assistant to the president of Southwestern University of Finance and Economics and the general manager of Logistics Service Corporation from July 2007 to June 2008; a member of the standing committee and vice president of the committee of Southwestern University of Finance and Economics from June 2008 to December 2012; the deputy secretary of the committee of Southwestern University of Finance and Economics from December 2012 to August 2022. He has served as an independent non-executive Director of the Company since February 2024.</p>
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DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
Chen Yu	Born in May 1963. She completed his postgraduate study from the School of Management, Harbin Institute of Technology with a major in Technical Economics and Cheung Kong Graduate School of Business with a major in Business Administration, and received a master's degree in Management and Business Administration for Senior Managers, respectively. Ms. Chen successively served as a senior staff member of the credit department, a senior staff member and deputy director of the energy and transportation division of the credit department I, deputy director of the energy division, deputy director of market development division, deputy director of market development division, deputy director and director of the office of the Major Customer Working Committee of the credit management department, director and senior manager of the customer department IV of the corporate business department of the headquarter of China Construction Bank; the assistant to the general manager, deputy general manager and member of Party group of China Huadian Finance Corporation Limited; the deputy general manager and member of Party group of China Huadian Capital Holdings Company Limited; the director of the financial management office and director of the financial industry department of China Huadian Corporation; and the general manager, secretary of the Party Committee, chairman and inspection commissioner of China Huadian Finance Corporation Limited. She has been an independent non-executive Director of the Company since June 2024.
Wang Zhiwen	Born in February 1967, is currently the chairman of the Supervisory Committee of the Company, employee supervisor, general legal advisor, chief compliance officer, and head of the corporate governance department of the Company, general legal advisor, chief compliance officer, and head of the corporate governance department of Dongfang Electric Corporation. He graduated from the School of Energy and Power Engineering of Xi'an Jiaotong University with a bachelor's degree in thermal energy engineering (boiler) and from Sichuan University with a master's degree in law; he is a senior engineer and corporate law consultant. He successively served as the deputy head of the corporate management department, the deputy head of the legal affairs department, the head of the legal and audit department, the head of the corporate management and legal affairs department, the head of the corporate management department/legal affairs department and the head of the legal and risk control department of Dongfang Electric Corporation. He served as a Supervisor of the Company from November 2019 to May 2021, and has been an employee representative supervisor of the Company since May 2021. He has served as the general legal advisor of Dongfang Electric Corporation since April 2022. He has served as the chief compliance officer and the head of the corporate governance department of Dongfang Electric Corporation since December 2022. He has served as a supervisor of the Company since November 2019, has served as employee supervisor of the Company since May 2021, and has served the head of the corporate governance department of the Company since December 2022; the chairman of the Supervisory Committee of the Company since March 2023; and general legal advisor and chief compliance officer since May 2023.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
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Hu Weidong	Born in September 1968, is currently as a Supervisor of the Company, the chairman of DEC Investment Management Co., Ltd. (東方電氣投資管理有限公司), and the chairman of DEC Smart Light Energy Co., Ltd.. He graduated from the Heat Power Engineering Department of Chongqing University, majoring in power plant thermal engineering with a bachelor's degree in engineering and from the Heat Power Engineering Department of Chongqing University, majoring in thermal power engineering with a master's degree in engineering; he is a senior engineer. He successively served as the deputy director of the Maintenance Room and chief design engineer of the Complete Design Institute, the assistant to the head of marketing department and the director of project office of Dongfang Electric Corporation (中國東方電氣集團公司), the manager of electromechanical business department and the deputy general manager of Sichuan (DEC) Electric Equipment United Company (四川東方電力設備聯合公司); the deputy general manager and a member of the Party Committee of DEC International Cooperation Limited (東方電氣集團國際合作有限公司); and the secretary of the Party Committee, an executive director and the general manager of DEC Investment Management Co., Ltd. (東方電氣投資管理有限公司). He has served as the general manager of DEC Investment Management Co., Ltd. (東方電氣投資管理有限公司) since December 2019 to July 2024; the chairman of DEC Investment Management Co., Ltd. (東方電氣投資管理有限公司) since December 2019; a Supervisor of the Company since May 2022; and the general manager of DEC Smart Light Energy Co., Ltd. since April 2023 to December 2024, the chairman of DEC Smart Light Energy Co., Ltd. since April 2023.
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Liang Shuo	Born in December 1970, is currently a Supervisor of the Company; and a special-term director of subsidiaries appointed by Dongfang Electric Corporation (Dongfang Electric Corporation Limited). She graduated from the School of Network Education at Southwest Jiaotong University in accounting; a senior accountant. She successively served as the assistant director of the audit office, deputy director of the audit department and deputy director of the factory management department; director of audit department of DEC Dongfang Boiler Group Co., Ltd., deputy director of employee management department, director of enterprise management department, director of legal affairs department, director of finance department; deputy head of the audit and supervision department of Dongfang Electric Corporation. From August 2021 to January 2024, she served as the deputy head of the audit and supervision department, deputy director of audit center and deputy director of the office of Supervisory Committee of the Company. She has served as a Supervisor of the Company since March 2023; a special-term supervisor of subsidiaries appointed by Dongfang Electric Corporation (Dongfang Electric Corporation Limited) from January 2024 to December 2024; and a special-term director appointed by Dongfang Electric Corporation (Dongfang Electric Corporation Limited) to its subsidiaries since December 2024.
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DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
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Wang Jun	Born in April 1972, is currently a senior vice president of the Company; the vice general manager of Dongfang Electric Corporation and the member of the Party Leadership Group. He graduated from Xi'an Jiaotong University and obtained a bachelor's degree in engineering with major in boiler, and graduated from Zhejiang University with a master's degree in power engineering, and is a senior engineer. He has served successively as the assistant director and deputy director of the Boiler Research Institute of and deputy director of Technology Center Research Institute of Dongfang Boiler (Group) Co., Ltd.; director of Technology Center Research Institute of Dongfang Boiler Co., Ltd.; a director and executive general manager of Dongfang Hitachi Boiler Co., Limited; a deputy general manager and the chief marketing officer (director) of the marketing and sales centre of Dongfang Boiler Co., Ltd.; a deputy general manager and a member of the standing committee of the Party committee of Dongfang Boiler Co., Ltd., vice director of the Central Research Institute and deputy secretary of the Party committee of Dongfang Electric Corporation (Dongfang Electric Corporation Limited), and an executive director, general manager, legal representative and head of Party Committee Preparation Team of Dongfang Electric (Chengdu) Hydrogen Fuel Cell Technology Co., Ltd.; deputy head and head of the marketing department, and general manager of marketing center in Beijing of Dongfang Electric Corporation (Dongfang Electric Corporation Limited); chairman and Party secretary of DEC Dongfang Electric Machinery Co., Ltd.. He served as a vice president of the Company from September 2023 to June 2024. Since June 2024, he has served as a deputy general manager and member of the Party Group of China Dongfang Electric Corporation Limited. Since October 2024, he has served as a senior vice president of the Company.
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Li Jianhua	Born in November 1970, is currently a senior vice president of the Company, the vice general manager of Dongfang Electric Corporation and the member of the Party Leadership Group. He graduated from the Department of Mechanical Engineering at the East China University of Technology, majoring in mechanical manufacturing technology and equipment. And he obtained a master's degree in management as a management economics major from Nanyang Technological University, Singapore and is a senior economist and senior engineer. He has successively served as the deputy section chief of the plant office, deputy director of the foreign trade division, deputy director of the marketing division and director of the international cooperation division of DEC Dongfang Steam Turbine Co., Ltd. (東方電氣集團東方汽輪機有限公司); he served as the deputy general manager and the general manager of the combustion engine business division of Dongfang Electric Corporation Limited (東方電氣股份有限公司); the head of the industrial development department and the general manager of Beijing marketing centre of Dongfang Electric Corporation (中國東方電氣集團有限公司) (Corporation Limited); chairman and secretary of the Party committee of DEC International Cooperation Limited (東方電氣集團國際合作有限公司). From September 2023 to December 2024, he served as a vice president of the Company; from November 2024, he served as a deputy general manager and a member of the Party Leadership Group of Dongfang Electric Corporation; and from December 2024, he served as a senior vice president of the Company.
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DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
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Lv Shuang	<p>Born in August 1975, is currently a chief accountant of the Company, and a chief accountant and member of the Party committee of Dongfang Electric Corporation. Ms. Lv graduated with a bachelor's degree in Monetary Banking from the Investment and Finance Department of Jiangxi University of Finance and Economics, and holds an on-the-job postgraduate degree in Political Economy from the School of Economics at Sichuan University, with a Ph. D. in Economics. She has successively served as the head of the settlement division at the capital center of Guangxi Power Company Limited, chief accountant and deputy general manager of Guangxi Guangneng Hydropower Co., Ltd., deputy director and director of the finance department of Guangxi Power Grid Company, deputy director of the finance department, information officer, and deputy director of the planning and finance department (operation monitoring center) of China Southern Power Grid Co., Ltd., director, general manager, and deputy secretary of the Party committee of China Southern Power Grid Capital Holdings Co., Ltd., chairman and secretary of the Party committee of Southern Power Grid Finance Co., Ltd., chairman of Southern Power Grid International Finance Co., Ltd., general manager of the planning and finance department (operation monitoring center) and director of corporate operations of China Southern Power Grid Co., Ltd. She has been appointed as a chief accountant and member of the Party committee of Dongfang Electric Corporation since February 2025, and as a chief accountant of the Company since March 2025.</p>
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Hu Xiukui	<p>Born in October 1967, is currently a vice president of the Company, and an assistant to general manager of Dongfang Electric Corporation. Mr. Hu graduated from the School of Energy and Power Engineering of Xi'an Jiaotong University with a bachelor's degree in thermal energy engineering, and is a senior engineer. He has successively served as the deputy director, director of the Design Division, deputy chief engineer, assistant to general manager of Dongfang Boiler (Group) Co., Ltd.; deputy general manager of Dongfang Boiler (Group) Co., Ltd.; the secretary of the Party Committee, chairman of the board of directors of DEC Dongfang Boiler Group Co., Ltd., head of Dongfang Boiler Factory, the general manager of the environmental protection division of Dongfang Electric Corporation Limited. He has served as a vice president of the Company since July 2021, and an assistant to general manager of Dongfang Electric Corporation since September 2023.</p>
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DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

(II) Biographies of existing Directors, Supervisors and senior management (Continued)

Name	Principal working experience
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Feng Yong	Born in March 1967, is the secretary of the Board, the secretary of the board of directors and chief auditor of Dongfang Electric Corporation. He graduated from Chengdu University of Technology with a bachelor's degree in accounting, and graduated from business administration and received his master's degree in business administration; a senior accountant. Mr. Feng successively served as the head, deputy head and deputy chief accountant of finance department of Dongfang Electric Machinery Co., Ltd.; the deputy head of asset and finance department of Dongfang Electric Corporation, the head of finance department of Dongfang Electric Corporation Limited and the head of asset and finance department of Dongfang Electric Corporation; a director, general manager, and secretary of Party Committee of Dongfang Electric Finance Co., Ltd (東方電氣集團財務有限公司); the head of the audit and supervision department and director of the audit centre of the Company, and the head of the audit and supervision department of Dongfang Electric Corporation. From September 2019 to March 2023, he serves as a supervisor and the chairman of the supervisory committee of the Company; since April 2022, he has been the chief auditor of Dongfang Electric Corporation; since March 2023, he has been the secretary of the board of directors of the Company and the secretary of the board of directors of Dongfang Electric Corporation.
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Dan Jun	Born in January 1968, he is currently a Vice President of the Company, general manager of the nuclear energy division, and director of the special office of Dongfang Electric Corporation. He has a university degree, an MBA, and is a professorate senior engineer. He has successively served as the head of the general affairs department of Dongfang Boiler (Group) Co., Ltd. Nuclear Capacity Branch, the director of the marketing office, assistant to the director, deputy director, director of the procurement department, and director of the project management department, and deputy chief economist of Dongfang Electric (Guangzhou) Heavy Machine Co., Ltd. (hereinafter referred to as Dongfang Heavy Machinery), the deputy general manager, deputy secretary of the Party committee, secretary of the disciplinary committee, chairman of the labour union of Dongfang Heavy Machinery, director, general manager and deputy secretary of the party committee of Dongfang Dongfang Electric (Wuhan) Nuclear Equipment Co., Ltd., director, general manager, and deputy secretary of the party committee of Dongfang Heavy Machinery, chairman of the board of directors and secretary of the party committee of Dongfang Heavy Machinery, etc. From May 2023, he served as general manager of the nuclear energy division of Dongfang Electric Corporation and director of the special office of Dongfang Electric Corporation. From September 2024, he served as vice president of the Company.
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DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

Shares Granted under the Incentive Scheme to the Directors or Senior Management during the Reporting Period

Unit: share

Name	Position	Number of restricted Shares held at the beginning of the year	Number of new restricted Shares granted during the Reporting Period	Grant price of restricted Shares (Yuan)	Locked Shares	Unlocked Shares	Number of restricted Shares held at the end of the period	Market price at the end of the Reporting Period (Yuan)
Wang Jun	Senior vice president	25,000	0	5.93	25,000	0	0	15.89
Li Jianhua	Senior vice president	25,000	0	5.93	25,000	0	0	15.89
Hu Xiukui	Vice president	25,000	0	5.93	25,000	0	0	15.89
Dan Jun	Vice president	25,000	0	5.93	25,000	0	0	15.89
Gao Feng	Former vice president	50,000	0	5.93	50,000	0	0	15.89
Total	/	150,000	0	/	150,000	0	0	/

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

Positions Held by Existing Directors, Supervisors and Senior Management and those Retired during the Reporting Period

(I) Positions held in shareholders entities

Name	Name of shareholders entities	Positions held in shareholders entities	Commencement of term of office	Expiry of term of office
Yu Peigen	Dongfang Electric Corporation	Chairman of the Board of Directors, Secretary of the Party Committee	April 2021	
Zhang Yanjun	Dongfang Electric Corporation	Director, General Manager, Deputy Secretary of the Party Committee	March 2024	
Zhang Shaofeng	Dongfang Electric Corporation	Director, Deputy Secretary of the Party Committee	January 2025	
Sun Guojun	Dongfang Electric Corporation	Deputy General Manager, Member of Party Leadership Group	March 2023	
Lv Shuang	Dongfang Electric Corporation	Chief Accountant, Member of Party Leadership Group	February 2025	
Wang Zhiwen	Dongfang Electric Corporation	Chief Law Consultant, Chief Compliance Officer, Head of the Corporate Governance Department	Serving as Chief Law Consultant since April 2022, and as Chief Compliance Officer, Head of the Corporate Governance Department since December 2022	
Liang Shuo	Dongfang Electric Corporation	Full-time Director Appointed to Subsidiaries	December 2024	
Wang Jun	Dongfang Electric Corporation	Deputy General Manager, Member of Party Leadership Group	June 2024	
Li Jianhua	Dongfang Electric Corporation	Deputy General Manager, Member of Party Leadership Group	November 2024	
Hu Xiukui	Dongfang Electric Corporation	Assistant to General Manager	September 2023	
Dan Jun	Dongfang Electric Corporation	Director of the Special Office	May 2023	
Feng Yong	Dongfang Electric Corporation	Chief Auditor, Secretary of the Board of Directors	Serving as Chief Auditor since April 2022, and as Secretary of the Board of Directors since March 2023	

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

I. CHANGES IN THE SHAREHOLDING AND REMUNERATION (CONTINUED)

Positions Held by Existing Directors, Supervisors and Senior Management and those Retired during the Reporting Period (Continued)

(I) Positions held in shareholders entities (Continued)

Name	Name of shareholders entities	Positions held in shareholders entities	Commencement of term of office	Expiry of term of office
Li Zhongjun	Dongfang Electric Corporation	Deputy General Manager, Member of Party Leadership Group	July 2022	No longer serving as a Member of Party Leadership Group since October 2024, as Deputy General Manager since November 2024
Liu Zhiquan	Dongfang Electric Corporation	Member of Party Leadership Group, Chief Accountant	Serving as a Member of Party Leadership Group since February 2022, and as Chief Accountant since March 2022	April 2024
Zhang Jilie	Dongfang Electric Corporation	Deputy General Manager, Member of Party Leadership Group	Serving as a Member of Party Leadership Group since August 2017, and as Deputy General Manager since September 2017	December 2023
Explanations on particulars of positions held in shareholders entities	<ol style="list-style-type: none"> For the commencing date of the above person's positions held in shareholders' entities, please refer to preceding detailed biographies of Directors, Supervisors and senior management. The independent directors are of the view that, during the Reporting Period, the senior management of the Company who worked part-time at the controlling shareholder were diligent and responsible, properly managed the relationship between the Company and the controlling shareholder and safeguarded the interests of all shareholders, and no acts were found to be detrimental to the interests of the listed company and its minority shareholders as a result of the part-time employment arrangement. 			

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

II. REMUNERATIONS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Decision-making procedures for the remuneration of Directors, Supervisors and senior management

Remuneration of Directors and Supervisors (not employee Supervisors) of the Company is considered and determined by the general meeting. That of senior management is determined by the Board of the Company.

Whether a Directors recuse themselves from the Board discussions regarding their own remuneration

Yes

Specific circumstances under which the Remuneration and Appraisal Committee or the special meeting of independent Directors provided recommendations on the remuneration matters of Directors, Supervisors and senior management

1. The Remuneration and Appraisal Committee considered that the senior management of the Company has been diligent in their duties and responsibilities in 2023, effectively promoting the Company's operation and development, with the performance appraisal targets achieved in a relatively good manner in general. The results of the performance appraisal of the senior management of the Company for the year 2023 were agreed upon at the meeting and were agreed to be submitted to the Board for consideration.
2. The Remuneration and Appraisal Committee considered that the target value of the performance appraisal of the senior management of the Company for the year 2024 was reasonable, quantifiable, and challenging. The target value of the performance appraisal of the senior management of the Company for the year 2024 was agreed upon at the meeting and was agreed to be submitted to the Board for consideration.
3. The Remuneration and Appraisal Committee considered that the improved rules for approving the remuneration of the senior management of the Company were in compliance with the latest requirements of the state-owned assets supervision. In 2023, the senior management of the Company was diligent in their duties and responsibilities, with outstanding results in work and the Company's operating objectives accomplished, effectively promoting the Company's high-quality development. The remuneration of the senior management of the Company was in compliance with the approval rules. The Remuneration and Appraisal Committee agreed with this resolution and submitted it to the Board for consideration.

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

II. REMUNERATIONS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT (CONTINUED)

Basis of determination for the remuneration of Directors, Supervisors and senior management

Remuneration of Directors, Supervisors and senior management of the Company is determined based on the operating performance, job responsibilities and the results of annual performance.

Remuneration payable to Directors, Supervisors and senior management

Please refer to “Particulars about changes in the shareholding and remuneration of existing Directors, Supervisors and senior management during the Reporting Period” for details.

Total remuneration actually paid to Directors, Supervisors and senior management as at the end of the Reporting Period

RMB7.426 million

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

III. CHANGES IN THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT MEMBERS OF THE COMPANY

Name	Position	Change situation	Reasons for changes
Zhang Shaofeng	Director	Elected	
Sun Guojun	Senior vice president	Appointed	
Sun Guojun	Director	Elected	
Zeng Daorong	Independent director	Elected	
Chen Yu	Independent director	Elected	
Wang Jun	Senior vice president	Appointed	
Wang Jun	Vice president	Resigned	Expiry of term
Li Jianhua	Senior vice president	Appointed	
Lv Shuang	Chief accountant	Appointed	
Dan Jun	Vice president	Appointed	
Song Zhiyuan	Director	Resigned	Retirement
Li Zhongjun	Senior vice president	Resigned	Job reallocation
Liu Zhiquan	Chief accountant	Resigned	Job reallocation
Hu Xianfu	Chief accountant	Resigned	Job reallocation
Liu Dengqing	Independent director	Resigned	Expiry of term

IV. THE RECORDS OF BEING PUNISHED BY SECURITIES REGULATORS IN RECENT THREE YEARS

Nil

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

V. EMPLOYEES OF THE COMPANY AND PRINCIPAL SUBSIDIARIES

(I) Information on employees

	2024
The number of employees on register of the Company	330
The number of employees on register of principal subsidiaries	17,703
Total	18,033
The number of retired employees whose expenses shall be assumed by the Company and principal subsidiaries	22

Professional composition

Category of professional structure	Number of professional structure
Production	6,401
Sales	1,006
Technical	8,886
Financial	377
Administrative	1,363
Total	18,033

Background education

Category of background education	Number (person)
Master degree and above	3,108
Bachelor degree	8,427
Tertiary degree	3,564
Technical secondary and below	2,934
Total	18,033

DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND EMPLOYEES (CONTINUED)

V. EMPLOYEES OF THE COMPANY AND PRINCIPAL SUBSIDIARIES (CONTINUED)

(II) Number of Employees and Remuneration

During the Reporting Period, the average number of employees at the Company was 17,809, and the average number of labor dispatch personnel was 529. The total amount of remuneration paid to the employees during the year was RMB3,501.7471 million, and the total amount of remuneration paid to the labor dispatch personnel during the year was RMB56.8195 million.

(III) Remuneration Policy

During the Reporting Period, the Company focused on quality and efficiency and the “leading strategy”, differentiated the indicators and weights of gross enterprise payroll by “one enterprise, one policy” and “one industry, one policy”, established a mechanism for linking per capita efficiency and wage of the Company, and strengthened the classification and control of non-wage labor costs in accordance with the principle of “three no-exceeds”. The Company optimized to improve the mechanism for determining executive remuneration, transformed from focusing on the number of achievements and the volume of performance to focusing on the quality of achievements and the increments of performance, effectively stimulating the enthusiasm of enterprises of different types and sizes. The Company continuously promoted the second round of tenure system and contractual management, realized the full coverage of tenure system and contractual management in the Company business divisions and subsidiaries at all levels, signed an annual business performance responsibility letter with each of the Company’s management, and decomposed and implemented the “operating performance indicators + leading strategic indicators” at each level and for each person. In accordance with the contract agreement, the Company has rigidly implemented the rigid payment of the annual salary. The Company continued to strengthen its human resource management capacity building, set up a performance management information system, and realized full-process information management of performance in the pilot enterprises, providing strong support for the promotion and implementation of the new management responsibility system for all staff. The Company actively implemented middle and long-term incentives, and tilted remuneration distribution to core talents on an ongoing basis to enhance the attractiveness of remuneration for key and frontline positions.

The remuneration of the senior management of the Company by bands for the year ended 31 December 2024 is set out below:

Bands <i>RMB</i>	Number of senior management	
	2024	2023
0 – 300,000	8	5
300,001 – 600,000	1	0
600,001 – 900,000	2	2
900,001 – 1,200,000	0	2
1,200,000 – 1,500,000	1	0
1,500,001 – 1,800,000	1	1
1,800,001 – 2,100,000	0	1
2,400,001 – 2,700,000	0	1

* In 2024, seven members of the Company’s senior management did not receive compensation from the Company. In 2023, 5 members of the Company’s senior management did not receive compensation from the Company. Liu Zhiquan resigned from his position as Director and chief accountant of the Company on 29 April 2024; Zhang Jilie retired and ceased to be Director and senior vice president of the Company on 5 January 2024; Gao Feng resigned from his position as vice president on 7 March 2024, and Li Zhongjun resigned from his position as senior vice president on 18 November 2024.

V. EMPLOYEES OF THE COMPANY AND PRINCIPAL SUBSIDIARIES (CONTINUED)

(IV) Training Programs

During the Reporting Period, the Company promoted the implementation of the strategy of strengthening the enterprise with talents and talents leadership, served the “grand theme” of high-quality development with “small breaches” of training, strengthened the education and training of the Company’s leaders at all levels and various types of professional talents, and continued to deepen the Party’s innovation theory armament, and strengthened the Party spirit education of leaders and Party members; further promoted the “six talent training projects” and emphasized the trainings for business management, technology, and skilled talents; and further strengthened the learning of business knowledge to comprehensively enhance the ability to perform their duties and better play the role of various types of talent in scientific and technological innovation, industrial control and safety support. The Company insisted on combining theoretical learning and professional competence training, making good use of its internal and external training resources, and giving full play to the advantages of online and offline coordinated training. The training programmes cover areas such as enhancing independent research and development capabilities, expanding professional knowledge and business capabilities, safety production and occupational health. Training ways were continuously enriched to improve effectiveness of training.

VI. OTHERS

(I) Core Technical Team or Key Technicians of the Company

There was no change in core technicians that have a material impact on the core competitiveness of the Company during the Reporting Period.

(II) Directors’ and Supervisors’ Service Contracts

None of the Directors or Supervisors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

FINANCIAL REPORT

DONGFANG ELECTRIC CORPORATION LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

**ENGLISH TRANSLATION OF AUDITOR'S REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2024**

**IF THERE IS ANY CONFLICT BETWEEN THE CHINESE
VERSION AND ITS ENGLISH TRANSLATION, THE
CHINESE VERSION WILL PREVAIL**

DONGFANG ELECTRIC CORPORATION LIMITED
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
(FOR THE YEAR ENDED DECEMBER 31, 2024)

	Table of Contents	Page
I.	Auditor's Report	1-5
II.	Financial Statements	
	Consolidated and Company's Balance Sheets	1-4
	Consolidated and Company's Income Statements	5-6
	Consolidated and Company's Statements of Cash Flows	7-8
	Consolidated and Company's Statements of Changes in Shareholders' Equity	9-12
	Notes to the Financial Statements	1-187

Auditor's Report

Xin Kuai Shi Bao Zi [2025] No. ZG12016

To the Shareholders of Dongfang Electric Corporation Limited,

Opinion

We have audited the accompanying financial statements of Dongfang Electric Corporation Limited (hereinafter referred to as the "Company"), which comprise the consolidated and company's balance sheets as at December 31, 2024, the consolidated and company's income statements, the consolidated and company's statements of cash flows, and the consolidated and company's statements of changes in shareholders' equity for the year then ended, notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position as at December 31, 2024, and the consolidated and company's financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

Basis for Opinion

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

Key Audit Matters

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

We identified the following key audit matters in our audit.

(I) Operating income recognition

1. Key Audit Matters

For details of the accounting policies for revenue recognition, please refer to the accounting policies described in the Notes to the Financial Statements "III. Important Accounting Policies and Accounting Estimates"(29) and "V. Notes on Consolidated Financial Statements (Note 52)". For the year ended December 31, 2024, the operating income recognized by the Company amounted to RMB 68.59 billion. The completeness and accuracy of operating income may significantly impact the financial performance of the Company. Meanwhile, revenue recognised over time within the performance period involves significant management

judgments and estimates, which may affect whether Dongfang Electric recognizes revenue in the appropriate accounting period according to the performance period. Therefore, relevant revenue recognition is determined as a key audit matter.

2. How these matters were addressed in the audit

Our audit procedures in relation to revenue recognition include:

- (1) Understanding and evaluating the design of internal control in the sales process from the approval of sales contracts to the record of sales revenue, and testing the effectiveness of key control process execution;
- (2) Examining significant sales contracts and interviewing with key management personnel to analyze the contracts by five-step model and to assess the composition of performance obligations and the time point of control transfer, and then to evaluate whether the recognition policy of sales revenue meets the requirements of Accounting Standards for Business Enterprises;
- (3) Check and review relevant material contracts and key contract terms in accordance with revenue recognition accounting policies;
- (4) Inspecting supporting documents, on sample basis, in relation to managements estimated total revenue and estimated total cost based on the contract and cost budget data, to evaluate whether the management's estimate is reasonable and whether the supporting documents are sufficient;
- (5) Inspecting supporting documents, on sample basis, such as sales contracts, invoices, transportation bills, and progress confirmations sheets to evaluate the occurrence and accuracy of actual costs;
- (6) Inspecting, on sample basis, contracts, invoices goods received notes and other business documents, to verify the reasonableness and completeness of revenue recognition at the time of performance;
- (7) Comprehensively sorted out the group's organizational structure and equity relations, and identified all related parties and their related transactions; Verify the accuracy of related transaction data in detail; Reviewed the Group's internally prepared elimination entries for intercompany transactions, recalculated material entry amounts, and verified their consistency across reporting periods.
- (8) Inspecting the original documents related to revenue recognition of transactions, on sample basis, before and after the balance sheet date, to evaluate whether revenue is recorded in the appropriate accounting period;
- (9) Check that information relating to income events has been properly presented and disclosed in the financial statements.

Other Information

Management of the Company (“management”) is responsible for the other information. The other information comprises all of the information included in the 2024 annual report of the Company, other than the financial statements and our auditor’s report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company'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 Company to cease to continue as a going concern.

- (5) Evaluate the overall presentation (including the disclosures), structure and contents of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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



立信会计师事务所(特殊普通合伙)
BDO CHINA SHU LUN PAN CERTIFIED PUBLIC ACCOUNTANTS LLP

(There is no text in this page.)



Certified Public Accountant of China:
(Engagement Partner):

Certified Public Accountant of China:

Shanghai, China

April 29, 2025

Dongfang Electric Corporation Limited
Consolidated Balance Sheet
As at December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Assets	Note	Balance as at December 31, 2024	Balance as at December 31, 2023
Current assets:			
Monetary funds	5.1	26,855,949,069.93	17,129,250,869.93
Provisions for settlement			
Lending funds	5.2	836,529,745.30	
Trading financial assets	5.3	1,697,971,178.52	867,176,939.12
Derivative financial assets			
Notes receivable	5.4	1,224,353,136.23	1,152,624,005.12
Accounts receivable	5.5	12,545,314,264.97	10,714,105,864.95
Receivables financing	5.6	1,927,567,077.40	1,997,629,532.50
Advances to suppliers	5.7	5,876,898,026.02	7,919,037,467.33
Premiums receivable			
Reinsurance accounts receivable			
Reserves receivable for reinsurance contracts			
Other receivables	5.8	546,279,763.42	412,067,046.11
Purchase and resale of financial assets	5.9	2,666,820,136.99	2,959,861,095.88
Inventories	5.10	21,685,296,057.95	18,136,582,872.93
Contract assets	5.11	14,258,321,922.49	12,419,968,866.48
Assets held for sale			
Non-current assets due within one year	5.12	2,341,379,530.86	530,902,406.26
Other current assets	5.13	1,317,102,354.65	1,450,120,565.18
Total current assets		93,779,782,264.73	75,689,327,531.79
Non-current assets:			
Disbursement loans and advances	5.14	4,483,911,097.25	5,618,011,791.46
Investment in debt	5.15	19,785,285,247.24	19,072,837,013.51
Other debt investments			
Long-term receivables	5.16	21,879,106.99	201,486,860.12
Long-term equity investments	5.17	2,924,013,842.93	1,783,080,682.00
Other equity instrument investments	5.18	544,594,360.32	495,874,463.26
Other non-current financial assets			
Investment properties	5.19	144,195,700.70	146,049,853.94
Fixed assets	5.20	5,497,006,728.71	5,034,900,621.59
Construction in progress	5.21	1,427,333,045.26	789,077,246.34
Productive biological assets			
Oil and gas properties			
Right-of-use assets	5.22	554,692,874.36	345,268,409.32
Intangible assets	5.23	1,924,688,544.38	1,847,810,552.21
Development expenditure	5.24	5,027,241.19	4,682,571.60
Goodwill			
Long-term deferred expenses	5.25	15,213,914.59	2,116,601.80
Deferred tax assets	5.26	3,320,567,076.73	3,227,909,778.01
Other non-current assets	5.27	7,581,093,806.49	6,849,939,364.67
Total non-current assets		48,229,502,587.14	45,419,045,809.83
Total assets		142,009,284,851.87	121,108,373,341.62

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Consolidated Balance Sheet (Continued)
As at December 31, 2024

(All the amounts are denominated in RMB unless otherwise stated.)

(English Translation for Reference Only)

Liabilities and owners' equity	Note	Balance as at December 31,2024	Balance as at December 31,2023
Current liabilities:			
Short-term borrowings	5.29	75,080,000.00	110,165,544.44
Borrowing from the central bank			
Borrowing of funds			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable	5.30	15,635,278,628.07	13,892,247,700.54
Accounts payable	5.31	24,833,045,021.46	19,306,103,748.81
Advances from customers			
Contract liabilities	5.32	40,665,996,771.34	32,171,926,049.36
Sell repurchased financial assets			
Deposit absorption and interbank deposit	5.33	2,260,595,201.96	592,069,004.07
Agent buying and selling securities			
Underwriting securities as an agent			
Employee benefit payable	5.34	959,633,957.64	864,060,140.44
Taxes payable	5.35	782,649,173.71	439,788,690.24
Other payables	5.36	1,614,378,867.21	1,488,320,214.72
Fees and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	5.37	331,405,083.18	316,029,312.52
Other current liabilities	5.38	1,754,906,399.30	2,068,383,806.37
Total current liabilities		88,912,969,103.87	71,249,094,211.51
Non-current liabilities:			
Insurance contract reserves			
Long-term borrowings	5.39	2,167,176,895.80	1,383,426,409.20
Bonds payable			
Including: preferred stock			
Debt in perpetuity			
Lease liabilities	5.40	415,958,899.80	229,988,566.36
Long-term payables	5.41	240,000.00	240,000.00
Long-term employee benefit payable	5.42	1,003,106,169.47	1,053,539,276.41
Estimated liabilities	5.43	5,659,335,713.33	5,426,724,118.48
Deferred income	5.44	478,399,531.50	365,329,892.74
Deferred tax liabilities	5.26	229,850,405.47	180,156,104.32
Other non-current liabilities			
Total non-current liabilities		9,954,067,615.37	8,639,404,367.51
Total liabilities		98,867,036,719.24	79,888,498,579.02
Owners' equity:			
share capital	5.45	3,117,499,457.00	3,118,533,797.00
Other equity instruments			
Including: preferred stock			
Debt in perpetuity			
Capital reserves	5.46	11,559,826,521.38	11,566,006,626.86
Less: treasury stock	5.47	648,882.29	111,093,911.81
Other comprehensive income	5.48	-120,082,230.27	-129,954,183.72
Special purpose reserve	5.49	124,193,157.76	126,393,962.48
Surplus reserves	5.50	1,424,889,201.23	1,337,132,818.92
General risk provision			
Undistributed profit	5.51	22,690,605,142.05	21,337,876,676.79
Total owner's equity attributable to the company		38,796,282,366.86	37,244,895,786.52
Minority shareholders' equity		4,345,965,765.77	3,974,978,976.08
Total owners' equity		43,142,248,132.63	41,219,874,762.60
Total liabilities and owners' equity		142,009,284,851.87	121,108,373,341.62

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Company's Balance Sheet
As at December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Assets	Note	Balance as at December 31,2024	Balance as at December 31,2023
Current assets:			
Monetary funds		5,980,612,043.92	6,178,356,799.39
Trading financial assets		941,928,287.16	8,340,952.00
Derivative financial assets			
Notes receivable		12,297,518.11	
Accounts receivable	16.1	800,547,351.80	1,248,796,991.39
Receivables financing		192,828,351.11	327,518,561.48
Advances to suppliers		1,212,770,153.45	3,416,832,892.42
Other receivables	16.2	40,918,179.55	40,640,668.41
Inventories		39,613,454.59	253,784,140.28
Contract assets		3,238,054,120.91	3,302,524,617.01
Assets held for sale			
Non-current assets due within one year			
Other current assets		31,550,684.69	55,955,599.80
Total current assets		12,491,120,145.29	14,832,751,222.18
Non-current assets:			
Investment in debt			
Other debt investments			
Long-term receivables			
Long-term equity investments	16.3	23,181,324,428.75	23,001,878,507.38
Other equity instrument investments			
Other non-current financial assets			
Investment properties		5,638,655.69	6,752,015.96
Fixed assets		50,964,988.17	29,038,537.66
Construction in progress		89,313,721.84	101,573,017.65
Productive biological assets			
Oil and gas properties			
Right-of-use assets		64,279,849.74	139,501,881.11
Intangible assets		123,861,076.78	82,804,924.55
Development expenditure		3,419,811.33	3,419,811.33
Goodwill			
Long-term deferred expenses			
Deferred tax assets		146,515,943.21	166,030,097.74
Other non-current assets		2,415,102,239.92	2,869,248,263.60
Total non-current assets		26,080,420,715.43	26,400,247,056.98
Total assets		38,571,540,860.72	41,232,998,279.16

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Company's Balance Sheet (Continued)
As at December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Liabilities and owners' equity	Note	Balance as at December 31, 2024	Balance as at December 31, 2023
Current liabilities:			
Short-term borrowings			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			5,776,584.88
Accounts payable		5,752,905,713.07	8,152,158,892.35
Advances from customers			
Contract liabilities		5,411,977,624.86	5,837,947,295.74
Employee benefit payable		54,183,935.47	48,225,515.56
Taxes payable		1,199,552.44	5,659,904.76
Other payables		696,783,625.37	702,104,343.56
Liabilities held for sale			
Non-current liabilities due within one year		70,168,874.79	69,750,940.56
Other current liabilities		290,330,524.68	344,719,274.95
Total current liabilities		12,277,549,850.68	15,166,342,752.36
Non-current liabilities:			
Long-term borrowings		886,948,500.00	71,708,500.00
Bonds payable			
Including: preferred stock			
Debt in perpetuity			
Lease liabilities			69,750,940.55
Long-term payables			
Long-term Employee benefit payable		7,958,894.01	5,994,300.00
Provisions		116,443,217.68	140,781,122.80
Deferred income		19,519,935.62	14,599,935.62
Deferred tax liabilities		69,155,980.56	69,155,980.56
Other non-current liabilities			
Total non-current liabilities		1,100,026,527.87	371,990,779.53
Total liabilities		13,377,576,378.55	15,538,333,531.89
Owners' equity:			
share capital		3,117,499,457.00	3,118,533,797.00
Other equity instruments			
Including: preferred stock			
Debt in perpetuity			
Capital reserves		13,028,992,922.66	13,035,855,440.82
Less: treasury stock		648,882.29	111,093,911.81
Other comprehensive income			
Special purpose reserve			
Surplus reserves		1,713,266,580.27	1,625,510,197.96
Undistributed profit		7,334,854,404.53	8,025,859,223.30
Total owners' equity		25,193,964,482.17	25,694,664,747.27
Total liabilities and owners' equity		38,571,540,860.72	41,232,998,279.16

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Consolidated Income Statement
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Items	Note	Year 2024	Year 2023
I. Total operating income		69,695,135,723.47	60,676,613,395.82
Including: operating income	5.52	68,592,735,741.35	59,566,526,583.78
Interest income	5.52	1,102,098,612.61	1,108,245,427.30
Premiums already earned			
Fee and commission income		301,369.51	1,841,384.74
II. Total operating cost		66,679,757,795.87	57,338,357,281.19
Including: operating costs	5.52	58,876,109,012.73	50,073,722,959.33
Interest expense		24,698,284.75	31,964,932.11
Handling charges and commissions expenses		1,448,745.83	1,365,320.87
Surrender value			
Net claims disbursements			
Draw net insurance liability reserves			
Policy dividend payments			
Reinsurance costs			
Taxes and surcharges	5.53	378,526,114.98	303,469,491.19
Selling and distribution expenses	5.54	822,360,688.77	766,951,994.89
General and administrative expenses	5.55	3,523,054,191.25	3,403,903,282.05
Research and development expenses	5.56	3,009,012,872.14	2,749,527,295.10
Financial expenses	5.57	44,547,885.42	7,452,005.65
Including: interest expenses		82,971,078.48	64,439,100.49
Interest income		132,705,664.58	120,750,779.59
Plus: Other earnings	5.58	769,921,637.52	438,795,618.71
Investment income (loss is represented by "-" sign)	5.59	1,577,063,838.88	748,149,784.92
Including: investment income from joint ventures and joint ventures		186,935,311.74	320,691,180.02
Termination of recognition of income on financial assets measured at amortized cost			
Exchange gain (loss is represented by "-" sign)	5.60	6,844,738.21	28,240,727.60
Net exposure hedging gain (loss is represented by "-" sign)			
Gains from changes in fair value (loss is represented by "-" sign)	5.61	-204,160,425.88	85,064,728.63
Credit impairment loss (loss is represented by "-" sign)	5.62	-146,035,139.19	-175,675,005.47
Asset impairment loss (loss is represented by "-" sign)	5.63	-1,148,012,197.65	-495,915,825.36
Gain on disposal of assets (loss is represented by "-" sign)	5.64	16,452,695.37	9,767,653.91
III. Operating profit (loss is represented by "-" sign)		3,887,453,074.86	3,976,683,797.57
Plus: Non-operating income	5.65	49,505,127.67	71,405,646.69
Less: Non-operating expenses	5.66	52,714,456.87	41,925,277.28
IV. Total profit (Total loss is marked with "-")		3,884,243,745.66	4,006,164,166.98
Less: Income tax expense	5.67	596,717,889.35	362,454,836.22
V. Net profit (Net loss is represented by "-" sign)		3,287,525,856.31	3,643,709,330.76
(I) Classified by operating sustainability			
1. Net profit from continuing operations (net loss represented by "-" sign)		3,287,525,856.31	3,643,709,330.76
2. Net profit from discontinued operations (net loss is marked with "-")			
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent company (net loss represented by "-" sign)		2,922,100,908.48	3,550,393,576.32
2. Profit and loss of minority shareholders (net loss is represented by "-" sign)		365,424,947.83	93,315,754.44
VI. Other comprehensive income, net after tax		11,603,588.82	-139,214,402.37
Net after tax of other comprehensive income attributable to the owner of the parent company		9,871,953.45	-130,217,136.03
(1) Other comprehensive income that cannot be reclassified into profit and loss		6,879,841.41	-118,249,416.77
1. Recalculate changes in defined benefit plans			
2. Other comprehensive income that cannot be converted into profit and loss under the equity method			
3. Changes in fair value of other equity instrument investments		6,879,841.41	-118,249,416.77
4. Changes in the fair value of the enterprise's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss		2,992,112.04	-11,967,719.26
1. Other comprehensive income that can be converted into profit or loss under the equity method		341,649.17	365,374.29
2. Changes in fair value of other debt investments			
3. The amount of financial assets reclassified into other comprehensive income			
4. Other debt investment credit impairment provisions		1,347,742.87	-1,333,531.32
5. Cash flow hedge reserve			
6. Differences on translation of foreign currency financial statements		1,302,720.00	-10,999,562.23
7. Other			
Net after-tax amount of other comprehensive income attributable to minority shareholders		1,731,635.37	-8,997,266.34
VII. Total comprehensive income		3,299,129,445.13	3,504,494,928.39
Total comprehensive income attributable to owners of the company		2,931,972,861.93	3,420,176,440.29
Total comprehensive income attributable to minority shareholders		367,156,583.20	84,318,488.10
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.94	1.14
(II) Diluted earnings per share (YUAN/share)		0.94	1.14

An enterprise merger under the same control occurs in the current period, the net profit realized by the merged party before the merger is RMB 0.00 , and the net profit realized by the merged party in the previous period is RMB 0.00 . The accompanying notes form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Company's Income Statement
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Items	Note	Year 2024	Year 2023
I. Operating income	16.4	7,084,193,918.26	14,409,028,043.37
Less: Operating costs	16.4	6,856,307,297.77	13,762,548,571.05
Taxes and surcharges		6,466,188.77	3,982,354.87
Selling and distribution expenses		65,676,860.40	59,389,916.60
General and administrative expenses		380,548,944.66	346,918,660.48
Research and development expenses		199,376,298.68	291,083,248.39
Financial expenses		-38,622,638.17	-44,975,247.53
Including: interest expenses		8,872,653.67	1,329,971.89
Interest income		57,794,588.06	44,661,819.44
Plus: Other earnings			3,000.00
Investment income (loss is represented by "-" sign)	16.5	1,492,244,274.27	1,466,699,160.28
Including: investment income from joint ventures and joint ventures		-1,900,383.08	126,849,244.84
Termination of recognition of income on financial assets measured at amortized cost			
Net exposure hedging gain (loss is represented by "-" sign)			
Gains from changes in fair value (loss is represented by "-" sign)		-223,440,434.07	471,602.00
Credit impairment loss (loss is represented by "-" sign)		-8,481,171.17	73,960,277.92
Asset impairment loss (loss is represented by "-" sign)		21,498,810.18	-151,665,958.37
Gain on disposal of assets (loss is represented by "-" sign)		7,877,241.29	
II. Operating profit (loss is represented by "-" sign)		904,139,686.65	1,379,548,621.34
Plus: Non-operating income		7,902,455.77	26,822,998.00
Less: Non-operating expenses		14,964,164.84	11,584,319.65
III. Total profit (Total loss is marked with "-")		897,077,977.58	1,394,787,299.69
Less: Income tax expense		19,514,154.53	86,304,805.22
IV. Net profit (Net loss is marked with "-")		877,563,823.05	1,308,482,494.47
(I) Net profit from continuing operations (" - "for net loss)		877,563,823.05	1,308,482,494.47
(II) Net profit from discontinued operations (net loss is marked with "-")			
V. Net after-tax amount of other comprehensive income			-475,130.32
(I) Other comprehensive income that cannot be reclassified into profit and loss			
1. Recalculate changes in defined benefit plans			
2. Other comprehensive income that cannot be converted into profit and loss under the equity method			
3. Changes in fair value of other equity instrument investments			
4. Changes in the fair value of the enterprise's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss			-475,130.32
1. Other comprehensive income that can be converted into profit or loss under the equity method			
2. Changes in fair value of other debt investments			
3. The amount of financial assets reclassified into other comprehensive income			
4. Other debt investment credit impairment provisions			
5. Cash flow hedge reserve			
6. Differences on translation of foreign currency financial statements			-475,130.32
7. Other			
VI. Total comprehensive income		877,563,823.05	1,308,007,364.15
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (YUAN/share)			

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Items	Note	Year 2024	Year 2023
I. Cash flow from operating activities			
Cash received from sales of goods and rendering of services		73,358,515,737.67	60,080,393,051.10
Net increase in customer deposits and interbank deposits		1,805,594,490.68	-6,867,616,168.89
Net increase in borrowing from the central bank			
Net increase in funds borrowed from other financial institutions		-795,801,113.09	56,646,341.72
Cash received from premiums of original insurance contracts			
Net cash received from reinsurance operations			
Net increase in insured savings and investment funds			
Cash received for interest, fees and commissions		489,627,760.24	224,652,893.51
Net increase in borrowed funds			
Net increase in funds from repurchase operations			
Net cash received from buying and selling securities on an agent's behalf			
Refund of taxes received		24,819,326.87	313,339,603.59
Other cash received relating to operating activities		4,960,367,306.20	4,207,870,538.57
Subtotal of cash inflows from operating activities		79,843,123,508.57	58,015,286,259.60
Cash paid for goods purchased and services received		56,209,490,945.61	50,183,751,530.59
Net increase in customer loans and advances		-1,791,652,622.96	-2,898,003,869.83
Net increase in deposits with central bank and interbank funds		515,329,667.61	-218,731,064.89
Cash for payment of claims under the original insurance contract			
Lending funds net increase			
Cash paid for interest, fees and commissions		1,300,888.47	1,100,266.23
Cash paid for policy dividends			
Cash paid to and for employees		5,643,557,069.31	5,481,890,244.05
Cash paid for taxes and surcharges		2,777,690,323.72	2,219,757,282.66
Other cash paid relating to operating activities		6,427,915,828.49	6,741,398,093.38
Subtotal of cash outflows from operating activities		69,783,632,100.25	61,511,162,482.19
Net cash flows from operating activities	5.70	10,059,491,408.32	-3,495,876,222.59
II. Cash flow from investment activities			
Cash received from the recovery of an investment		35,262,270,217.80	32,260,619,410.47
Cash received from investment income		120,011,124.62	112,632,918.46
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets		1,147,462.33	9,204,116.35
Disposal of net cash received by subsidiaries and other business units		492,572,075.62	
Other cash received relating to investing activities			2,753,588.37
Subtotal of cash inflows from investing activities		35,876,000,880.37	32,385,210,033.65
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		2,999,116,867.65	1,110,103,477.28
Cash paid for investments		35,650,572,826.54	25,219,966,200.00
Net increase in pledged loans			
Obtain net cash paid by subsidiaries and other business units			
Payment of other cash relating to investing activities		7,000.00	148,000.00
Subtotal of cash outflows from investing activities		38,649,696,694.19	26,330,217,677.28
Net cash flows from investing activities		-2,773,695,813.82	6,054,992,356.37
III. Cash flow generated by financing activities			
Cash received from investment absorption		110,017,500.00	276,457,036.00
Including: cash received by subsidiaries from the absorption of minority shareholders' investments		110,017,500.00	276,457,036.00
Cash received from borrowings		2,511,723,871.40	865,437,595.74
Other cash received relating to financing activities		593,536,697.59	436,326,577.79
Subtotal of cash inflows from financing activities		3,215,278,068.99	1,578,221,209.53
Cash paid to repay debt		316,217,093.56	709,002,286.14
Cash used to distribute dividends, profits, or interest payments		1,655,173,254.10	1,188,638,536.38
Including: dividends and profits paid by subsidiaries to minority shareholders		124,616,880.33	98,978,105.25
Payment of other cash relating to financing activities		155,123,272.48	177,681,074.68
Subtotal of cash outflows from financing activities		2,126,513,620.14	2,075,321,897.20
Net cash flows from financing activities		1,088,764,448.85	-497,100,687.67
IV. Effect of exchange rate changes on cash and cash equivalents		-39,287,700.51	-18,595,547.07
V. Net increase in cash and cash equivalents		8,335,272,342.84	2,043,419,899.04
Add: Balance of cash and cash equivalents at the beginning of the period		14,167,585,378.12	12,124,165,479.08
VI. Balance of cash and cash equivalents at the end of the period		22,502,857,720.96	14,167,585,378.12

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Company's Statement of Cash Flows
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Items	Note	Year 2024	Year 2023
I. Cash flow from operating activities			
Cash received from sales of goods and rendering of services		6,904,230,201.14	8,456,438,425.24
Refund of taxes received			16,201,971.74
Other cash received relating to operating activities		1,190,099,583.99	974,352,997.16
Subtotal of cash inflows from operating activities		8,094,329,785.13	9,446,993,394.14
Cash paid for goods purchased and services received		6,955,682,207.19	10,129,241,450.22
Cash paid to and for employees		193,665,228.76	233,397,530.80
Cash paid for taxes and surcharges		35,738,012.26	11,657,588.67
Other cash paid relating to operating activities		777,351,401.92	694,314,276.78
Subtotal of cash outflows from operating activities		7,962,436,850.13	11,068,610,846.47
Net cash flows from operating activities	16.6	131,892,935.00	-1,621,617,452.33
II .Cash flow from investment activities			
Cash received from the recovery of an investment		1,422,042.65	
Cash received from investment income		1,518,970,780.21	1,075,610,779.56
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets			
Disposal of net cash received by subsidiaries and other business units			
Other cash received relating to investing activities			
Subtotal of cash inflows from investing activities		1,520,392,822.86	1,075,610,779.56
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets		79,492,364.96	24,874,588.60
Cash paid for investments		214,202,800.00	494,708,500.00
Obtain net cash paid by subsidiaries and other business units			
Payment of other cash relating to investing activities		815,240,000.00	
Subtotal of cash outflows from investing activities		1,108,935,164.96	519,583,088.60
Net cash flows from investing activities		411,457,657.90	556,027,690.96
III.Cash flow generated by financing activities			
Cash received from investment absorption			
Cash received from borrowings		815,240,000.00	71,708,500.00
Other cash received relating to financing activities			
Subtotal of cash inflows from financing activities		815,240,000.00	71,708,500.00
Cash paid to repay debt			
Cash used to distribute dividends, profits, or interest payments		1,469,038,962.53	1,041,235,565.66
Payment of other cash relating to financing activities		77,590,015.20	68,792,835.60
Subtotal of cash outflows from financing activities		1,546,628,977.73	1,110,028,401.26
Net cash flows from financing activities		-731,388,977.73	-1,038,319,901.26
IV.Effect of exchange rate changes on cash and cash equivalents		-5,660,051.20	-17,556,660.60
V .Net increase in cash and cash equivalents		-193,698,436.03	-2,121,466,323.23
Add: Balance of cash and cash equivalents at the beginning of the period		6,172,320,271.62	8,293,786,594.85
VI.Balance of cash and cash equivalents at the end of the period		5,978,621,835.59	6,172,320,271.62

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge:

Dongfang Electric Corporation Limited
Consolidated Statement of Changes in Shareholders' Equity
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Items	Year2024												
	Equity attributable to owners of the company												
	Share capital	Preferred stock	Other equity instruments	Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Sub-total	Minority equity	Total shareholders' equity
		Perpetual bond	Others										
I. Balance at the end of last year	3,118,533,797.00			11,566,006,626.86	111,093,911.81	-129,954,183.72	126,393,962.48	1,337,132,818.92		21,337,876,676.79	37,244,895,786.52	3,974,978,976.08	41,219,874,762.60
Add: Changes in accounting policies													
Correction of previous errors													
Merger of enterprises under the same control													
Other													
II. Balance at the beginning of the current year	3,118,533,797.00			11,566,006,626.86	111,093,911.81	-129,954,183.72	126,393,962.48	1,337,132,818.92		21,337,876,676.79	37,244,895,786.52	3,974,978,976.08	41,219,874,762.60
III. Changes in amount of increase or decrease in the current period (decrease is marked with "-")													
(1) Total comprehensive income													
(II) Capital contributed or reduced by owners	-1,034,340.00			-6,180,105.48	-110,445,029.52	9,871,953.45	-2,200,804.72	87,756,382.31		1,352,728,465.26	1,551,386,580.34	370,986,789.69	1,922,373,370.03
1. Common stock invested by the owner	-1,034,340.00			-6,180,105.48	-110,445,029.52	9,871,953.45				2,922,100,908.48	2,931,972,861.93	367,156,583.20	3,299,129,445.13
2. Other equity instrument holders invest capital										-803,801.40	102,426,782.64	127,253,636.31	229,680,418.95
3. Share-based payment The amount credited to the owner's equity				-4,127,540.41									
4. Other				-2,052,565.07	-110,445,029.52					-803,801.40	-4,127,540.41		-4,127,540.41
(III) Profit distribution										-1,568,568,641.82	107,588,663.05		107,588,663.05
1. Withdraw surplus reserves										-87,756,382.31	-1,480,812,259.51	-124,616,880.33	-1,605,429,139.84
2. Extract general risk provisions													
3. Profit distributed to owners (shareholders)										-1,480,812,259.51	-1,480,812,259.51	-124,616,880.33	-1,605,429,139.84
4. Other													
(IV) Internal carry-over of owners' equity													
1. Conversion of capital reserve into increased capital (or share capital)													
2. Surplus reserve to increase capital (or share capital)													
3. Surplus reserves cover losses													
4. Changes in defined benefit plans are carried forward to retained earnings													
5. Other comprehensive income is carried forward to retained earnings													
6. Other													
(V) Special reserves							-2,200,804.72				-2,200,804.72	1,193,450.51	-1,007,354.21
1. Extraction of this issue							83,740,478.65				83,740,478.65	15,364,513.49	99,104,992.14
2. Use in the current period							85,941,283.37				85,941,283.37	14,171,062.98	100,112,346.35
(VI) Others													
IV. Ending balance of the current period	3,117,499,457.00			11,559,826,521.38	648,882.29	-120,082,230.27	124,193,157.76	1,424,889,201.23		22,690,605,142.05	38,796,282,366.86	4,345,965,765.77	43,142,248,132.63

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge

Dongfang Electric Corporation Limited
Consolidated Statement of Changes in Shareholders' Equity (Continued)
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)
(English Translation for Reference Only)

Year2023														
Items	Equity attributable to owners of the company											Minority equity	Total shareholders' equity	
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit			Sub-total
		Preferred stock	Perpetual bond	Others										
I. Balance at the end of last year	3,118,807,797.00				11,650,956,621.11	112,550,221.81	262,952.31	129,425,897.03	1,201,503,540.86		19,003,660,394.74	34,992,066,981.24	38,635,574,727.72	
Add: Changes in accounting policies														
Correction of previous errors														
Merger of enterprises under the same control														
Other														
II. Balance at the beginning of the current year	3,118,807,797.00				11,650,956,621.11	112,550,221.81	262,952.31	129,425,897.03	1,201,503,540.86		19,003,660,394.74	34,992,066,981.24	38,635,574,727.72	
III. Changes in amount of increase or decrease in the current period (decrease is marked with "-")	-274,000.00				-84,949,994.25	-1,456,310.00	-130,217,136.03	-3,031,934.55	135,629,278.06		2,334,216,282.05	2,252,828,805.28	2,584,300,034.88	
(I) Total comprehensive income							-130,217,136.03				3,550,393,576.32	3,420,176,440.29	3,504,494,928.39	
(II) Capital contributed or reduced by owners	-274,000.00				-84,949,994.25	-1,456,310.00		-2,922,503.80				-86,690,188.05	261,107,643.80	
1. Common stock invested by the owner	-274,000.00				1,736,390.43							1,462,390.43	80,199,745.89	
2. Other equity instrument holders invest capital														
3. Share-based payment the amount credited to the owner's equity														
4. Other														
(III) Profit distribution								-2,922,503.80				-88,152,578.48	180,907,897.91	
1. Withdraw surplus reserves									135,629,278.06		-1,216,177,294.27	-1,080,548,016.21	-1,181,036,628.01	
2. Extract general risk provisions									135,629,278.06		-135,629,278.06			
3. Profit distributed to owners (shareholders)											-1,080,548,016.21	-1,080,548,016.21	-98,978,105.25	
4. Other												-1,510,506.55	-1,510,506.55	
(IV) Internal carry-over of owners' equity														
1. Conversion of capital reserve into increased capital (or share capital)														
2. Surplus reserve to increase capital (or share capital)														
3. Surplus reserves cover losses														
4. Changes in defined benefit plans are carried forward to retained earnings														
5. Other comprehensive income is carried forward to retained earnings														
6. Other														
(V) Special reserves														
1. Extraction of this issue								-109,430.75				-109,430.75	-156,478.55	
2. Use in the current period								109,613,214.51				109,613,214.51	126,081,964.98	
(VI) Others								109,722,645.26				109,722,645.26	126,347,874.28	
IV. Ending balance of the current period	3,118,533,797.00				11,566,006,626.86	111,093,911.81	-129,954,183.72	126,393,962.48	1,337,132,818.92		21,337,876,676.79	37,244,895,786.52	41,219,874,762.60	

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge

Dongfang Electric Corporation Limited
Company's Statement of Changes in Shareholders' Equity (Continued)
For the Year Ended December 31, 2024
(All the amounts are denominated in RMB unless otherwise stated.)

(English Translation for Reference Only)											
Year2023											
Items	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total shareholders' equity
		Preferred stock	Perpetual bond	Others							
I .Balance at the end of last year	3,118,807,797.00				13,030,861,412.27	112,550,221.81	475,130.32		1,489,880,919.90	7,897,714,828.89	25,425,189,866.57
Add: Changes in accounting policies											
Correction of previous errors											
Other											
II .Balance at the beginning of the current year	3,118,807,797.00				13,030,861,412.27	112,550,221.81	475,130.32		1,489,880,919.90	7,897,714,828.89	25,425,189,866.57
III.Changes in amount of increase or decrease in the current period (decrease is marked with "-")	-274,000.00				4,994,028.55	-1,456,310.00	-475,130.32		135,629,278.06	128,144,394.41	269,474,880.70
(I) Total comprehensive income							-475,130.32			1,308,482,494.47	1,308,007,364.15
(II) Capital contributed or reduced by owners	-274,000.00				4,994,028.55	-1,456,310.00					6,176,338.55
1. Common stock invested by the owner	-274,000.00				-1,182,310.00						-1,456,310.00
2. Other equity instrument holders invest capital											
3. Share-based payment The amount credited to the owner's equity					6,176,338.55						6,176,338.55
4. Other						-1,456,310.00					1,456,310.00
(III) Profit distribution									135,629,278.06	-1,180,338,100.06	-1,044,708,822.00
1. Withdraw surplus reserves									135,629,278.06	-135,629,278.06	
2. Profit distributed to owners (shareholders)										-1,044,708,822.00	-1,044,708,822.00
3. Other											
(IV) Internal carry-over of owners' equity											
1. Conversion of capital reserve into increased capital (or share capital)											
2. Surplus reserve to increase capital (or share capital)											
3. Surplus reserves cover losses											
4. Changes in defined benefit plans are carried forward to retained earnings											
5. Other comprehensive income is carried forward to retained earnings											
6. Other											
(V) Special reserves											
1. Extraction of this issue											
2. Use in the current period											
(VI) Others											
IV .Ending balance of the current period	3,118,333,797.00				13,035,855,440.82	111,093,911.81			1,625,510,197.96	8,025,859,223.30	25,694,664,747.27

The accompanying notes to the financial statements form an integral part of the financial statements.

Legal Representative:

Chief Accountant:

Accountant in Charge

Dongfang Electric Corporation Limited

Notes to the Financial Statements

For the Year Ended December 31, 2024

(All the amounts are denominated in RMB unless otherwise stated.)

1 Company profile

1.1 Place of registration, organizational form and address of headquarters

Dongfang Electric Corporation Limited (hereinafter referred to as the "Company") which was formerly known as Dongfang Electric Machinery Co., Ltd. was established on December ,1993, upon the approval with the document TGS [1992]No.67 and the document TGS [1993]No. 214 issued by the State Commission for Restructuring the Economic System and the document GZQHF [1993]No. 100 issued by the former State Administration of State-owned Assets, and it is a joint stock limited company established and invested by Dongfang Electrical Machinery Works as the sole sponsor through discounting its held major production operating assets authorized by the State. The Company was listed for trading in the Shanghai Stock Exchange on October 10,1995, and was listed for trading in the Stock Exchange of Hong Kong Limited on June 6, 1994. Now it holds a business license with a unified social credit code of 915101002051154851.

After the distribution of bonus shares, allotment of new shares, capitalization and issuance of new shares over the years, as of December 31, 2024, the company has issued a total of 3,117,499,460.00 shares with a registered capital of RMB 3,117,499,460.00, Registered address: No.18, Xixin Avenue, Western High-tech District, Chengdu, Sichuan Province. Headquarters address: No. 18, Xixin Avenue, Western High-tech District, Chengdu, Sichuan Province. The parent company is Dongfang Electric Corporation.

1.2 The business nature and main business activities of the Company

The company belongs to the power generation equipment manufacturing industry, business scope: general equipment manufacturing, electrical machinery and equipment manufacturing, nuclear power generation equipment, wind power generation equipment, renewable energy power generation equipment and spare parts manufacturing, sales and research and development; R&D, manufacturing and sales of industrial control and automation; R&D, manufacturing and sales of environmental protection equipment (desulfurization, denitrification, wastewater, solid waste), energy saving equipment and petrochemical containers; R&D, manufacturing and sales of instruments, general machinery and other equipment; Industrial gas manufacturing and sales; Power plant design, power plant equipment complete technology development, complete equipment sales and service; General contracting and subcontracting overseas power generation equipment, mechanical and electrical engineering, complete sets of projects and domestic international bidding projects, exporting equipment and materials needed for the above-mentioned overseas projects, and dispatching labor personnel needed for the implementation of the above-mentioned overseas projects; Import and export trade; Business services; Professional and technical services; Science and technology exchange and promotion of services (projects subject to approval according to law can only be carried out after approval by relevant departments). The main products and services are thermal power generation equipment, hydroelectric power generation equipment, wind power generation equipment, nuclear power generation equipment and gas power generation equipment.

1.3 Scope of consolidated financial statements

Scope of Consolidated financial statements (excluding cancelled companies) The total number of subsidiaries of the Company included in the scope of consolidation during the current period is 103, as detailed in this note 7, interests in other entities. In the current period, the number of entities included in the scope of consolidated financial statements increased by 25 and decreased by 9 compared with the previous period.

1.4 Approval of financial statements

The financial statements were approved to be issued on April 29, 2025.

2 Basis of preparation for financial statements

2.1 Basis of preparation

These financial statements are prepared in accordance with the Accounting Standards for Business Enterprises-Basic Standards and the specific accounting standards, the Application Guide to the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises, and other relevant regulations (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises") issued by the Ministry of Finance. As well as the relevant provisions of the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.15-General Provisions on Financial Reporting issued by the China Securities Regulatory Commission.

In addition, the financial statements comply with the applicable disclosure provisions of the securities listing rules issued by the Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

2.2 Going concern

The Company has evaluated its ability to go as a going concern for the 12 months from the end of the reporting period and has not identified matters or circumstances that raise significant doubt about its going concern. Accordingly, these financial statements have been prepared on the basis of going concern assumptions.

3 Principal accounting policies and accounting estimates

1.The Company determines specific accounting policies and accounting estimates according to the characteristics of production and operation. This is mainly reflected in the valuation method of inventories (Note 3 (13)), the method of provision for expected credit losses of financial instruments (Note 3 (10)), the depreciation of fixed assets and amortization of intangible assets (Note 3 (18) and Note 3 (21)), the measurement model of investment real estate (Note 3 (17)), and the time point of revenue recognition (Note 3 (29)).

2. Based on historical experience and other factors, including reasonable expectations of future events, the Company conducts continuous evaluation on the important accounting estimates and key assumptions adopted. Significant changes in the following important accounting estimates and key assumptions may have a significant impact on the book value of assets and liabilities in the following accounting years:

(1) Expected credit losses of accounts receivable and other receivables. Allowance for impairment is estimated based on expected credit losses on trade and other receivables. If any event occurs or changes in circumstances indicate that the Company may not be able to recover the balances, it is necessary to use estimates to make a provision for accounts receivable and other receivables. If the expected figure is different from the original estimate, the difference will affect the carrying value of accounts receivable and other receivables, as well as the impairment charge during the period when the estimate is changed.

(2) Estimation of inventory impairment. Inventories are measured at the lower of cost and net realizable value on the balance sheet date. The calculation of net realizable value requires the use of assumptions and estimates. If the management revises the estimated selling price and the costs and expenses to be incurred upon completion, the estimation of the net realizable value of inventories will be affected, and the difference will have an impact on the provision for inventory depreciation.

(3) Estimation of impairment of long-term assets. When the management judges whether the long-term assets are impaired, it mainly evaluates and analyzes from the following aspects:①whether the events affecting the impairment of assets have occurred;②whether the present value of the expected cash flow from the continued use or disposal of assets is lower than the book value of the assets; and ③whether the important assumptions used in the present value of the expected future cash flow are appropriate.

The relevant assumptions used by the Company to determine impairment, such as changes in the profitability discount rate and growth rate assumptions used in the present value of future cash flows method, may have a significant impact on the present value used in the impairment test and result in the reduction of the Company's long-term assets mentioned above.

(4) Estimated useful life and estimated net salvage value of fixed assets. The estimated useful lives and estimated net residual values of fixed assets are based on the past actual useful lives and actual net residual values of fixed assets with similar nature and functions. In the process of using fixed assets, the economic environment, technical environment and other environments may have a greater impact on the service life and estimated net residual value of fixed assets. If the estimated useful lives and net residual values of fixed assets are different from the original estimates, the management will make appropriate adjustments.

(5) Classification of subsidiaries, joint ventures and associated enterprises. Where the company and other parties jointly exercise control over the investee and enjoy rights over the net assets of the investee, the investee shall be a joint venture of the company. If the company is able to exert significant influence on the investee, the investee shall be an associate of the company.

(6) Fair value of financial assets. For the financial instruments without active market, the Company adopts various valuation techniques including the discounted cash flow method to determine their fair values. The fair value of the financial assets that the Company is restricted by law to dispose of within a specific period is based on the quoted market price and adjusted according to the characteristics of the instrument. In valuation, the Company is required to take into account factors such as its own and counterparty credit risk, Market volatility and correlation are estimated, and the changes in the assumptions of these relevant factors will have an impact on the fair value of financial instruments.

(7) Share-based payment. Data on assumptions and risk factors involved in share-based payments.

(8) Deferred income tax assets and deferred income tax liabilities. Deferred tax assets shall be recognized for all unutilized deductible losses to the extent that there is likely to be sufficient taxable income to offset deductible losses. This requires management to use a lot of judgment to estimate the time and amount of future taxable income, combined with tax planning strategies, to determine the amount of deferred income tax assets to be recognized.

(9) Income tax. In the normal course of business, there is uncertainty about the ultimate tax treatment of many transactions and events. Major judgments need to be made when calculating income tax. If there is a difference between the final determination of these tax matters and the amount initially recorded, the difference will have an impact on the amount of tax in the period in which the final determination is made.

(10) Revenue recognition. If the performance obligation is performed within a certain period of time, the Company recognizes revenue according to the progress of performance. Otherwise, the Company recognizes revenue at a point at which the customer acquires control of the relevant assets. The performance progress is measured by the expenses or inputs incurred by the Company to fulfill its performance obligations, and the progress is determined based on the proportion of the accumulated costs incurred by each contract as of the balance sheet date to the estimated total costs. Significant estimates and judgments need to be made about costs incurred, estimated total costs and contract recoverability.

(11) Determination of consolidation scope. The scope of the merger includes the Company and all its subsidiaries. Control means that the company has the power over the investee, enjoys variable returns by participating in related activities of the investee, and has the ability to use the power over the investee to influence the amount of returns. If the minority shareholding ratio is less than half but the group has substantial control, the company shall be included in the scope of merger.

3. Important key judgments. The key judgment of determining the fair value of the equity instrument when the equity instrument is issued as the consideration for the business combination; the judgment of the contingent consideration for the business combination, etc.

3.1 Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements meet the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truly and completely reflect the Company's financial position as at December 31, 2024, as well as its operating results and its cash flows for the year then ended

3.2 Accounting period

The accounting year is from January 1 to December 31 in calendar year.

3.3 Operating cycle

The Company's operating cycle is 12 months.

3.4 Functional currency

The Company adopts CNY as its functional currency.

3.5 Accounting treatment methods for business combinations under the same control and not under the same control

Business combination under the same control: the assets and liabilities acquired by the merging party in the business combination (including the goodwill formed by the acquisition of the merged party by the ultimate

controlling party) are measured on the basis of the book value of the assets and liabilities of the merged party in the consolidated financial statements of the ultimate controlling party. The difference between the book value of the net assets acquired in the merger and the book value of the consideration paid for the merger (or the total par value of the shares issued) shall be adjusted to the capital stock premium in the capital reserve. If the capital stock premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

Business combination not under the same control: the combination cost is the fair value of the assets paid, the liabilities incurred or assumed and the equity securities issued by the acquirer on the acquisition date in order to obtain the control of the acquiree. The difference between the combination cost and the fair value of the identifiable net assets acquired from the acquiree in the combination shall be recognized as goodwill; Included in the current profits and losses. The identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a combination that meet the recognition conditions are measured at their fair values on the acquisition date.

The direct relevant expenses incurred for business combination shall be included in the current profits and losses when incurred; the transaction expenses for issuing equity securities or debt securities for business combination shall be included in the initially recognized amount of equity securities or debt securities.

3.6 Judgment criteria of control and preparation method of consolidated financial statements

3.6.1 Judgment standard of control

The consolidation scope of the consolidated financial statements is determined on the basis of control and includes the Company and all its subsidiaries. Control means that the company has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power over the investee to influence the amount of its returns.

3.6.2 Merge program

The Company regards the whole enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial position, operating results and cash flow of the enterprise group. The impact of internal transactions between the Company and its subsidiaries and between subsidiaries shall be offset. If the internal transaction indicates that the impairment loss of the relevant assets has occurred, the loss shall be recognized in full. If the accounting policies and accounting periods adopted by the subsidiaries are inconsistent with those of the Company, necessary adjustments shall be made according to the accounting policies and accounting periods of the Company when preparing the consolidated financial statements.

Subsidiary owners' equity, current period net profit and loss and the share of minority shareholders in the current period comprehensive income are shown separately under owners' equity in the consolidated balance sheet, under net profit in the consolidated income statement and under total comprehensive income, respectively. The loss shared by the minority shareholders of the subsidiary in the current period exceeds the balance formed by the minority shareholders' share in the initial owner's equity of the subsidiary, and the shareholders' equity is reduced by several.

(1) Increase of subsidiaries or businesses

During the reporting period, if a business combination under the same control increases a subsidiary or business, the operating results and cash flows of the subsidiary or business combination from the beginning of the current period to the end of the reporting period are included in the consolidated financial statements, while adjustments are made to the opening number of the consolidated financial statements and the relevant items in the comparative statements, and the consolidated reporting entity is deemed to have existed since the point at which the ultimate controlling party began to control.

If the investee under the same control can be controlled due to additional investment or other reasons, the equity investment held before the acquisition of the control of the merged party, the relevant profit and loss, other comprehensive income and other changes in net assets have been recognized between the date of the acquisition of the original equity and the date on which the merging party and the merged party are under the same control and the date of the merger, Offset the opening retained earnings or current profit and loss of the comparative statement period respectively.

During the reporting period, if a subsidiary or business is added as a result of a business combination not under

the same control, it is included in the consolidated financial statements from the purchase date on the basis of the fair value of each identifiable asset, liability and contingent liability identified at the purchase date.

If the investee that is not under the same control can be controlled due to additional investment or other reasons, the equity held by the purchaser before the purchase date shall be remeasured according to the fair value of the equity on the purchase date, and the difference between the fair value and the carrying value shall be included in the current investment income. Other comprehensive income related to the equity held by the purchaser before the purchase date, which can be reclassified into profit or loss later, and other changes in owners' equity under the equity method are converted into investment income for the current period of the purchase date.

(2) Disposal of subsidiaries

① General treatment method

When the control over the investee is lost due to the disposal of part of the equity investment or other reasons, the remaining equity investment after disposal shall be re-measured according to its fair value on the date of loss of control. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity minus the share of the net assets of the original subsidiary calculated continuously from the date of purchase or merger and the sum of the goodwill. Included in the investment income of the period in which control is lost. Other comprehensive income related to the equity investment of the original subsidiary that can be reclassified to profit or loss in the future and other changes in owner's equity under equity method are transferred to current investment income when the control right is lost.

② Step by step disposal of subsidiaries

If the equity investment in the subsidiary is disposed of step by step through multiple transactions until the control right is lost, the terms, conditions and economic impacts of the transactions for the disposal of the equity investment in the subsidiary meet one or more of the following conditions, which generally indicates that the multiple transactions are a package deal:

- the transactions are entered into simultaneously or by taking into account their mutual effects;
- These transactions as a whole can lead to a complete commercial result;
- The occurrence of one transaction is dependent on the occurrence of at least one other transaction;
- A transaction is uneconomical in isolation, but is economical when considered in conjunction with other transactions.

If each transaction belongs to a package transaction, each transaction shall be accounted for as a transaction of disposal of subsidiaries and loss of control; The difference between each disposal price and the share of net assets of the subsidiary corresponding to the disposal investment before the loss of control is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the profit and loss of the period when the control is lost.

If each transaction does not belong to a package deal, before losing the control right, the accounting treatment of the equity investment of the subsidiary shall be carried out according to the partial disposal without losing the control right; when the control right is lost, the accounting treatment shall be carried out according to the general treatment method for the disposal of the subsidiary.

(3) Purchase of minority interests in subsidiaries

The difference between the long-term equity investment newly acquired due to the purchase of minority equity and the share of net assets of the subsidiary calculated continuously from the date of purchase or merger according to the proportion of newly increased shareholding shall be adjusted to the capital stock premium in the capital reserve in the consolidated balance sheet. If the capital stock premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

(4) Partial disposal of equity investments in subsidiaries without loss of control

The difference between the disposal price and the disposal of long-term equity investment and the share of net assets continuously calculated by the subsidiary since the purchase date or the merger date shall be adjusted for the equity premium in the capital reserve in the consolidated balance sheet, and if the equity premium in the capital reserve is insufficient to be offset, the retained earnings shall be adjusted.

3.7 Classification of joint venture arrangements and accounting treatment methods for joint operation

Joint venture arrangements are classified into joint operation or joint venture.

Joint operation refers to the joint venture arrangement under which the joint venturer enjoys the assets relevant

to such arrangement and assumes the liabilities relevant to the same.

The Company recognizes the following items related to its share of benefits in the joint operation:

- (1) Assets it solely holds and its share of jointly-held assets based on its percentage;
- (2) Liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage;
- (3) Revenues from sale of output enjoyed by it from the joint operation;
- (4) Revenues from sale of output from the joint operation based on its percentage; and
- (5) Separate costs and costs for the joint operation based on its percentage.

The Company accounts for its investments in joint ventures by the equity method, see "Note 3.16 Long-term equity investments" for details.

3.8 Recognition criteria of cash and cash equivalents

The term "cash" refers to cash at hand and bank deposits readily available for payment purposes. The term "cash equivalents" refers to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.9 Foreign currency transactions and translation of foreign currency statements

3.9.1 Foreign currency transactions

Foreign currency transactions are translated into CNY for accounting purpose at the spot exchange rate on the day when the transaction occurs.

The balance of foreign currency items on the balance sheet date are translated at the spot exchange rate on the balance sheet date. Except those arising from specific-purpose borrowings in foreign currencies related to assets eligible for capitalization that shall be measured in accordance with principle of capitalization of the borrowing costs, other exchange differences shall be recognized in profit or loss for the current period.

3.9.2 Translation of foreign currency financial statements

When the Company measures the foreign currency statements of its overseas business, the assets and liabilities in the balance sheet are translated at the spot exchange rates on the balance sheet date; owners' equity items, except for the item of "undistributed profits", are translated at the spot exchange rates on the date when the business occurs. The income and expenses items in income statements are translated at the average rate of the beginning and ending exchange rate.

When dispose overseas business, the translation differences of foreign currency statements relating to the overseas business shall be transferred from the owner's equity item to the current profit or loss at disposal.

3.10 Financial instruments

When the Company becomes a party to a contract for financial instrument, a financial asset, financial liability or equity instrument should be recognized.

3.10.1 Classification of financial instruments

According to the business model of financial assets and contractual cash flow characteristics of the same, which are subject to the management of the Company, financial assets are classified at the initial recognition as: financial assets measured at the amortized cost, financial assets measured at fair value through the other comprehensive income and financial assets measured at fair value through the current profit or loss.

The Company classifies the financial assets that meet the following conditions at the same time but have not been designated to be measured at fair value through profit or loss as the financial assets measured at amortized cost:

- The business model is adopted for the purpose of obtaining the contractual cash flow.
- The contractual cash flow is only used for interest payment based on the principal or unpaid principal.

The Company classifies the financial assets that meet the following conditions at the same time and have not

been designated to be measured at fair value through profit or loss as the financial assets (debt instruments) measured at fair value through the other comprehensive income:

- The business model is adopted for the purpose of obtaining the contractual cash flow and selling such financial assets;
- The contractual cash flow is only used for interest payment based on the principal or unpaid principal.

At the initial recognition, the Company may irrevocably designate non-trading equity instrument investments as financial assets (equity instruments) measured at fair value through the other comprehensive income. The designation is made based on a single investment and the relevant investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income, the Company classifies other financial assets as financial assets measured at fair value through the current profit or loss. At the initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company may irrevocably designate the financial assets that should have been classified as the financial assets measured at amortized cost or those measured at fair value through the other comprehensive income as the financial assets measured at fair value through the current profit or loss.

At the initial recognition, financial liabilities are classified as: financial liabilities measured at fair value through the current profit or loss and financial liabilities measured at the amortized cost.

At the initial recognition, financial liabilities meeting one of the following conditions may be designated as the financial liabilities measured at fair value through the current profit or loss:

- 1) This designation can eliminate or significantly reduce the accounting mismatch.
- 2) According to the enterprise risk management or investment strategies specified in formal written documents, the management and performance evaluation of financial liability portfolios or portfolios of financial assets and financial liabilities is carried out based on fair value, and the report to key officer in the enterprise has been made based on such management and performance evaluation.
- 3) The financial liabilities contain the embedded derivative which needs to be separated.

3.10.2 Recognition basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable and accounts receivable, other receivables, long-term receivables, and creditors' investment, etc., of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount; exclude accounts receivable with significant financing component and accounts receivable with the financing component not exceeding one year and not considered by the Company, of which initial measurement is made at the contract transaction price.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At recovery or disposal, the difference between the purchase price obtained and the book value of such financial assets is included in the current profit or loss.

(2) Financial assets (debt instruments) measured at fair value through the other comprehensive income

Financial assets (debt instruments) measured at fair value through the other comprehensive income include receivables financing and other creditors' investment, of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value. Changes in fair value are included in other comprehensive income except for the interest calculated by the effective interest method, impairment losses or gains, and exchange gains or losses.

At derecognition, the accumulated gains or losses previously included in other comprehensive income will be transferred from the other comprehensive income to the current profit or loss.

(3) Financial assets (debt instruments) measured at fair value through the other comprehensive income

Financial assets (equity instruments) measured at fair value through the other comprehensive income, including the investment in other equity instruments, are initially measured at fair value, and relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value, and the changes in fair value are included in the other comprehensive income. Dividends obtained are included in the current profit or loss.

At derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the retained earnings.

(4) Financial assets measured at fair value through the current profit or loss

Financial assets measured at fair value through the current profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial assets is made at fair value, and changes in fair value are included in the current profit or loss.

(5) Financial liabilities measured at fair value through the current profit or loss

Financial liabilities measured at fair value through the current profit or loss include trading financial liabilities and derivative financial liabilities, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial liabilities is made at fair value, and changes in fair value are included in the current profit or loss.

At derecognition, the difference between the book value and the consideration paid of such financial liabilities is included in the current profit or loss.

(6) Financial liabilities measured at amortized cost

Financial liabilities measured at the amortized cost include short-term borrowings, notes payable and accounts payable, other payables, long-term borrowings, bonds payable and long-term payables, of which initial measurement is made at fair value, and related transaction costs are included in the initially recognized amount.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At derecognition, the difference between the consideration paid and the book value of such financial liabilities is included in the current profit or loss.

3.10.3 Basis of recognition and measurement of derecognition of financial assets and transfer of financial assets

Where one of the following conditions is met, the Company shall derecognize financial assets:

- The contractual right of collecting cash flows of financial assets is terminated;
- The financial assets have been transferred, and nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee;
- The financial assets have been transferred, and the Company does not retain the control over the financial assets through it has neither transferred nor retained nearly all risks and rewards related to the ownership of the financial assets.

When the Company modifies or renegotiates a contract with a counterparty and the modification constitutes a material change, the original financial asset is derecognized and a new financial asset is recognized in accordance with the modified terms.

At the transfer of financial assets, where nearly all of the risks and rewards related to the ownership of the financial assets have been retained, such financial assets shall not be derecognized.

Substance over form principle is adopted to determine whether the transfer of financial assets can satisfy the

criteria as described above for derecognition.

The company classifies the transfer of financial assets into the overall transfer of financial assets and the partial transfer. When the overall transfer of financial assets meets the conditions for termination recognition, the difference between the following two amounts shall be recognized in the current profit or loss:

- i) The book value of the transferred financial asset;
- ii) The aggregate consideration received from the transfer plus the cumulative amounts of the changes in the fair value originally recognized in the owners' equity (such financial assets in transfer are those measured at fair value with changes included in other comprehensive income (debt instruments)).

When a partial transfer of a financial asset meets the derecognition criteria, the carrying amount of the financial asset in its entirety is allocated between the portion derecognized and the portion not derecognized based on their relative fair values. The difference between the following two amounts is recognized in profit or loss:

- i) The book values of the derecognized parts;
- ii) The aggregate consideration for the derecognized parts plus the portion of the accumulative amounts of the changes in the fair value of the derecognized parts originally recognized in the owners' equity (such financial assets in transfer are those measured at fair value with changes included in other comprehensive income (debt instruments)).

If the transfer of financial assets does not satisfy requirements for derecognition, the financial assets shall continue to be recognized, and the consideration received will be recognized as financial liabilities.

3.10.4 Termination of recognition of financial liabilities

If all or part of the current obligation of the financial liability has been discharged, the recognition of the financial liability or part thereof shall be terminated; If the Company signs an agreement with creditors to replace the existing financial liabilities by assuming new financial liabilities, and the contract terms of the new financial liabilities are substantially different from the existing financial liabilities, the recognition of the existing financial liabilities shall be terminated and the recognition of the new financial liabilities shall be made at the same time.

If all or part of the contract terms of the existing financial liability are materially modified, the recognition of the existing financial liability or part thereof shall be terminated, and the financial liability after the modification shall be recognized as a new financial liability.

When the recognition of a financial liability is terminated in whole or in part, the difference between the book value of the financial liability terminated and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) shall be recorded into the profit and loss of the current period.

If the company repurchases part of the financial liability, it shall distribute the book value of the financial liability as a whole according to the relative fair value of the continued recognition part and the terminated recognition part on the repurchase date. The difference between the book value allocated to the terminated recognition portion and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recorded in the current profit and loss.

3.10.5 Determination of fair values of financial assets and financial liabilities

Quoted market prices in an active market are the best evidence of fair value and should be used, where they exist, to measure the financial instrument. If a market for a financial instrument is not active, the Company establishes fair value by using a valuation technique. The Company uses a valuation technique appropriate in the circumstances and for which sufficient data and other information are available to measure fair value, selecting the inputs pursuant to the characteristics of the asset or liability being measured that a market participant would take into account, and giving priority to the use of relevant observable inputs. Only when such observable inputs are not available or impossible to obtain shall unobservable inputs be used instead.

3.10.6 Testing method and accounting treatment method of impairment of financial instruments

The company conducts impairment accounting treatment on the basis of expected credit losses for financial assets measured at amortized cost, financial assets (debt instruments) measured at fair value and whose changes are included in other comprehensive income, and financial guarantee contracts.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Company measures expected credit losses by considering reasonable and supportable information that is available without undue cost or effort, including historical experience, current conditions, and forecasts of future economic conditions. A probability-weighted amount is calculated based on the risk of default, reflecting the present value of the difference between the contractual cash flows and the expected cash flows to be received.

For receivables and contract assets resulting from transactions regulated by Accounting Standards for Business Enterprises No. 14 - Revenue, the Company always measures its loss provisions at an amount equivalent to the expected credit losses during the entire term of existence, regardless of whether they contain a significant financing component.

For lease receivables resulting from transactions regulated by Accounting Standards for Business Enterprises No. 21 - Leases, the Company elects to always measure its loss provisions at an amount equivalent to the expected credit losses during the entire term of existence.

For other financial instruments, the Company evaluates on each balance sheet date the changes in the credit risk of the relevant financial instruments since the initial recognition.

The Company compares the risk of default of a financial instrument on the balance sheet date with the risk of default on the initial recognition date to determine the relative change in the risk of default of a financial instrument during its expected lifetime, so as to assess whether the credit risk of a financial instrument has increased significantly since the initial recognition. Generally, if the maturity exceeds 30 days, the Company considers that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not increased significantly since the initial recognition.

If the credit risk of the financial instrument has increased significantly since the initial recognition, the Company measures its loss provision at an amount equivalent to the expected credit loss during the entire life of the financial instrument; If the credit risk of the financial instrument has not increased significantly since the initial recognition, the Company shall measure its loss provision at an amount equivalent to the expected credit loss of the financial instrument in the next 12 months. The resulting increase or reversal of the loss provision shall be recorded into the current profit and loss as impairment loss or gain. For financial assets (debt instruments) measured at fair value and whose changes are included in other comprehensive income, the loss provision shall be recognized in other comprehensive income, and the impairment loss or gain shall be included in the current profit and loss, without reducing the carrying value of the financial asset listed in the balance sheet.

If there is objective evidence that a specific receivable has incurred a credit impairment, the Company recognizes an impairment allowance for that receivable on an individual basis.

Except for the above receivables for which provision for bad debts is made individually, the Company divides other financial instruments into aging portfolios according to the characteristics of credit risks, and determines expected credit losses on the basis of portfolios. The combination categories and determination basis of the company's provision of expected credit losses for accounts receivable, other receivables and contract assets are as follows:

Age of account	Proportion of provision for accounts receivable (%)	Proportion of provision for other receivables (%)
Within 1 year (including 1 year, the same below)	5	5
1 to 2 years	10	10
2 to 3 years	20	20
3 to 4 years	40	40
3 to 4 years	50	50
More than 5 years	100	100

When the Company no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, it directly writes down the carrying amount of that financial asset

3.11 Disbursement loans and advances

Loans and advances directly issued by the finance company subordinated to the Company to customers, and discount assets are accounted for as loans and advances.

The Company applies the allowance method to account for credit losses. The allowance for credit impairment includes provisions for losses on funds lent, discounted assets, loans and advances, and other similar items.

According to the Circular of the China Banking Regulatory Commission on Issuing the Guidelines for Loan Risk Classification (YJF [2007] No.54), the Company has been making the provision for asset impairment based on the five-level classification since 2007. The Company's loans are classified into five categories: normal, concern, secondary, doubtful and loss. Normal loan refers to the borrower can perform the contract, there is no reason to suspect that the loan principal and interest can't be repaid on time and in full; The concern loan refers to that although the borrower has the ability to repay the principal and interest of the loan, there are some factors that may adversely affect the repayment. Subprime loans refer to obvious problems in the repayment ability of the borrower, which cannot repay the principal and interest of the loan in full depending on its normal operating income. Even if the guarantee is implemented, certain losses may be caused. Doubtful loan means that the borrower can't repay the principal and interest of the loan in full, even if the guarantee is implemented, it will certainly cause greater losses; Loss-making loans are loans in which the principal and interest cannot be recovered or only a very small amount can be recovered after all possible measures or all necessary legal procedures have been taken.

The Company inspects all assets, makes the adjustment upon analysis whether the impairment has incurred, and makes the provision for credit impairment based on the aforesaid method in the following proportion of provision:

Level	Proportion of provision (%)
Normal assets(including assets in normal and special-mention categories)	Normal 0.00-15.00(excluding15.00)
	Special mention15.00-25.00(excluding25.00)
Subprime	25.00-50.00(excluding50.00)
Doubtful	50.00-70.00(excluding70.00)
Loss	70.00-100.00

3.12 Payments for purchase for resale and proceeds from sale for repurchase

Assets that are resold on a certain future date as stipulated in the agreement at the time of purchase will not be recognized in the balance sheet. The costs paid for the purchase of such assets, including accrued interest, are presented in the balance sheet as repurchase proceeds. The difference between the purchase price and the resale price is recognized by the effective interest rate method during the agreement period and included in the interest income.

The sold assets repurchased under the agreement at a fixed date in the future are not held in the balance sheet for termination recognition. Proceeds from the sale of such assets, including accrued interest, are presented in the balance sheet as sale repurchase proceeds to reflect the economic substance of their use as loans to the Company. The difference between the selling price and the repurchase price is recognized during the term of the agreement using the effective interest method and is included in interest expense.

Securities borrowing and lending transactions are generally collateralized with securities or cash as collateral. The transfer of securities to and from counterparties is reflected in the balance sheet only if the risks and benefits associated with ownership of the securities are transferred simultaneously. Cash paid or cash collateral received are recognized as assets or liabilities, respectively.

Borrowed securities are not recognized in the balance sheet. If such securities are sold to a third party, the liability for repaying the bonds is recognized as a financial liability held for the transaction and measured at fair value.

3.13 Inventories

3.13.1 Classification and cost of inventories

Inventory is divided into raw materials, products in process, low-value consumables, packaging, goods in stock, goods issued, contract performance costs, etc.

Inventory is initially measured at cost. The cost of inventory includes purchase cost, processing cost, and other expenditures incurred to bring the inventory to its present location and condition.

3.13.2 Measurement method for inventories dispatched

Inventories are initially measured at cost, and the inventory cost includes the procurement cost, processing cost and other expenses arising from making the inventory at their present location and condition.

Inventory is priced on a weighted average basis when issued. Low-value consumable products are amortized by one-time resale method when they are used; Turnover packaging is charged to cost in batches based on the expected number of uses.

3.13.3 Inventory system

Perpetual inventory system is adopted.

3.13.4 Amortization method of low-value consumables and packaging

- (1) Low-value consumables adopt the one-time resale method;
- (2) The packaging shall be resold once.

3.13.5 Recognition standard and accrual method of inventory falling price reserves

On the balance sheet date, inventories shall be measured at the lower of cost and net realizable value. If the cost of an inventory is higher than its net realizable value, provision for the loss on decline in value of inventories shall be made. The net realizable value of inventories refers to the amount of the estimated selling price of inventories minus the estimated costs to be incurred upon completion, the estimated selling expenses and the relevant taxes in the ordinary course of business.

In the normal production and operation process, the net realizable value of the inventory of goods directly for sale, such as finished products, inventory goods and materials for sale, is determined by the amount of the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes; For the inventory of materials that need to be processed, in the course of normal production and operation, the estimated selling price of the finished products produced minus the estimated costs to be incurred upon completion, The net realizable value is determined based on the amount after the estimated sales expenses and relevant taxes; the net realizable value of the inventories held for the execution of the sales contract or labor contract is calculated based on the contract price. If the quantity of the inventories held is more than the quantity ordered in the sales contract, the net realizable value of the excess part of the inventories is calculated based on the general sales price.

After the provision for decline in value of inventories is made, if the net realizable value of inventories is higher than the book value of inventories due to the disappearance of the factors affecting the previous write-down of the value of inventories, the provision for decline in value of inventories shall be reversed within the amount of the provision for decline in value of inventories that has been made, and the reversed amount shall be included in the current profits and losses.

3.14 Contract assets

3.14.1 Recognition method and criteria for contract assets

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The right of the Company to the charge of consideration via goods transfer or service rendering to the customer (and the right depends on other factors except for the time lapses) is presented as contract asset. Contract assets and contract liabilities under the same contract should be presented at net amount. The unconditional (only depending on the time lapses) right to the charge of consideration from the customer, possessed by the Company, is presented as receivables.

3.14.2 Determination method and accounting treatment for the expected credit loss of contract assets

For the determination method and accounting treatment method of expected credit loss of contract assets,

please refer to "3.10" Testing Method and Accounting Treatment Method of Impairment of Financial Instruments" in note.

3.15 Assets held for sale and discontinued operation

3.15.1 Assets held for sale

Where the Company recovers the book value of any non-current asset or disposed asset portfolio mainly through selling (including the exchange of non-monetary assets with commercial essence) but not continuously using the same, such non-current asset or disposed asset portfolio shall be divided into assets held for sale.

The Company recognizes non-current assets or disposed asset portfolios meeting the following conditions at the same time as assets held for sale:

- (1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;
- (2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired the decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale is subject to the approval of relevant authorities or regulatory authorities of the Company according to relevant provisions, the approval has been obtained.

For any non-current asset (excluding financial assets, deferred tax assets and the assets arising from employee benefits) or disposed asset portfolio classified assets as held for sale, where its book value is higher than the net amount of its fair value less the selling expense, the book value shall be written down to the net amount of the fair value less the selling expense, and the amount written down shall be recognized as the losses from asset impairment and included in the current profit or loss, while the provision for impairment of assets held for sale is made.

3.15.2 Discontinued operation

A discontinued operation is a separately distinguishable component that meets one of the following conditions and that has been disposed of by the Company or classified by the Company as held for sale:

- (1) The component represents a separate major operation or a separate major operating area;
- (2) The component is part of a related plan for the proposed disposition of a separate principal business or a separate principal operating area;
- (3) The component is a subsidiary acquired exclusively for resale.

Gains and losses from continuing operations and gains and losses from discontinued operations are presented separately in the income statement. Operating gains and losses, such as impairment losses and reversal amount for discontinued operations, as well as gains and losses on disposals, are presented as gains and losses from discontinued operations. For discontinued operations reported in the current period, the Company restates the information that was previously reported as profit or loss from continuing operations as profit or loss from discontinued operations for the comparable accounting period in the financial statements of current period.

3.16 Long-term equity investments

3.16.1 Judgment criteria for common control and significant influence

Common control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control right agrees the same. Where the Company exercises common control over the investee together with other parties to the joint venture, and enjoys the right on the investee's net assets, the investee shall be a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control or jointly control the formulation of such policies with other parties. Where the Company is able to exert significant influence on an investee, the investee shall be the Company's associate.

3.16.2 Determination of initial investment cost

(1) Long-term equity investment formed by business combination

For the long-term equity investment in the subsidiary formed by the merger of enterprises under the same control, the initial investment cost of the long-term equity investment shall be based on the share of the book value of the owner's equity obtained from the merged party in the consolidated financial statement of the ultimate controlling party on the merger date. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid is adjusted for the equity premium in the capital reserve; When the equity premium in the capital reserve is not sufficient for write-down, the retained earnings shall be adjusted. If it is possible to control the invested entity under the same control due to additional investment or other reasons, the equity premium shall be adjusted for the difference between the sum of the initial investment cost of the long-term equity investment recognized in accordance with the above principles and the book value of the long-term equity investment before the merger plus the book value of the consideration paid for further acquisition of shares on the merger date. If the equity premium is not sufficient for write-down, the retained earnings shall be write-down.

For the long-term equity investment in the subsidiary formed by the merger of enterprises not under the same control, the merger cost determined on the purchase date shall be the initial investment cost of the long-term equity investment. If it is possible to control the invested entity that is not under the same control due to additional investment or other reasons, the sum of the book value of the original equity investment plus the cost of the new investment shall be used as the initial investment cost.

(2) Long-term equity investments acquired by means other than business combination

For long-term equity investment acquired by cash payment, the purchase price actually paid shall be used as the initial investment cost.

For long-term equity investment obtained by issuing equity securities, the fair value of equity securities issued shall be used as the initial investment cost.

3.16.3 Subsequent measurement and recognition of profits or losses

(1) Long-term equity investment accounted by cost method

The Company's long-term equity investments in its subsidiaries are accounted for using the cost method, unless the investment meets the conditions for holding for sale. Except for the cash dividends or profits declared but not yet distributed included in the price or consideration actually paid at the time of obtaining the investment, the Company shall recognize the current investment income according to the cash dividends or profits declared and distributed by the investee.

(2) Long-term equity investment accounted by equity method

Long-term equity investments in associated enterprises and joint ventures are accounted for using the equity method. If the initial investment cost is greater than the share of the fair value of the identifiable net assets of the investee at the time of investment, the initial investment cost of the long-term equity investment shall not be adjusted; if the initial investment cost is less than the share of the fair value of the identifiable net assets of the investee at the time of investment, the difference shall be included in the current profit and loss, and the cost of the long-term equity investment shall be adjusted at the same time.

The company shall recognize investment income and other comprehensive income respectively according to its share of net profit and loss and other comprehensive income realized by the invested entity, and adjust the book value of long-term equity investment at the same time; The share shall be calculated according to the profits or cash dividends declared to be distributed by the invested entity, and the book value of the long-term equity investment shall be reduced accordingly; For other changes in owners' equity other than net profit and loss, other comprehensive income and profit distribution of the invested entity (hereinafter referred to as "changes in other owners' equity"), the book value of long-term equity investment shall be adjusted and recorded into owners' equity.

When confirming the share of net profit and loss, other comprehensive income and other changes in owner's equity of the invested entity, it shall be based on the fair value of identifiable net assets of the invested entity at the time of acquisition of investment, and the net profit and other comprehensive income of the invested entity

shall be recognized after adjustment in accordance with the accounting policies and accounting periods of the company.

The unrealized internal trading gains and losses between the company and its associated enterprises or joint ventures shall be calculated and offset against the part that belongs to the company according to the proportion it should enjoy, and the investment income shall be recognized on this basis, except for the assets invested or sold that constitute business. The unrealized internal trading loss with the invested entity shall be fully recognized if it is an asset impairment loss.

The net loss incurred by the company to the joint venture or associated enterprise shall be limited to the write-down to zero of the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment to the joint venture or associated enterprise, except for the obligation to bear additional losses. Where a joint venture or an associated enterprise later realizes net profits, the company shall resume the recognition of profit sharing after the profit sharing makes up for the unrecognized loss sharing.

(3) Disposal of long-term equity investments

When disposing long-term equity investment, the difference between the book value and the actual purchase price shall be recorded into the current profit and loss.

If part of the long-term equity investment calculated by the equity method is disposed of and the remaining equity is still calculated by the equity method, other comprehensive income recognized by the original equity method shall be carried forward on the same basis as the direct disposal of relevant assets or liabilities by the invested entity in accordance with the corresponding proportion, and other changes in owner's equity shall be proportionately transferred to the current profit and loss.

If the joint control or significant influence on the invested entity is lost due to the disposal of equity investment or other reasons, other comprehensive income of the original equity investment recognized by the equity method of accounting shall be accounted for on the same basis as the direct disposal of relevant assets or liabilities by the invested entity when the equity method of accounting is terminated. Other changes in owners' equity shall be transferred to current profits and losses when the equity method is terminated.

If the control right of the invested entity is lost due to the disposal of part of the equity investment or other reasons, when preparing individual financial statements, if the remaining equity can exercise joint control or significant influence on the invested entity, the equity method shall be adopted for accounting, and the remaining equity shall be adjusted when the remaining equity is regarded as obtained by itself. Other comprehensive income recognized before the acquisition of the control right of the invested entity shall be carried forward on the same basis as the direct disposal of related assets or liabilities by the invested entity, and other changes in owner's equity recognized by the equity method shall be carried forward to the current profit and loss on the same basis; If the remaining equity cannot be jointly controlled or exert significant influence on the invested entity, it shall be recognized as a financial asset, and the difference between its fair value and book value on the date of loss of control shall be recorded into the current profit and loss, and all other comprehensive income and other changes in owner's equity recognized before the control of the invested entity is acquired shall be carried forward.

If the equity investment of the subsidiary is disposed of step by step through multiple transactions until the control is lost, and it belongs to a package transaction, each transaction shall be treated as a transaction of disposing the equity investment of the subsidiary and losing the control; The difference between the disposal price of each time before the loss of control and the book value of the long-term equity investment due to the equity disposed of shall be recognized as other comprehensive income in individual financial statements, and then transferred to the current profit and loss of the loss of control when the control is lost. If it does not belong to a package transaction, accounting treatment shall be carried out separately for each transaction.

3.17 Investment properties

Investment real estate refers to real estate held for the purpose of earning rent or capital appreciation, or both, including land use rights leased, land use rights held and prepared to be transferred after appreciation, buildings leased (including buildings for lease upon completion of self-construction or development activities and buildings for lease in the future during construction or development).

The subsequent expenditure related to the investment real estate shall be included in the cost of the investment real estate when the relevant economic benefits are likely to flow in and the cost can be measured reliably; Otherwise, the current profit and loss shall be recorded at the time of occurrence.

The company adopts the cost model for the existing investment real estate measurement. For the investment

real estate - leased buildings measured in accordance with the cost model, the depreciation policy is the same as that of the company's fixed assets, and the leased land use right is subject to the same amortization policy as intangible assets.

3.18 Fixed assets

3.18.1 Recognition criteria of fixed assets

Fixed assets refer to tangible assets held for the production of commodities, provision of labor services, leasing or operation and management, with a useful life of more than one fiscal year. Fixed assets are recognized when the following conditions are simultaneously met:

- (1) The economic benefits related to the fixed asset are likely to flow into the enterprise;
- (2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the impact of expected disposal costs).

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when the economic benefits related to them are likely to flow in and their costs can be measured reliably; For the replaced part, terminate the recognition of its book value; All other subsequent expenditures are recorded in current profit and loss when incurred.

3.18.2 Depreciation method

Depreciation of fixed assets shall be calculated and withdrawn by means of average life method or double decreasing balance method. The depreciation rate is determined according to the class of fixed assets, the estimated useful life and the estimated net salvage value rate, which is uniform at 5%. For fixed assets for which impairment provisions have been made, the amount of depreciation shall be determined in the future period according to the book value after deducting impairment provisions and the remaining useful life. If the service life of each component of a fixed asset is different or it provides economic benefits to the enterprise in different ways, different depreciation rates or depreciation methods shall be selected and depreciation shall be calculated separately.

Depreciation of fixed assets begins when they reach a predetermined usable state, and stops when they are terminated for recognition or classified as non-current assets held for sale.

The depreciation method, depreciation life, salvage value rate and annual depreciation rate of all kinds of fixed assets are as follows:

Categories	Depreciation method	Depreciation life (Year)	Residual value rate (%)	Annual depreciation rate (%)
Houses and buildings				
Including: houses and buildings for production	Average number of years method or double decreasing balance method	20.00	5.00	4.75 or double decreasing balance method
Non-productive housing buildings	Average number of years method	25.00	5.00	3.80
Machinery and equipment	Average number of years method or double decreasing balance method	10.00	5.00	9.50 or double decreasing balance method
Equipment for transportation	Average number of years method	6.00	5.00	15.83
Instrument and meter	Average number of years method or double decreasing balance method	6.00	5.00	15.83 or double decreasing balance method
Electronic computer	Average number of years method or double decreasing balance method	5.00	5.00	19.00 or double diminishing balance method
Photovoltaic power generation equipment	Average number of years method	20.00	5.00	4.75
Other equipment	Average number of years method or double decreasing balance method	6.00	5.00	15.83 or double decreasing balance method

3.18.3 Disposal of fixed assets

When the fixed assets are disposed, or they are expected not to bring any economic interest via use or disposal, such fixed assets will be derecognized. When the fixed asset is sold, transferred, scrapped or damaged, the Company will include such disposal revenue, deducting the book value and related taxes and surcharges thereof, in the current profit or loss.

3.19 Construction in progress

The cost of construction in progress shall be measured according to the cost actually incurred. Actual costs include construction costs, installation costs, capitalized borrowing costs, and other expenditures necessary to bring the work in progress into a predetermined serviceable condition. When the project under construction reaches a predetermined serviceable state, it shall be transferred to fixed assets and depreciated from the next month.

3.20 Borrowing costs

3.20.1 Recognition criteria of capitalization of borrowing costs

Borrowing costs incurred by the company that can be directly attributed to the purchase, construction or production of assets eligible for capitalization shall be capitalized and included in the cost of relevant assets; Other borrowing costs shall be recognized as expenses according to the amount incurred when incurred and recorded into current profits and losses.

The assets that meet the capitalization conditions refer to the fixed assets, investment real estate, inventory and other assets that need to go through a fairly long period of purchase, construction or production activities to reach the predetermined state of being usable or saleable.

3.20.2 Capitalization period for borrowing costs

Capitalization period refers to the period from the beginning of capitalization to the cease of capitalization for borrowing costs, excluding the period of capitalization suspension of borrowing costs.

Borrowing costs may be capitalized only when all the following conditions are met:

- (1) Asset expenses, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization, have already been incurred;
- (2) Borrowing costs have already been incurred;
- (3) The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have already been started.

Capitalization of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale status.

3.20.3 Period of capitalization suspension

The capitalization of borrowing costs shall be suspended if the abnormal interruption occurs in the purchase, construction or production process of the assets eligible for capitalization and the interruption lasts for more than 3 consecutive months; If the interruption is a necessary procedure for the purchased, built or produced assets eligible for capitalization to reach a predetermined usable or saleable state, the borrowing costs will continue to be capitalized. Borrowing costs incurred during the interruption period are recognized as current profits and losses until the borrowing costs continue to be capitalized after the acquisition and construction of assets or production activities restart.

3.20.4 Measurement of capitalization rate and capitalized amounts of borrowing costs

As for special borrowings borrowed for acquiring and constructing or producing assets eligible for capitalization, borrowing costs of special borrowing actually incurred in the current period less the interest income of the borrowings unused and deposited in bank or return on temporary investment should be recognized as the capitalization amount of borrowing costs.

As for general borrowings used for acquiring and constructing or producing assets eligible for capitalization,

the amount of general borrowings to be capitalized should be calculated by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the capitalization rate of used general borrowings. The capitalization rate is calculated by weighted average interest rate of general borrowings.

During the capitalization period, exchange differences of principal and interest on foreign currency special borrowings shall be capitalized and included in the cost of assets eligible for capitalization. Exchange differences arising from the principal and interest on foreign currency borrowings other than foreign currency special borrowings are recognized in the current profit or loss.

3.21 Intangible assets

3.21.1 Valuation method of intangible assets

(1) Intangible assets shall be initially measured at cost

The cost of purchased intangible assets includes the purchase price, relevant taxes and other expenditures directly attributable to the achievement of the intended use of the assets.

(2) Subsequent measurement of intangible assets

Analyze and judge the service life of intangible assets when they are acquired.

For an intangible asset with a finite useful life, amortize it within the period during which it brings economic benefits to the enterprise; if it is impossible to foresee the period during which the intangible asset will bring economic benefits to the enterprise, regard it as an intangible asset with an indefinite useful life and do not amortize it.

3.21.2 Collection scope of R & D expenditure

The scope of R & D expenditure refers to the various expenditures incurred in the process of research and development of enterprises, mainly including: salaries, wages and other related labor costs of personnel engaged in research and development activities; materials and labor costs consumed in the process of research and development; depreciation costs of fixed assets used for research and development; Indirect costs related to research and development: other costs, such as amortization costs of patent rights and license fees used.

3.21.3 Specific criteria for dividing the research phase and the development phase

The company's internal research and development project expenditure is divided into research phase expenditure and development phase expenditure.

Research stage: The stage of original and planned investigation and research activities to acquire and understand new scientific or technical knowledge.

Development stage: the stage of applying research results or other knowledge to a plan or design to produce new or substantially improved materials, devices, products and other activities before commercial production or use. Expenditures incurred in the research stage of internal research and development projects shall be included in the current profits and losses when incurred.

3.21.4 Specific criteria for qualifying expenditure on the development phase for capitalization

Expenditure in the research phase shall be recorded into current profit and loss when incurred. Expenditures in the development stage that simultaneously meet the following conditions shall be recognized as intangible assets, and expenditures in the development stage that cannot meet the following conditions shall be recorded into current profits and losses:

- (1) It is technically feasible to complete the intangible asset so that it can be used or sold;
 - (2) It has the intention to complete the intangible asset and use or sell it;
 - (3) The way in which the intangible asset generates economic benefits, including being able to prove that there is a market for the products produced by using the intangible asset or that there is a market for the intangible asset itself, and that the intangible asset will be used internally, being able to prove its usefulness;
 - (4) It has the support of sufficient technology, financial resources and other resources to complete the development of the intangible asset and has the ability to use or sell the intangible asset;
 - (5) The expenditure attributable to the development stage of the intangible asset can be measured reliably.
- Expenditures in the development stage that do not meet the above conditions shall be recorded into current

profits and losses when incurred. Development expenses recorded into profit and loss in previous periods shall not be re-recognized as assets in subsequent periods. The capitalized expenditures in the development stage are shown as development expenditures in the balance sheet and will be converted into intangible assets as of the date when the project reaches its intended use.

3.22 Long-term deferred expenses

Long-term deferred expenses refer to all expenses that have been paid by the company and whose amortization period is more than one year (excluding one year).

The long-term deferred expenses incurred by the Company shall be priced at the actual cost and amortized on an average basis according to the expected benefit period. For the long-term deferred expenses that cannot benefit the future accounting period, the amortized value of the project shall be fully recorded into the current profit and loss when determining.

3.23 Contract liabilities

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The Company's obligations in transferring goods or rendering services to customers on the ground that it has received or will receive relevant considerations from these customers are presented as contract liabilities. Contract assets and contract liabilities under the same contract should be presented at net amount.

3.24 Employee benefits

3.24.1 Accounting treatment of short-term compensation

During the accounting period when employees serve the Company, the actual short-term compensation is recognized as liabilities and included in current profit or loss or costs associated with assets.

The cost of social insurance and housing fund paid by Company for employees and the labor union cost and employee education costs provided by the Company in accordance with provisions shall, in the accounting period, during which the service is provided by employees for enterprises, be used to calculate corresponding amount of employee benefits according to the stipulated provision basis and proportion.

The employee welfare occurring in the Company shall be include in the current profit or loss or the related asset costs according to the actual amount when actually occurring. Among them, non-monetary benefits are measured at the fair value.

3.24.2 Accounting treatment of post-employment benefits

(1) Defined contribution plan

The Company pays the basic endowment insurance premiums and unemployment insurance for employees according to the relevant provisions of the local governments. During the accounting period when employees serve the Company, the paid amount which is calculated based on the payment base and proportion as stipulated in the provisions of the local place is recognized as liabilities and included in current profit or loss or related asset costs.

In addition, the Company also participates in the enterprise annuity plans/supplementary pension funds approved by the relevant state authorities. The Company makes payments to the annuity plans or local social insurance institutions in a certain proportion to the total employee wage, with corresponding expenses included in the current profit or loss or related asset costs.

(2) Defined benefit plans

According to the formula determined by the expected cumulative benefit unit method, the company will attribute the welfare obligation generated by the set benefit plan to the service period provided by the employee and record it into the current profit and loss or the cost of related assets.

The deficit or surplus resulting from the present value of defined benefit plan obligations minus the fair value of defined benefit plan assets is recognized as the net liability or net asset of a defined benefit plan. If the defined benefit plan has surplus, the company shall measure the net assets of the defined benefit plan by the lower of the surplus of the defined benefit plan and the upper limit of assets.

Obligations under the defined benefit plan, including the payment obligation that is expected to be done within 12 months following the annual reporting period when the employees serve for the Company, are discounted at the market yield of the national debt matching with the obligatory term of the defined benefit plan and the currency on the balance sheet date or the bonds of the high-quality companies in the active market.

The service costs of the defined benefit plan and net interest on the net liabilities or net assets in respect of the defined benefit plan are included in the current profit or loss or assets-related costs; changes in the re-measurement of net liabilities or net assets under the defined benefit plans should be included in other comprehensive income and should not be reversed in subsequent accounting periods. When the original defined benefit plan terminates, the portion originally included in other comprehensive income will all be transferred to the undistributed profits.

For the settlement of the defined benefit plan, the balance between the present value and the settlement price in regard to the defined benefit plan confirmed on the settlement date is recognized and settled as gains or losses.

3.24.3 Accounting treatment of dismissal benefits

Where the Company provides dismissal welfare to employees, employee benefits incurred from dismissal benefits are recognized as liabilities and recorded into the current profit and loss at the earlier date of: when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal; when the Company recognizes the cost related to restructuring concerning payment of dismissal benefits.

3.25 Estimated liabilities

The Company recognizes the obligations related to contingencies as estimated liabilities when the following conditions are simultaneously met:

- (1) The obligation is a current obligation undertaken by the Company;
 - (2) the performance of such obligation is likely to result in outflow of economic benefits from the Company;
 - (3) The amount of the obligation can be measured reliably.
- Projected liabilities are initially measured at the best estimate of the expenditure required to meet the relevant current obligations.

In determining the best estimate, factors such as risk, uncertainty and time value of money associated with contingencies are taken into account. If the time value of money has a significant impact, the best estimate is determined by discounting the relevant future cash outflow.

Where there is a continuous range of required expenditures within which all outcomes are equally likely to occur, the best estimate is determined by the median of the range; In other cases, the best estimates are treated separately in the following cases:

- Where contingencies involve a single item, they are determined on the basis of the amount most likely to occur.
- Contingencies involving more than one project are determined by calculating the possible outcomes and associated probabilities.

Where all or part of the expenditure required to repay the estimated liability is expected to be compensated by a third party, the amount of compensation shall be recognized separately as an asset when it is basically determined to be received, and the recognized amount of compensation shall not exceed the carrying value of the estimated liability.

The Company reviews the carrying value of the estimated liability on the balance sheet date, and if there is conclusive evidence that the carrying value cannot reflect the current best estimate, the company shall adjust the carrying value according to the current best estimate.

3.26 Share-based payment

A share-based payment of the company is a transaction in which an equity instrument is granted or a liability is assumed on the basis of the equity instrument in order to obtain services provided by employees or other parties. The company's share-based payments are divided into equity-settled share-based payments and cash-settled share-based payments.

3.26.1 Equity-settled share-based payment and equity instruments

Equity-settled share-based payment in exchange for services provided by employees, the measurement shall be based on the fair value of the equity instruments granted to employees. For share-based payment transactions with immediate feasible rights after grant, relevant costs or expenses shall be recorded according to the fair value of the equity instrument on the grant date, and the capital reserve shall be increased accordingly. For share-based payment transactions in which the services within the waiting period are completed after the grant or the rights are feasible only when the specified performance conditions are met, on each balance sheet date during the waiting period, the Company shall, based on the best estimate of the number of viable rights equity instruments and the fair value on the grant date, record the services acquired in the current period into relevant costs or expenses and increase the capital reserve accordingly.

If the terms of equity-settled share-based payments are modified, at least the services obtained are recognized as if the terms had not been modified. In addition, any modification that increases the fair value of the equity instrument granted, or changes in favor of the employee on the modification date, recognizes an increase in the acquisition of services.

During the waiting period, if the granted equity instrument is cancelled, the Company will treat the cancellation of the granted equity instrument as accelerated exercise, and the amount to be recognized during the remaining waiting period will be immediately recorded into the current profit and loss, and the capital reserve will be recognized at the same time. However, if a new equity instrument is granted and it is determined on the grant date that the new equity instrument granted is intended to replace the cancelled equity instrument, the granted alternative equity instrument will be treated in the same manner as if the terms and conditions of the original equity instrument were modified.

3.26.2 Cash-settled share-based payment and equity instruments

Cash-settled share-based payments shall be measured at the fair value of the liabilities calculated and determined on the basis of shares or other equity instruments assumed by the Company. For a share-based payment transaction that can be exercised immediately after the grant, the Company shall include the relevant costs or expenses in accordance with the fair value of the liabilities assumed on the date of grant, and increase the liabilities accordingly. For share-based payment transactions that can only be exercised after the completion of services within the waiting period or the achievement of prescribed performance conditions after the grant, On each balance sheet date within the vesting period, the Company shall, based on the best estimate of the exercisable right, include the services obtained in the current period in the relevant costs or expenses according to the fair value of the liabilities assumed by the Company, and include them in the liabilities accordingly. On each balance sheet date and settlement date prior to the settlement of the relevant liabilities, the fair value of the liabilities shall be re-measured, and the changes shall be included in the current profits and losses.

If the Company modifies the terms and conditions of the cash-settled share-based payment agreement to make it an equity-settled share-based payment, on the modification date (whether within or after the vesting period), the Company measures the equity-settled share-based payment at the fair value of the equity instrument granted on that date, and includes the services obtained in the capital reserve. At the same time, the cash settled share payment for the liabilities recognized at the amendment date is terminated, and the difference between the two is included in the current profit or loss. If the vesting period is extended or shortened due to modification, the Company shall conduct accounting treatment according to the modified vesting period.

3.27 Other financial instruments such as preferred shares and water renewal bonds

In accordance with the contractual terms of the preferred shares/perpetual bonds issued by the Company and the economic substance reflected therein rather than in legal form only, Classify the financial instrument or its components as a financial asset, financial liability or equity instrument at the time of initial recognition.

A financial instrument such as a perpetual bond/preferred stock issued by the Company satisfies one of the following conditions to classify the financial instrument as a financial liability in its entirety or its components at the time of initial recognition:

- (1) There exist contractual obligations which the Company cannot unconditionally avoid performing by delivering cash or other financial assets;
- (2) Contains a contractual obligation to deliver a variable number of its own equity instruments for settlement;
- (3) Contains derivatives settled with its own equity (such as conversion of equity, etc.), and such derivatives do not exchange a fixed number of its own equity instruments for a fixed amount of cash or other financial assets for settlement;

- (4) There are contract terms that indirectly form contractual obligations;
- (5) At the time of liquidation by the issuer, the perpetual bonds are in the same repayment order as the ordinary bonds and other debts issued by the issuer.

A financial instrument such as perpetual debt/preferred stock that does not meet any of the above conditions shall be classified as an equity instrument in its entirety or its components at the time of initial recognition.

3.28 Income

The Company has fulfilled its performance obligation under the contract, which is to recognize revenue when the customer acquires control of the relevant goods or services. To acquire the control right of relevant goods or services refers to be able to dominate the use of such goods or services and obtain almost all economic benefits from them.

If the contract contains two or more performance obligations, the Company shall, on the commencement date of the contract, apportion the transaction price to each individual performance obligation in proportion to the individual selling price of the commodity or service committed under each individual performance obligation. The Company shall measure its income according to the transaction price apportioned to each individual performance obligation.

Transaction price represents the amount of consideration that the Company expects to be entitled to collect as a result of the transfer of goods or services to the customer, excluding monies received on behalf of third parties and monies that are expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and in combination with its past customary practices, and in determining the transaction price, the Company takes into account the influence of variable consideration, significant financing elements existing in the contract, non-cash consideration, consideration payable to customers and other factors. The Company determines the transaction price including variable consideration by an amount not exceeding an amount that is highly unlikely to result in a material reversal of cumulative recognized revenue at the time the relevant uncertainty is resolved. If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable in cash upon the assumption that the customer obtains control of the goods or services, and amortize the difference between the transaction price and the contract consideration using the effective interest rate method during the contract period.

If one of the following conditions is satisfied, the performance obligation shall be fulfilled within a certain period of time, otherwise, the performance obligation shall be fulfilled at a certain point:

1. The customer obtains and consumes the economic benefits brought by the Company's performance at the same time of the Company's performance.
2. The customer can control the goods under construction during the performance of the company.
3. The assets produced by the Company in the course of performance have irreplaceable purposes, and the Company has the right to receive payment for the part of the performance that has been completed so far during the whole contract period.

For performance obligations performed within a certain period of time, the Company shall recognize revenue according to the performance progress during that period, except where the performance progress cannot be reasonably determined. Considering the nature of the goods or services, the company adopts the output method or input method to determine the performance progress. If the performance progress cannot be reasonably determined and the incurred costs are expected to be compensated, the Company shall recognize the income according to the amount of incurred costs until the performance progress can be reasonably determined.

For performance obligations performed at a certain point, the Company recognizes revenue at the point when the customer acquires control of the relevant goods or services. In determining whether the customer has acquired control of the goods or services, the Company considers the following indications:

- The Company has a current collection right in respect of the goods or services, which means the customer has a current payment obligation in respect of the goods or services.
- The Company has transferred the legal title of the goods to the Customer, that is, the customer has the legal title of the goods.
- The Company has physically transferred the goods to the Customer, that is, the customer has physically possessed the goods.

The Company has transferred the principal risks and rewards of ownership of the Goods to the Customer,

that is, the Customer has acquired the principal risks and rewards of ownership of the goods.

- The customer has accepted the goods or services, etc.

The Company determines whether it is the principal responsible person or agent at the time of transaction based on whether it has control over the goods or services before transferring them to the customer. The Company can control the product before transferring the commodity and other products to the customer, so the Company is the main responsible person, and the revenue is recognized according to the total amount of consideration received or receivable. Otherwise, the company, as an agent, recognizes the income according to the amount of the commission or handling fee that it is expected to be entitled to receive. The amount shall be recognized as the net amount of the total amount of consideration received or receivable less the amount payable to other relevant parties, or in accordance with the established amount or proportion of commission.

3.29 Contract cost

Contract cost includes contract performance cost and contract acquisition cost.

If the cost incurred by the Company to perform the contract does not fall within the scope of relevant criteria such as inventory, fixed assets or intangible assets, it shall be recognized as an asset as the contract performance cost when the following conditions are met:

- (1) The cost is directly related to a current or expected contract.
- (2) The cost increases the resources used by the enterprise to fulfill its performance obligations in the future.
- (3) The cost is expected to be recovered.

Incremental costs incurred by the company in obtaining the contract are recognized as an asset as contract acquisition costs if they are expected to be recovered.

Assets related to contract costs are amortized on the same basis as revenue recognition of goods or services related to the asset; However, if the amortization period of the contract acquisition cost does not exceed one year, the company will record it into the current profit and loss when it occurs.

If the carrying amount of an asset related to the contract cost is higher than the difference between the following two items, the Company shall make an impairment provision for the excess part and recognize it as an asset impairment loss:

1. The remaining consideration expected to be obtained as a result of the transfer of goods or services related to the asset;
2. Estimate the costs to be incurred for the transfer of the relevant goods or services.

If the factors of impairment in previous periods change later so that the aforesaid difference is higher than the carrying value of the asset, the Company shall reverse the impairment provision originally made and record it into the profit and loss of the current period, provided that the carrying value of the asset after reversal shall not exceed the carrying value of the asset on the reversal date under the assumption that no impairment provision is made.

3.30 Government grants

3.30.1 Type

Government grants are monetary assets and non-monetary assets freely obtained by the Company from the government. Government grants are classified into asset-related government grants and income-related government grants.

Asset-related government grants refer to government grants obtained by the Company for forming long-term assets by acquisition, construction or other manners. Income-related government grants refer to government grants excluding the asset-related government grants.

3.30.2 Confirm the time point

Government grants are recognized when the company can meet the conditions attached to them and can receive them.

3.30.3 Accounting treatment

Government subsidies related to assets shall be written down or recognized as deferred income. If it is

recognized as deferred income, it shall be recorded into current profit and loss by stages in a reasonable and systematic way during the service life of the relevant assets (if it is related to the daily activities of the Company, it shall be recorded into other income; Those not related to the daily activities of the Company shall be included in non-operating income);

Government subsidies related to income, which are used to compensate the company's related costs, expenses or losses in the future period, shall be recognized as deferred income, and shall be recorded into the current profit and loss during the period of recognition of related costs, expenses or losses (those related to the company's daily activities shall be recorded into other income; If it is not related to the daily activities of the Company, it shall be included in non-operating income) or write-down related costs and expenses or losses; Those used to compensate the related costs and expenses or losses already incurred by the Company shall be directly recorded into the current profit and loss (those related to the daily activities of the Company shall be recorded into other income; Those unrelated to the company's daily activities shall be included in non-operating income) or write-down related costs, expenses or losses.

The discount interest of policy-based preferential loans obtained by the company shall be accounted for separately in the following two situations:

- (1) If the finance department allocates discount interest funds to the lending bank and the lending bank provides loans to the Company at the preferential policy interest rate, the Company shall take the actual amount of loans received as the entry value of the loans and calculate the relevant borrowing costs according to the loan principal and the preferential policy interest rate.
- (2) If the finance department directly appropriates the discount interest funds to the Company, the Company will offset the corresponding discount interest against the relevant borrowing costs.

3.31 Deferred tax assets and deferred tax liabilities

Income tax includes current income tax and deferred income tax. Except for income tax arising from business combinations and transactions or events directly recognized in owners' equity (including other comprehensive income), the Company includes current income tax and deferred income tax in current profit and loss.

Deferred income tax assets and deferred income tax liabilities are calculated and recognized based on the difference (temporary difference) between the tax base of the asset and the carrying value of the liability.

For the recognition of deferred income tax assets for deductible temporary differences, the amount of taxable income that is likely to be obtained in future periods to offset the deductible temporary differences shall be limited. For deductible losses and tax credits that can be carried forward to future years, the corresponding deferred income tax assets are recognized to the extent that future taxable income is likely to be obtained to offset the deductible losses and tax credits.

For taxable temporary differences, deferred income tax liabilities are recognized except in special circumstances.

Special circumstances in which deferred tax assets or deferred tax liabilities are not recognized include:

- initial recognition of goodwill;
- Transactions or events that are neither a business combination, occur and do not affect accounting profit and taxable income (or deductible loss), and the initial recognition of assets and liabilities does not result in taxable temporary differences and deductible temporary differences of equal amounts.

Deferred tax liabilities are recognized for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, unless the Company can control the timing of the reversal of such temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred tax assets are recognized for deductible temporary differences related to investments in subsidiaries, associates and joint ventures when the temporary differences are likely to be reversed in the foreseeable future and taxable income to offset the deductible temporary differences is likely to be obtained in the future.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be measured according to the applicable tax rate during the expected recovery of the relevant assets or liquidation of the relevant liabilities in accordance with the provisions of the tax law.

On the balance sheet date, the Company rechecks the carrying value of deferred income tax assets. Write down the carrying value of the deferred income tax asset if it is likely that sufficient taxable income will not be obtained in future periods to offset the benefit of the deferred income tax asset. The amount written down is reversed when it is probable that sufficient taxable income will be obtained.

When there is a legal right to settle on a net basis and the intention is to settle on a net basis or to acquire assets

and settle liabilities simultaneously, the current income tax asset and current income tax liability are presented as the net offset.

On the balance sheet date, deferred tax assets and deferred tax liabilities are presented at the net offset if the following conditions are simultaneously met:

- The taxpayer has the legal right to net current income tax assets and current income tax liabilities;
- Deferred income tax assets and deferred income tax liabilities are related to income tax levied by the same tax collection authority on the same taxpayer or to different taxpayers, but in each future period in which significant deferred income tax assets and liabilities are rolled back, The taxpayer involved intends to settle current income tax assets and liabilities on a net basis or acquire assets and settle liabilities at the same time.

3.32 Lease

Lease refers to a contract in which a lessor assigns the right to use an asset to a lessee within a certain period of time in order to obtain consideration.

On the contract commencement date, the Company evaluates whether the contract is a lease or includes a lease. If a party to a contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract shall be a lease or include a lease.

If the contract contains multiple individual leases, the Company will split the contract and make accounting treatment over each individual lease. If the contract contains both leased and non-leased parts, the lessee and lessor will split the leased and non-leased parts.

3.32.1 The Company as the lessee

(1) Right-of-use assets

On the commencement date of the lease term, the company recognizes the right to use assets other than short-term leases and low-value asset leases. Right-of-use assets shall be initially measured at cost. This cost includes:

- The initial measurement amount of the lease liability;
- The amount of lease payments made on or before the commencement date of the lease term, if there is a lease incentive, the amount related to the lease incentive already enjoyed shall be deducted;
- Initial direct expenses incurred by the Company;
- The costs expected to be incurred by the Company to dismantle and remove the leased assets, restore the site where the leased assets are located or restore the leased assets to the state stipulated in the lease terms, excluding the costs incurred for the production of inventory.

The company subsequently uses the straight-line method to depreciate the assets of the right of use. Where the ownership of the leased asset can be reasonably determined at the end of the lease term, the company shall calculate depreciation during the remaining service life of the leased asset; Otherwise, the leased asset shall be depreciated during the period during which the lease term and the remaining useful life of the leased asset are shorter.

The Company shall determine whether the assets of the right of use have been impaired and conduct accounting treatment for the identified impairment losses in accordance with the principles described in "3.22 Impairment of Long-term Assets" in this note.

(2) Lease liabilities

As at the beginning of the lease period, the Company recognizes the leases other than short-term leases and leases of low-value assets as lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that have not been paid. Lease payments include:

- for fixed payments (including substantial fixed payments), if there is any lease incentive, the relevant amount of the lease incentive shall be deducted;
- variable lease payments depending on the index or ratio;
- the payments expected to be payable based on the residual value of the guarantee provided by the Company;
- exercise price of purchase option, provided that the Company reasonably determines that it will exercise the

option;

- the amount to be paid to exercise the lease termination option, provided that it is reflected that the Company will exercise the lease termination option during the lease period.

The Company adopts the implicit rate of lease as the discount rate, but if the implicit rate of lease cannot be reasonably determined, the incremental borrowing rate will be adopted as the discount rate.

The Company calculates the interest expenses of lease liabilities in each lease term based on a fixed periodic interest rate, and includes such expenses into the current profit or loss or the cost of related assets.

The variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss or the costs of related assets when they actually occur.

After the commencement date of the lease term, under any of the following circumstances, the Company will re-measure the lease liabilities and adjust the corresponding right-of-use assets; if the book value of the right-of-use assets has been reduced to zero and further reduction of lease liabilities is still required, the difference will be included in the current profit or loss:

- In case of any change in the evaluation results of the purchase option, lease renewal option or termination option, or any inconsistency between the actual exercise of the aforesaid options and the original evaluation results, the Company will re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate.
- When there is a change in the substantial fixed payment amount, a change in the expected amount payable for the residual value of the guarantee, or a change in the index or ratio used to determine the lease payment amount, the Company re-measures the lease liability based on the present value calculated from the changed lease payment amount and the original discount rate. However, changes in lease payments are due to changes in floating interest rates and the present value is calculated using the revised discount rate.

(3) Short-term lease and lease of low-value assets

The Company chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the relevant lease payments are included in the current profit or loss or the cost of related assets by straight-line method over each period within the lease term. Short-term leases refer to leases that do not exceed 12 months on the commencement date of the lease period and do not include any purchase option. Low-value asset lease refers to the lease of a single lease asset with lower value when it is brand new. The Company regards the lease of a single leased asset whose value does not exceed RMB 40,000.00 when it is a new asset as a low-value asset lease. For the lease asset subleased by the Company subleases or expected to be subleased, the original lease is not a lease of low-value assets.

(4) Lease changes

The lease changes and the following conditions are met at the same time, the Company will carry out accounting treatment over the lease change as a separate lease:

- where the lease change expands the scope of the lease by adding the right to use one or more leased assets;
- where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.
- Where the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company will re-distribute the consideration of the contract after the change, re-determine the lease period, and re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate.

If the lease change causes the lease scope to be reduced or the lease term to be shortened, the Company shall correspondingly reduce the book value of the right-to-use assets, and include the related gains or losses of partial or complete termination of the lease in the current profit or loss. Where other lease changes lead to re-measurement of lease liabilities, the Company will adjust the book value of the right-of-use assets accordingly.

3.32.2 The Company as the lessor

Leases of the Company are classified as finance lease and operating lease on the lease commence date. Lease under which almost all the risks and rewards relevant to the ownership of leased assets are materially transferred is recognized as finance lease, regardless of whether the ownership is ultimately transferred. Operating lease refers to the leases other than finance lease. When the Company is a sub-lessor, it classifies the

sub-leases based on the right-of-use assets generated by the original lease.

(1) Accounting treatment of operating leases

Rental from the operating lease in each stage during the rental period should be recognized as the lease income by the straight-line method. Initial direct costs relating to operating lease incurred by the Company are capitalized, and shall be included in the current profit or loss on the same basis as the recognition of lease income during the lease term. The variable lease payable that is not included in the lease receivable shall be included in the current profit or loss at the time of actual occurrence. In case of any change in the operating lease, the Company will make the accounting treatment for it as a new lease from the effective date of the change, and the amount received in advance or lease receivables before the change will be regarded as the receivables from the new lease.

(2) Accounting treatment of finance lease

On the lease commencement date, the Company recognizes finance lease receivables for financing leases and derecognizes finance lease assets. When the Company conducts the initial measurement of finance lease receivables, the net lease investment is adopted as the entry value of the finance lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments that have not been received at the beginning of the lease term and discounted at the interest rate included in the lease.

The Company calculates and recognizes interest income for each period of the lease term at a fixed periodic interest rate. The termination recognition and impairment of the finance lease receivable shall be accounted for in accordance with "3.10 Financial Instruments" in this note.

The variable lease payable that is not included in the net lease investment for measurement shall be included in the current profit or loss at the time of actual occurrence.

If the finance lease changes and the following conditions are met at the same time, the Company will carry out accounting treatments over the change as a separate lease:

- where the change expands the scope of the lease by adding the right to use one or more leased assets;
- where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.

Where the change of finance lease is not accounted for as a separate lease, the Company will treat the changed lease according to the following circumstances:

- If the change comes into effect on the lease commencement date, the lease will be classified as an operating lease. The Company will start making accounting treatment for it as a new lease from the effective date of the lease change, and regard the net lease investment before the effective date of the lease change as the book value of the leased assets.
- If the change comes into effect on the lease commencement date, the lease will be classified as a finance lease, and the Company will conduct accounting treatment according to the policy on modifying or renegotiating the contract in "3.10 Financial instruments" of this note.

3.32.3 Sale-leaseback transaction

The Company evaluates and determines whether the transfer of assets in a sale-and-leaseback transaction is a sale in accordance with the principles described in "3.29 Income" in this note.

(1) As the lessee

If the transfer of assets in the sale-leaseback transaction is a sale, the company, as the lessee, shall measure the right to use assets formed by the sale-leaseback according to the part of the book value of the original assets related to the right to use acquired by the leaseback, and only recognize the relevant gains or losses in respect of the right transferred to the lessor.

After the commencement of the lease term, the subsequent measurement of the right to use assets and lease liabilities and lease changes are detailed in note "3.33(1) As the lessee". The Company as the lessee. In the subsequent measurement of the lease liability resulting from sale-leaseback, the Company determines the lease payment or changes the lease payment in a manner that does not result in the recognition of gains or losses

related to the right to use acquired by the leaseback.

Where the transfer of assets in a sale-and-leaseback transaction is not a sale, the Company, as the lessee, continues to recognize the transferred assets and at the same time recognizes a financial liability equal to the transfer income. For the accounting treatment of financial liabilities, please refer to "3.10 Financial Instruments" in this note.

(2) As a lessor

If the transfer of assets in the sale-leaseback transaction is a sale, the Company, as the lessor, shall conduct accounting treatment for the purchase of assets, and shall conduct accounting treatment for the lease of assets in accordance with the aforementioned policy of "2. As a lessor "; If the transfer of assets in a sale-and-leaseback transaction is not a sale, the Company, as the lessor, does not recognize the transferred assets, but recognizes a financial asset equal to the transfer income. For the accounting treatment of financial assets, please refer to "3.10 Financial Instruments" in this note.

3.33 Hedge accounting

3.33.1 Classification of Hedging

- (1) The term "fair value hedge" refers to a hedge of the risk of changes in the fair value of a recognized asset or liability and an unrecognized firm commitment (excluding foreign exchange risk).
- (2) The term "cash flow hedge" refers to a hedge of the risk of changes in cash flow, where the changes in cash flow are attributable to a specific risk related to a recognized asset or liability or a highly probable forecast transaction or the foreign exchange risk contained in an unconfirmed firm undertaking.
- (3) A hedge of net investment in an overseas operation refers to a hedge of the foreign exchange risk of net investment in an overseas operation. The "net investment in an overseas operation" refers to the equity share of an enterprise in the net assets of an overseas operation.

3.33.2 Designation of hedging relationship and determination of the effectiveness of hedging

At the beginning of the hedging relationship, the Company has formally designated the hedging relationship and prepared formal written documents on the hedging relationship, risk management objectives and hedging strategies. This document sets out the nature and quantity of the hedging instrument, the nature and quantity of the hedged items, the nature of the hedged risk, the type of hedging, and the Company's assessment of the effectiveness of the hedging instrument. Hedge effectiveness, It refers to the extent to which the changes in the fair value or cash flow of the hedging instrument can offset the hedged item caused by the hedged risk and the changes in the fair value or cash flow.

The Company shall continuously evaluate the effectiveness of the hedge and judge whether the hedge meets the requirements for the effectiveness of hedge accounting during the accounting period in which the hedging relationship is designated. If not, the use of the hedging relationship shall be terminated.

The application of hedging accounting shall meet the following requirements for the effectiveness of hedging:

- (1) There is an economic relationship between the hedged item and the hedging instrument.
- (2) In the value changes arising from the economic relationship between the hedged item and the hedging instrument, the impact of credit risk is not dominant.
- (3) An appropriate hedging ratio is adopted, and the hedging ratio will not form a balance between the hedged item and the relative weight of the hedging instrument, resulting in an accounting result inconsistent with the hedging accounting objective. If the hedging ratio is no longer appropriate, but the risk management objective of the hedging period remains unchanged, the number of the original hedging item or hedging instrument shall be adjusted to make the hedging ratio meet the requirement of effectiveness again.

3.33.3 Hedge accounting treatment method

- (1) Fair value hedging

Changes in the fair value of hedging derivatives are recorded in current profits and losses. Changes in the fair value of the hedged item due to the hedging risk shall be recorded into the current profit and loss, and the book value of the hedged item shall be adjusted at the same time.

In the case of fair value hedges related to financial instruments measured at amortized cost, adjustments made to the carrying value of the hedged item are amortized during the remaining period between the adjustment date and the maturity date and recorded in the current profit and loss. Amortization under the effective interest rate method may commence immediately after the book value adjustment and no later than the adjustment of

the hedged item for changes in fair value arising from the hedging risk after the termination of the hedged item. If the hedged item is terminated, the unamortized fair value is recognized as the current profit and loss.

The hedged item is a firm commitment that has not yet been recognized, the accumulated change in fair value of the firm commitment due to the hedged risk is recognized as an asset or liability, and the related gain or loss is recorded into the current profit and loss. Changes in the fair value of hedging instruments are also included in current profits and losses.

(2) Cash flow hedging

The part of the profit or loss of the hedging instrument that belongs to the effective hedging is directly recognized as other comprehensive income, and the part that belongs to the ineffective hedging is included in the current profits and losses.

If the hedged transaction affects the current profits and losses, for example, when the hedged financial income or financial expenses are recognized or the expected sales occur, the amount recognized in other comprehensive income shall be transferred to the current profits and losses. If the hedged item is the cost of a non-financial asset or non-financial liability, the amount originally recognized in other comprehensive income is transferred out and included in the initially recognized amount of the non-financial asset or non-financial liability (Or if it was originally recognized in other comprehensive income, it shall be transferred out during the same period when the non-financial assets or non-financial liabilities affect the profits and losses, and shall be included in the current profits and losses).

If the expected transaction or firm commitment is not expected to occur, the accumulated gains or losses previously included in other comprehensive income are transferred out and included in the current profits and losses. If the hedging instrument has expired, been sold, the contract has been terminated or exercised (but not replaced or extended), or the designation of the hedging relationship has been cancelled, the amount previously included in other comprehensive income shall not be transferred out until the expected transaction or firm commitment affects the current profits and losses. (3) Hedging of net investment in overseas operation

(3) Operating net investment hedging abroad

A hedge of a net investment in a foreign operation includes a hedge of a monetary item that is a portion of the net investment, and the treatment is similar to a cash flow hedge. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is included in other comprehensive income, while the portion of the ineffective hedge is recognized in profit or loss for the period. When an overseas operation is disposed of, any accumulated gain or loss included in other comprehensive income is transferred out and included in the current profit or loss.

3.34 Debt restructuring

3.34.1 The Company as a creditor

The company shall terminate the recognition of the creditor's rights when its contractual right to collect the cash flow of the creditor's rights terminates. Where debt restructuring is carried out in the form of paying off debts with assets or converting debts into equity instruments, the Company shall recognize the relevant assets when they meet its definition and recognition conditions.

Where debt restructuring is carried out in the form of asset repayment of debt, the company shall measure the transferred non-financial assets at cost when initially recognizing them. The cost of inventory includes the fair value of the abandonment of the creditor's right and the taxes, transportation costs, handling costs, insurance costs and other costs directly attributable to the asset incurred in bringing the asset to its current position and state. The cost of investment in a joint venture or joint venture includes the fair value of the abandoned creditor's rights and other costs directly attributable to the asset such as taxes. The cost of investment real estate includes the fair value of the abandoned creditor's rights and other costs directly attributable to the asset such as taxes. The cost of a fixed asset includes taxes, transportation costs, handling costs, installation costs, professional service fees and other costs directly attributable to the asset before the fair value of the creditor's right is abandoned and the asset is made available for use. The cost of a biological asset includes the fair value of the abandoned claim and other costs directly attributable to the asset such as taxes, transportation costs and insurance premiums. The cost of intangible assets includes the fair value of the abandoned creditor's rights and other costs that can be directly attributed to the achievement of the intended use of the assets. If the debt restructuring in the form of converting debt into equity instruments results in the creditor converting the

creditor's right into equity investment in the joint venture or joint venture, the company shall measure the initial investment cost according to the fair value of the abandoned creditor's right and taxes and other costs directly attributable to the asset. The difference between the fair value of the abandoned creditor's rights and the carrying value is recorded in the current profit and loss.

If the debt restructuring is carried out by modifying other terms, the Company shall recognize and measure the restructured creditor's rights in accordance with "3.10 Financial Instruments" in this note.

Where debt restructuring is carried out by means of multiple assets to pay off debts or combination, the Company shall first recognize and measure the transferred financial assets and restructured creditor's rights in accordance with "3.10 Financial Instruments" in this note, and then according to the proportion of fair value of all assets other than the transferred financial assets, The net value of the fair value of the abandoned creditor's rights after deducting the recognized amount of the transferred financial assets and the restructured creditor's rights shall be distributed, and on this basis the cost of each asset shall be determined according to the aforementioned method. The difference between the fair value and the carrying amount of the abandoned creditor's right shall be included in the current profit and loss.

3.34.2 The Company as a creditor

The Company derecognizes a debt when the present obligation of the debt is discharged. In case of debt restructuring in the form of liquidation of debts by assets, the Company shall terminate the recognition when the relevant assets and the liquidated debts meet the conditions for termination of recognition, and the difference between the book value of the liquidated debts and the book value of the transferred assets shall be included in the current profits and losses.

In case of debt restructuring by converting debts into equity instruments, the Company shall terminate the recognition when the debts paid off meet the conditions for derecognition. When the Company initially recognizes the equity instrument, it shall be measured according to the fair value of the equity instrument. If the fair value of the equity instrument cannot be measured reliably, it shall be measured according to the fair value of the liquidated debt. The difference between the book value of the extinguished debt and the recognized amount of the equity instrument, It shall be included in the current profits and losses. In case of debt restructuring by modifying other terms, the Company shall recognize and measure the restructured debt in accordance with "3.10 Financial Instruments" in this Note.

In case of debt restructuring by means of paying off debts with multiple assets or by means of combination, the Company shall recognize and measure the equity instruments and restructured debts in accordance with the aforementioned methods, and the difference between the book value of the debts paid off and the sum of the book value of the transferred assets and the recognized amount of the equity instruments and restructured debts shall be included in the current profits and losses.

3.35 Segment report

The Company determines the operating segments based on the internal organizational structure, management requirements and internal reporting system, and determines the reporting segments based on the operating segments and discloses the segment information.

An operating segment is a component of the Company that simultaneously meets the following conditions: (1) the component is able to generate revenue and incur expenses in its daily activities; (2) the management of the Company is able to regularly evaluate the operating results of the component to determine the allocation of resources to it and evaluate its performance; (3) The Company is able to obtain the financial position, operating results, cash flow and other relevant accounting information of the component. If two or more operating segments have similar economic characteristics and meet certain conditions, they can be combined into one operating segment.

3.36 Safety production fee

The safety production fee drawn by the Company in accordance with the national regulations shall be included in the cost of relevant products or the current profit and loss, and shall be recorded in the "special reserve" account. When the safety production fee extracted is used, it belongs to the expense expenditure, and the special reserve is directly offset. If fixed assets are formed, the expenditures incurred are collected through the "construction in progress" account, and are recognized as fixed assets when the safety project is completed and

reaches the expected usable state. The special reserve is offset according to the cost of forming fixed assets, and the accumulated depreciation of the same amount is recognized. The fixed asset will not be depreciated in subsequent periods.

3.37 Determination method and selection basis of materiality standard

Items	Importance
Significant accounts receivable for which provision for doubtful accounts is made individually	10 million RMB
Important debt investments	10 million RMB
Important projects in progress	10 million RMB
Significant accounts payable aged over one year or overdue	10 million RMB
Important joint ventures or associates	The shareholding ratio exceeds 30% and the income exceeds 100 million RMB

3.38 Notes to changes in important accounting policies and accounting estimates, as well as correction of errors and other adjustments

3.38.1 Changes in significant accounting policies

(1) Implementation of Interpretation of Accounting Standards for Business Enterprises No. 17

On October 25, 2023, the Ministry of Finance published the Interpretation of Accounting Standards for Business Enterprises No. 17 (Accounting and Accounting (2023) No. 21, hereinafter referred to as the "Interpretation No. 17").

① The division of current liabilities and non-current liabilities

Interpretation No. 17 clearly states:

– Where an enterprise does not have a material right at the balance sheet date to postpone the settlement of a liability for more than one year after the balance sheet date, such liability shall be classified as a current liability.

– For liabilities arising from the corporate loan facility, the right of the enterprise to postpone the repayment of liabilities for more than one year after the balance sheet date may depend on whether the enterprise has complied with the conditions specified in the loan facility (hereinafter referred to as the contractual conditions). In judging whether its material right to postpone the repayment of debts exists, the enterprise should only consider the contractual conditions to be followed on or before the balance sheet date. No consideration should be given to the contractual conditions that a business should follow after the balance sheet date.

– The liquidation of liabilities when the liquidity of liabilities is divided refers to the discharge of liabilities by the transfer of cash, other economic resources (such as goods or services) or the enterprise's own equity instruments to the counterparty. If the terms of the liability cause the enterprise to settle by delivering its own equity instrument at the option of the counterparty, if the enterprise classifies the option as an equity instrument and recognizes it separately as an equity component of the compound financial instrument in accordance with the Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments, This clause does not affect the liquidity division of the liability.

The interpretation shall come into force on January 1, 2024, and enterprises shall adjust the information

for comparable periods in accordance with the interpretation when they first implement the interpretation. The implementation of this provision has not had a material impact on the Company's financial position and operating results.

② Disclosure of supplier financing arrangements

Interpretation No. 17 requires enterprises to summarize and disclose information related to supplier financing arrangements when making note disclosures, so as to help users of statements assess the impact of these arrangements on the liabilities, cash flows and liquidity risk exposure of the enterprise. The impact of supplier financing arrangements should also be considered when identifying and disclosing liquidity risk information. The disclosure requirement applies only to supplier financing arrangements. A supplier financing arrangement is a transaction with the following characteristics: one or more financing providers provide funds to pay the enterprise an amount due to it to the supplier with an agreement that the Enterprise will repay the financing provider on or after the day the payment is received by its supplier, subject to the terms and conditions of the arrangement. The supplier financing arrangement extends the payment period of the enterprise or brings forward the collection period of the supplier of the enterprise compared to the original payment due date.

The interpretation will take effect on January 1, 2024. Enterprises are not required to disclose relevant information of comparable periods and part of the initial information when implementing the interpretation for the first time. The implementation of this provision has not had a material impact on the company's financial position and operating results.

③ Accounting for sales and leaseback transactions

Interpretation No. 17 stipulates that, in the subsequent measurement of lease liabilities arising from sale-and-leaseback transactions, the lessee shall not determine lease payments (or modified lease payments) in a manner that results in the recognition of gains or losses associated with the right-of-use asset obtained through the leaseback.

Upon initial application of this interpretation, enterprises shall retrospectively adjust sale-and-leaseback transactions conducted after the initial adoption date of Accounting Standards for Business Enterprises No. 21 – Leases.

This interpretation shall become effective from January 1, 2024, with early application permitted for annual reporting periods following its issuance.

The implementation of this provision has not had a material impact on the Company's financial position and operating results.

(2) Implementation of the Interim Provisions on Accounting Treatment of Enterprise Data Resources

On August 1, 2023, the Ministry of Finance issued the "Interim Provisions on Accounting Treatment Related to Enterprise Data Resources" (Finance and Accounting (2023) No. 11), which applies to data resources recognized as intangible assets or inventories and other assets in accordance with relevant provisions of accounting standards for enterprises. And the relevant accounting treatment of data resources that are legally owned or controlled by the enterprise and expected to bring economic benefits to the enterprise, but do not meet the conditions for asset recognition and have not been recognized, and put forward specific requirements for the disclosure of data resources.

This regulation will come into effect on January 1, 2024, and enterprises should adopt the future applicable law, and data resource-related expenditures that have been expensed in profit or loss before the implementation of this regulation will no longer be adjusted. The implementation of this provision has not had a material impact on the Company's financial position and operating results.

(3) Implement the provisions of Interpretation of Accounting Standards for Business Enterprises No. 18 "Accounting treatment for quality assurance of guarantee that does not belong to single performance obligation"

On December 6, 2024, the Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 18 (Accounting and Accounting (2024) No. 24, hereinafter referred to as the "Interpretation No. 18"), which will take effect from the date of issuance and allow enterprises to implement it in advance from the year of issuance.

Interpret the provisions of No. 18, when accounting for the expected liabilities arising from the quality assurance of the guarantee category that is not a single performance obligation, according to the relevant provisions of the Accounting Standards for Business Enterprises No. 13 - Contingencies, according to the determined amount of expected liabilities, the items such as "main operating costs" and "other operating costs" shall be debits, and the items of "Estimated liabilities" shall be credited. It shall be listed accordingly in "operating costs" in the income statement and "other current liabilities", "non-current liabilities due within one year", "Estimated liabilities" and other items in the balance sheet.

When the enterprise implements the contents of this interpretation for the first time, if "sales expenses" are included in the original provision of quality assurance, it shall make retrospective adjustment according to the change of accounting policies.

The main impact of the company's implementation of this regulation from 2024 is as follows:

Affected report items	Merge		Parent company	
	Year 2024	Year 2023	Year 2024	Year 2023
operating costs	926,665,628.35	820,554,826.66	16,128,246.52	43,893,555.20
Selling and distribution expenses	-926,665,628.35	-820,554,826.66	-16,128,246.52	-43,893,555.20

3.38.2 Changes in important accounting estimates

None.

3.39 Others

None.

4 Taxation

4.1 Major tax types and tax rates

Types of taxes	Basis of tax	Applicable tax rate	Remarks
Value added tax	The output tax shall be calculated on the basis of the income from sales of goods and taxable services calculated in accordance with the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference shall be VAT payable	3%、5%、6%、9%、11%、13%、18%	GST of Dongfang Electric (India) Private Limited (hereinafter referred to as Dongfang India) is 18%.
City maintenance and construction tax	According to the actual payment of value-added tax and consumption tax	5%、7%	
Property tax	Tax is based on 70% of the original value of the property (or rental income)	1.2%、12%	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Explanation of income tax rates of different taxpayers:

Name of taxpayer	Income tax rate (%)
Dongfang Electric Corporation Limited (The Company)	15
Dongfang Electric Corporation Dongfang Boiler Co., Ltd. (hereinafter referred to as Dongfang Boiler)	15
Dongfang Kaiterui (Chengdu) Environmental Technology Co., LTD. (hereinafter referred to as Dongfang Kaiterui)	15
Dongfang Electric (Chengdu) Hydrogen Energy Technology Co., LTD. (hereinafter referred to as Dongfang Hydrogen Energy)	15
DONGFANG TURBINE Co., LTD. (hereinafter referred to as Dongfang Turbine)	15
Dongfang Electric Machinery Co., LTD. (hereinafter referred to as Dongfang Electric Machinery)	15
Dongfang Electric (Deyang) Motor Technology Co., LTD. (hereinafter referred to as Dongfang Electric Motor)	15
Dongfang Electric Wind Power Co.,Ltd.(hereinafter referred to as Dongfang Wind Power)	15
Dongfang Electric Wind Power (Liangshan) Co., LTD. (hereinafter referred to as Dongfang Liangshan Wind Power)	15
Dongfang Electric (Jiuquan) Wind Power Equipment Co., LTD. (hereinafter referred to as Dongfang Jiuquan Wind Power)	15
Xinjiang Dongfang Wind Power New Energy Co., LTD. (hereinafter referred to as Dongfang Xinjiang New Energy)	15
Dongfang Electric (Tianjin) Wind Power Blade Engineering Co., LTD. (hereinafter referred to as Dongfang Tianjin Blade)	15
Dongxia (Jiangsu) Smart Energy Co., LTD. (hereinafter referred to as Dongfang Jiangsu Smart Energy)	20
Mulei Dongji New Energy Co. LTD. (hereinafter referred to as Mulei East New Energy)	20
Dongfang Electric (Guangdong) Wind Power Equipment Co., LTD. (hereinafter referred to as Dongfang Guangdong Wind Power)	20
Fujian Dongfu New Energy Co., LTD. (hereinafter referred to as Fujian Dongfu New Energy)	20
Dongfang Electric (Changdu) New energy Co., LTD. (hereinafter referred to as Dongfang Changdu New Energy)	20
Dongfang Electric Wind Power (Guiyang) Co., LTD. (hereinafter referred to as Dongfang Guiyang Wind Power)	20
Dongfang Wind Power (Tangshan) New Energy Co., LTD. (hereinafter referred to as Dongfang Tangshan New Energy)	20
Dongtang (Tangshan Caofeidian District) New Energy Co., LTD. (hereinafter referred to as Dongtang Tangshan New Energy)	20
Dongfang Wind Power (Qingxian) New Energy Co., LTD. (hereinafter referred to as Dongfang Qingxian New Energy)	20
Qingxian Dongtai Energy Manufacturing Co., LTD. (hereinafter referred to as Qingxian Dongtai Energy)	20
Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.	15
Dongfang (Guangzhou) Heavy Machinery Co., LTD. (hereinafter referred to as Dongfang Heavy Machinery)	15
DongFang Electric Autocontrol Engineering Co., LTD. (hereinafter referred to as Dongfang Autocontrol)	15
Dongfang Electric Qineng (Shenzhen) Technology Co., LTD. (hereinafter referred to as Dongfang Qineng)	15
Dongfang Hitachi (Chengdu) Electronic Control Equipment Co., LTD. (hereinafter referred to as Dongfang Hitachi)	15
Dongfang Electric Zhongneng Industrial Control Network Security Technology (Chengdu) Co., LTD. (hereinafter referred to as Dongfang Zhongneng)	15
DEC Project Cargo Logistics Co., LTD. (hereinafter referred to as Dongfang Cargo Logistics)	15
Dongfang Electric (Chengdu) Engineering Design Consulting Co., LTD. (hereinafter referred to as Dongfang Design)	15
Dongfang Electric (Wuhan) Nuclear Equipment Co., LTD. (hereinafter referred to as Dongfang Wuhan Nuclear Core) (hereinafter referred to as the Dongfang Wuhan Nuclear Core)	15
Dongfang Electric Corporation Research Institute of Science and Technology Co., LTD. (hereinafter referred to as Dongfang Research Institute)	15

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of taxpayer	Income tax rate (%)
PT. Dongfang Electric Indonesia (hereinafter referred to as Dongfang Indonesia Company)	22
Nam Mang 1 Power Co., LTD. (hereinafter referred to as Nam Mang Company) (Note 1)	
Other enterprises within the scope of merger of the company	25

According to the Franchise Operation Agreement signed by Nam Mang 1 Power Co., LTD and the Lao Government on January 9, 2013, the applicable corporate income tax rate of Nam Mang 1 Power Co., LTD is 0.00%

4.2 Tax incentives and exemptions

1. The Company

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The company meets the preferential conditions and implements the preferential tax rate of 15.00%.

2. Dongfang boiler

(1) Dongfang boiler

On December 12, 2023, the company obtained the high-tech enterprise certification, the certificate number is GR202351006033, and the validity period is 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

(2) Dongfang Kaiterui

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. The company meets the preferential conditions and implements the preferential tax rate of 15.00%. The company has also obtained the high-tech enterprise certificate, in 2024 review through the latest high-tech enterprise certification, the certificate number is: GR202451002153, valid for 3 years.

(3) Dongfang hydrogen energy

In November 2022, the company obtained the high-tech enterprise certificate, certificate No.: GR202251003756, with a period of 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

3. Dongfang Turbine

Obtained the high-tech enterprise certification on December 6, 2024, with the certificate number of GR202451004730 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

4. Dongfang Electric Machinery

(1) Dongfang Electric Machinery

Dongfang Electric obtained the high-tech enterprise certification on December 6, 2024, the certificate number is GR202451004514, and the validity period is 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

(2) Dongfang Electric Motor

On November 2, 2022, it obtained the high-tech enterprise certification with the certificate number of GR202251001070 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

5. Dongfang Wind Power

(1) Dongfang Wind Power and Dongfang Liangshan Wind Power

Dongfang Wind Power, Dongfang Liangshan Wind Power, Dongfang Jiuquan Wind Power and Dongfang Xinjiang New Energy According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the National Development and Reform Commission of the Administration of Taxation of the Ministry of Finance), from January 1, 2021 to December 31, 2030, Enterprise income tax shall be levied at a reduced rate of 15% for enterprises in encouraged industries located in the western region. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. In 2024, the main business of the above company meets the industrial projects stipulated in the Catalogue of Encouraged Industries in Western China, and the income accounts for more than 60% of the total income of the company, so it can enjoy 15% corporate income tax preferential treatment.

(2) Dongfang Tianjin Blade

In December 2022, it obtained the high-tech enterprise certification, the certificate number is GR202212002710, and the validity period is 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

(3) Dongfang Jiangsu Huineng, Mulei East New Energy, Dongfang Guangdong Wind Power, Fujian Dongfu New Energy, Dongfang Changdu New Energy, Dongfang Guiyang Wind Power, Dongfang Tangshan New Energy, Dongtang Tangshan New Energy, Dongfang Qingxian New Energy and Qingxian Dongtai Energy

According to the Announcement of the State Administration of Taxation of the Ministry of Finance on Implementing Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No. 6, 2023 of the State Administration of Taxation) and the Announcement of the State Administration of Taxation on Implementing the Collection and Administration of Preferential Income Tax Policies for Small and Low-Profit Enterprises (Announcement No. 6, 2023 of the State Administration of Taxation), From January 1, 2023 to December 31, 2024, for small and low-profit enterprises whose annual taxable income does not exceed 1 million yuan, 25% will be reduced and included in the taxable income, and the enterprise income tax will be paid at the tax rate of 20%.

The above companies will meet the conditions of small and micro enterprises in 2024 and enjoy 20% corporate income tax preferential treatment.

(4) Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.

According to the Notice on Preferential Enterprise Income Tax Policies of Hainan Free Trade Port (Finance and Taxation (2020) No. 31), enterprises in encouraged industries registered in Hainan Free Trade Port and substantially operating will be levied corporate income tax at a reduced rate of 15%.

Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd. will meet the above provisions in 2024 and enjoy 15% corporate income tax preferential treatment.

6. Dongfang Heavy Machinery

The high-tech enterprise certificate was obtained on December 19, 2022, with the certificate number of GR202244001244 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

7. Dongfang Automatic Control

(1) Dongfang Automatic Control

In October 2023, the Company obtained the high-tech enterprise certificate, with the certificate number of GR202351001111 and a term of three years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

(2) Dongfang Qineng

On December 26, 2024, it obtained the high-tech enterprise certification, the certificate number is GR202444202528, and the validity period is 3 years. In accordance with the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate for this year is 15.00%.

(3) Dongfang Hitachi

The Company's subsidiary, Dongfang Hitachi, obtained the high-tech Enterprise Certificate No. GR202451002701 on December 06, 2024, with a period of three years, in accordance with the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China. The applicable corporate income tax rate for the year is 15.00%.

(4) Dongfang Zhongneng

In November 2022, it passed the high-tech enterprise certificate renewal and filing, and obtained the high-tech enterprise certificate numbered GR202251000403 jointly issued by Sichuan Provincial Department of Science and Technology, Sichuan Provincial Department of Finance, and Sichuan Provincial Tax Bureau of the State Administration of Taxation. In accordance with the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate for this year is 15%.

8. Dongfang Cargo Logistics

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. The company meets the preferential conditions and implements the preferential tax rate of 15.00%.

9. DongFang Design

On November 2, 2022, it was certified as a high-tech enterprise with the certificate number of GR202251002420 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

10. Dongfang Wuhan Nuclear Core

On December 14, 2022, it obtained the high-tech enterprise certification, with the certificate number of GR202242008075 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

11. Dongfang Research Institute

On December 6, 2024, it obtained the high-tech enterprise certification, with the certificate number of GR202451004949 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

12. Dongfang Indonesia

According to the local tax Act of Indonesia, the tax rate for resident enterprises and permanent establishments is 22% in 2024, and the applicable corporate income tax rate for this year is 22%.

13. Nam Mang Company

According to the relevant provisions of the Franchise Operation Agreement signed by the Company and the Lao Government on January 9, 2013, the applicable corporate income tax rate of the Company is 0%, and the company's subsidiary Lao Nam Mang River Power Co., Ltd. enjoys this preferential policy.

14. According to the Announcement on Additional VAT Deduction Policy for Advanced Manufacturing Enterprises Announced by the State Administration of Taxation of the Ministry of Finance (No. 43, 2023),

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

from January 1, 2023 to December 31, 2027, some subsidiaries of the stock, as advanced manufacturing enterprises, will deductible 5% of the input tax of the current period to offset the VAT payable.

4.3 Other explanations

None.

5 Notes to items in the consolidated financial statements

5.1 Monetary

Items	As at December 31, 2024	As at December 31, 2023
Cash on hand	746,278.67	895,680.60
Bank deposits	24,730,076,014.44	15,910,534,179.14
Other monetary funds	2,125,126,776.82	1,217,821,010.19
Total	26,855,949,069.93	17,129,250,869.93
Including: total amount of funds deposited abroad	306,171,948.88	194,134,885.67
Deposited abroad with restrictions on repatriation of funds		

Other Notes:

As of the period-end, monetary balances excluded from cash and cash equivalents in the cash flow statement mainly comprise: reserve deposits with the central bank (RMB 2,304.40 million), time/call deposits pledged as collateral (RMB 300.00 million), margin deposits (RMB 1,679.20million), accrued interest not yet due (RMB 50.49 million), and frozen funds (RMB 19.01 million). Excluding the central bank reserves (RMB 2,304.40million), collateralized deposits (RMB 300.00million), and margin deposits (RMB 1,679.20million), only frozen funds of RMB 19.01million remained, with no pledged amounts or overseas deposits subject to repatriation restrictions.

5.2 Lending funds

Items	As at December 31, 2024	As at December 31, 2023
Lending to other banks		
Lending to non-bank financial institutions	836,529,745.30	
Less: provision for loan loss		
Book value of lending fund	836,529,745.30	

Note: On December 31, 2024, the Company lent RMB 836,529,745.30 to non-bank financial institutions, which will mature in 2025; The previous loans to non-bank financial institutions are all due on December 31, 2023, and the balance is 0.

5.3 Trading financial assets

Items	As at December 31, 2024	As at December 31, 2023
Classification of financial assets measured at fair value and whose changes are recorded in current profits and losses	1,697,971,178.52	867,176,939.12
Including: debt instrument investment	319,180,200.00	362,006,800.00
Equity instrument investment	944,237,713.72	10,817,672.26
Other	434,553,264.80	494,352,466.86
Including: debt instrument investment		
Other		
Total	1,697,971,178.52	867,176,939.12

Description of trading financial assets:

1. "Other" items at the beginning of the period are RMB 494,352,466.86.
2. At the end of the period, all the "other" items are RMB 434,553,264.80.

Trading financial assets are analyzed as follows:

Items	As at December 31, 2024	As at December 31, 2023
Listed financial assets		
China (excluding Hong Kong)	944,237,713.72	10,746,272.26
Sub-total	944,237,713.72	10,746,272.26
Unlisted financial assets	753,733,464.80	856,430,666.86
Total	1,697,971,178.52	867,176,939.12

Note:

1. 1,447,000.00 non-restricted circulation domestic listed RMB ordinary shares (A shares) of China XD Electric Co., LTD., held by the Company, accounting for 0.0282% of the capital stock of the invested entity;
2. 285,400.00 non-restricted circulation domestically listed RMB ordinary shares (A shares) of Hubei Energy Group Co., Ltd. held by the Company, accounting for 0.0044% of the capital stock of the invested entity;
3. 87,167,187.00 non-restricted circulation domestic listed RMB ordinary shares (A shares) of Sichuan New Energy Power Co., Ltd. held by the Company, accounting for 4.7219% of the share capital of the invested entity;
4. 308,315.00 non-restricted circulation domestic listed RMB ordinary shares (A shares) of Chongqing Gas Group Co., Ltd. held by the Company, accounting for 0.0196% of the capital stock of the invested entity;
5. The company holds 301,994.00 non-restricted circulation domestically listed RMB ordinary shares (A shares) of Chongqing Iron and Steel Co., LTD., accounting for 0.0033% of the share capital of the invested unit.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.4 Notes receivable

5.4.1 Classified and listed notes receivable

Category	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Bank acceptance bill	917,683,123.73	33,660,263.07	884,022,860.66	769,689,648.10	1,027,605.22	768,662,042.88
Commercial acceptance bill	363,102,113.39	22,771,837.82	340,330,275.57	410,429,875.21	26,467,912.97	383,961,962.24
Total	1,280,785,237.12	56,432,100.89	1,224,353,136.23	1,180,119,523.31	27,495,518.19	1,152,624,005.12

5.4.2 Notes receivable endorsed or discounted but undue as at the end of the reporting period

Items	Derecognized amount as at December 31, 2024	Non-derecognized amount as at December 31, 2024
Bank acceptance bills		429,866,789.21
Commercial acceptance bills		51,006,459.83
Total		480,873,249.04

5.4.3 At the end of the period, the company transferred the drawer to accounts receivable due to non-performance of the contract

Category	Amount of accounts receivable transferred at the end of the year
Bank acceptance bills	5,000,000.00
Commercial acceptance bills	
Total	5,000,000.00

5.5 Accounts receivable

5.5.1 Aging of accounts receivable

Age of account	As at December 31, 2024	As at December 31, 2023
Within 1 year (including 1 year)	9,166,698,541.03	7,589,131,840.54
1-2 years (including 2 years)	2,912,482,204.67	2,748,735,765.12
2-3 years (including 3 years)	1,573,780,667.10	1,291,984,555.61
More than 3 years		
3-4 years (including 4 years)	709,985,357.44	811,849,095.90
4-5 years (including 5 years)	454,092,052.84	430,473,801.26
More than 5 years	1,349,940,684.20	2,069,177,565.93
Sub-total	16,166,979,507.28	14,941,352,624.36
Less: provision for bad debts	3,621,665,242.31	4,227,246,759.41
Total	12,545,314,264.97	10,714,105,864.95

Note: Accounts receivable are recorded mainly on the date of business occurrence.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.5.2 Disclosure of accounts receivable by method of provision for bad debts

Category	As at December 31, 2024					As at December 31, 2023				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on an individual basis	1,569,514,088.67	9.71	1,291,566,851.28	82.29	277,947,237.39	1,809,716,548.76	12.11	1,673,130,449.44	92.45	136,586,099.32
Provision for bad debts on portfolio basis of credit risk characteristics	14,597,465,418.61	90.29	2,330,098,391.03	15.96	12,267,367,027.58	13,131,636,075.60	87.89	2,554,116,309.97	19.45	10,577,519,765.63
Including: Aging analysis combination	14,597,465,418.61	90.29	2,330,098,391.03	15.96	12,267,367,027.58	13,131,636,075.60	87.89	2,554,116,309.97	19.45	10,577,519,765.63
Total	16,166,979,507.28	100.00	3,621,665,242.31		12,545,314,264.97	14,941,352,624.36	100.00	4,227,246,759.41		10,714,105,864.95

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Important accounts receivable with an individual provision for doubtful accounts:

Name of company	Balance at end of the period			
	Balance of book value	Provision for bad debts	Withdrawal ratio (%)	Basis of withdrawal
National Electricity Company of Laos	239,225,555.36	30,535,741.37	12.76	The owner cannot recover on time due to financial constraints or quality problems
Jiangsu Delong Nickel Industry Co. LTD	207,813,892.00	207,813,892.00	100	It has entered bankruptcy liquidation procedures
Zhejiang Petrochemical Co., LTD	73,350,230.21	68,235,873.85	93.03	The owner cannot recover on time due to financial constraints or quality problems
Wuxi Aerospace Wanyuan Xindali Motor Co., LTD.	72,745,660.29	72,745,660.29	100	It has entered bankruptcy liquidation procedures
BANGLADESHPOWERDEV ELOPMENTBOARD	71,617,739.75	71,617,739.75	100	The owner cannot recover on time due to financial constraints or quality problems
Chengdu Bus Co. LTD	57,445,200.00	26,853,990.00	46.75	The owner cannot recover on time due to financial constraints or quality problems
Guangxi Iron and Steel Group Co. LTD	49,572,824.20	44,615,541.78	90	The owner cannot recover on time due to financial constraints or quality problems
Ningxia Iron & Steel (Group) Co. LTD	47,142,350.25	42,428,115.23	90	The owner cannot recover on time due to financial constraints or quality problems
Inner Mongolia Aerospace Wanyuan Wind Power Equipment Manufacturing Co. LTD	45,617,395.43	45,617,395.43	100	It has entered bankruptcy liquidation procedures
Dongfang Electric (Jiuquan) New Energy Co. LTD	44,749,377.49	44,749,377.49	100	It has entered bankruptcy liquidation procedures
Inner Mongolia Mengneng Wulan New Energy Co. LTD	41,485,840.00	41,485,840.00	100	The owner cannot recover on time due to financial constraints or quality problems
Shanxi Hongda Iron & Steel Co. LTD	34,772,929.23	31,721,636.31	91.23	The owner cannot recover on time due to financial constraints or quality problems
Panzhuhua Vanadium Steel Co. LTD	27,632,480.00	24,869,232.00	90	The owner cannot recover on time due to financial constraints or quality problems
Northwest Electric Power Engineering Contracting Co. LTD	26,635,699.44	23,972,129.50	90	The owner cannot recover on time due to financial constraints or quality problems
Ningxia Baofeng Energy Group Co. LTD	26,621,419.97	23,959,277.97	90	The owner cannot recover on time due to financial constraints or quality problems
Henan Workman Construction Engineering Co. LTD	25,592,879.77	23,033,591.79	90	The owner cannot recover on time due to financial constraints or quality problems
Gansu Aerospace Wanyuan Wind Power Equipment Manufacturing Co. LTD	25,122,142.87	25,122,142.87	100	It has entered bankruptcy liquidation procedures
Inner Mongolia Gumengneng Sanshengtai Wind Power Co. LTD	24,083,252.00	24,083,252.00	100	The owner cannot recover on time due to financial constraints or quality problems
Jiangsu Dongyu Electric Power Engineering Co. LTD	20,075,460.00	20,075,460.00	100	The owner cannot recover on time due to financial constraints or quality problems

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of company	Balance at end of the period			
	Balance of book value	Provision for bad debts	Withdrawal ratio (%)	Basis of withdrawal
Shandong Power Construction Tiejun Power Engineering Co. LTD	19,757,743.60	17,781,969.24	90	The owner cannot recover on time due to financial constraints or quality problems
Kaidi Ecological and Environmental Technology Co. LTD	18,250,000.00	18,250,000.00	100	It has entered bankruptcy liquidation procedures
Weixin Deyun Building Materials Co. LTD	16,383,039.95	14,744,735.96	90	The owner cannot recover on time due to financial constraints or quality problems
Inner Mongolia Energy Power Hongnijing Wind Power Co., LTD	15,355,434.00	15,355,434.00	100	The owner cannot recover on time due to financial constraints or quality problems
Shanxi Puqin Clean Energy Co. LTD	14,912,000.00	13,420,800.00	90	The owner cannot recover on time due to financial constraints or quality problems
Power China Hebei Engineering Co. LTD	14,484,562.80	13,036,106.52	90	The owner cannot recover on time due to financial constraints or quality problems
Ningxia Changyi Clean Energy Co. LTD	16,789,858.49	16,789,858.49	100	The owner cannot recover on time due to financial constraints or quality problems
Inner Mongolia Jiuhe Energy Equipment Co. LTD	14,163,654.78	14,163,654.78	100	It has entered bankruptcy liquidation procedures
Shaanxi Daqin Environmental Technology Co. LTD	13,720,000.00	13,720,000.00	100	The owner cannot recover on time due to financial constraints or quality problems
China Railway Tunnel Co. LTD	13,036,160.00	13,036,160.00	100	The owner cannot recover on time due to financial constraints or quality problems
Shenghong Refining & Chemical (Lianyungang) Co., LTD	12,778,348.44	11,500,513.60	90	The owner cannot recover on time due to financial constraints or quality problems
Wuhan Kaidi Electric Power Engineering Co. LTD	11,463,428.06	11,463,428.06	100	It has entered bankruptcy liquidation procedures
Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	89,397,696.88	89,397,696.88	100	It has entered bankruptcy liquidation procedures
Others	137,719,833.41	135,370,604.12	98.33	Not recoverable
Total	1,569,514,088.67	1,291,566,851.28		

Provision for bad debts according to the combination of credit risk characteristics:
Aging combination:

Age of account	As at December 31, 2024		
	Accounts receivable	Provision for bad debts	Withdrawal ratio (%)
Within 1 year (including 1 year)	8,857,496,943.70	442,872,220.15	5.00
1-2 years (including 2 years)	2,534,671,849.77	253,467,185.41	10.00
2-3 years (including 3 years)	1,303,496,150.61	260,699,230.11	20.00
3-4 years (including 4 years)	585,456,728.24	234,182,691.33	40.00
4-5 years (including 5 years)	354,933,364.85	177,466,682.59	50.00
More than 5 years	961,410,381.44	961,410,381.44	100.00
Total	14,597,465,418.61	2,330,098,391.03	

5.5.3 Provisions for bad debts drawn, reversed or recovered in the current period

	Phase 1	Phase 2	Phase 3	
Provision for bad debts	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	Total
Balance as at December 31,2023	2,554,116,309.97		1,673,130,449.44	4,227,246,759.41
In 2023, balance as at December 31,2024				
-Transfer to Phase 2				
-Transfer to Phase 3	-30,535,741.37		30,535,741.37	
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024	-166,062,075.89		257,120,344.93	91,058,269.04
Reversal in 2024			307,467,387.23	307,467,387.23
Write-off in 2024				
Charge-off in 2024	24,733,591.51		361,752,297.23	386,485,888.74
Other changes	-2,686,510.17			-2,686,510.17
Balance as at December 31,2024	2,330,098,391.03		1,291,566,851.28	3,621,665,242.31

Where the amount of bad debt reserve recovery or reversal in the current period is significant:

Name of company	Recover or reverse the amount	Go back to the reason	Method of recovery	Determine the basis and rationality of the original bad debt reserve
Ningxia Baofeng Energy Group Co. LTD	35,348,001.94	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Dongfang Electric (Tongliao) Wind Power Engineering Technology Co. LTD	33,211,471.60	Distribution of bankruptcy	recovery	Customers go bankrupt
Binzhou ZHANHUA District HUIHONG NEW Material Co., LTD	31,500,926.18	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Anyang Iron & Steel Co. LTD	26,957,885.62	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Gansu Aerospace Wanyuan Wind Power Equipment Manufacturing Co. LTD	22,574,547.35	Distribution of bankruptcy	recovery	Customers go bankrupt
Dongfang Electric (Jiuquan) New Energy Co. LTD	22,170,873.30	Distribution of bankruptcy	recovery	Customers go bankrupt

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of company	Recover or reverse the amount	Go back to the reason	Method of recovery	Determine the basis and rationality of the original bad debt reserve
Guangxi Iron and Steel Group Co. LTD	20,340,000.00	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Mingyang Smart Energy Group Co. LTD	17,903,899.02	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Inner Mongolia Jingneng Shuangxin Power Generation Co. LTD	17,648,480.39	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Ningxia Iron & Steel (Group) Co. LTD	11,700,000.00	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Others	68,111,301.83	The owner's financial situation improves or the project situation improves	recovery	The owner cannot recover on time due to financial constraints or quality problems
Total	307,467,387.23			

5.5.4 Accounts receivable actually written off in 2024

Items	Amount of write-offs
Accounts receivable actually been written off	386,485,888.74

Significant write-offs of accounts receivable in 2024 is listed as follows:

Name of company	Nature of accounts receivable	Amount of write-offs	Reason for write off	The implementation of the write-off procedure	Whether it is due to related party transactions
Dongfang Electric (Jiuquan) New Energy Co. LTD	Accounts receivable	175,002,872.26	End of bankruptcy distribution	Approved by the board of directors of the subsidiary	no
Dongfang Electric (Tongliao) Wind Power Engineering Technology Co. LTD	Payment for goods	173,895,923.39	End of bankruptcy distribution	Approved by the board of directors of the subsidiary	no
Anhui Huadian Lu' an Power Generation Co. LTD	Payment for goods	19,842,250.16	End of bankruptcy distribution	Approved by the board of directors of the subsidiary	no
Total		368,741,045.81			

5.5.5 Top five accounts receivable of ending balance collected by debtor

Name of company	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of the total balance of accounts receivable and contract assets at the end of the period (%)	Ending balance of allowance for doubtful accounts receivable and allowance for impairment of contract assets
Entity 1	521,928,017.84	1,066,897,875.86	1,588,825,893.70	5.02	116,780,144.08
Entity 2	147,292,252.41	872,159,319.51	1,019,451,571.92	3.22	12,280,888.86
Entity 3	140,315,106.57	718,942,625.28	859,257,731.85	2.71	269,759,955.33
Entity 4	225,062,460.99	499,785,037.13	724,847,498.12	2.29	115,736,108.58

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of company	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of the total balance of accounts receivable and contract assets at the end of the period (%)	Ending balance of allowance for doubtful accounts receivable and allowance for impairment of contract assets
Entity 5	227,036,228.83	469,576,014.99	696,612,243.82	2.20	42,535,940.17
Total	1,261,634,066.64	3,627,360,872.77	4,888,994,939.41	15.44	557,093,037.02

5.6 Receivables financing

5.6.1 Breakdown of receivables financing

Items	As at December 31, 2024	As at December 31, 2023
Notes receivable	1,927,567,077.40	1,997,629,532.50
Accounts receivable		
Total	1,927,567,077.40	1,997,629,532.50

5.6.2 Receivables financing that has been endorsed or discounted by the company at the end of the period and is not yet due on the balance sheet date

Items	The confirmation amount shall be terminated at the end of the period	The amount of confirmation has not been terminated at the end of the period
Bank acceptance bills	733,601,244.70	
Commercial acceptance bills	49,000,000.00	
Total	782,601,244.70	

5.7 Advances to suppliers

5.7.1 Prepayments are listed according to aging

Age of account	As at December 31, 2024		As at December 31, 2023	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	4,921,703,800.79	83.75	6,325,939,077.29	79.88
1 to 2 years	610,310,006.85	10.38	1,246,972,073.27	15.75
2 to 3 years	249,691,783.18	4.25	194,677,748.88	2.46
Over 3 years	95,192,435.20	1.62	151,448,567.89	1.91
Total	5,876,898,026.02	100.00	7,919,037,467.33	100.00

5.7.2 Top 5 of advances to suppliers as at December 31, 2024, presented by supplier

Object of advance payment	As at December 31, 2024	Percentage of total closing balance of prepayments (%)
Entity 1	664,940,392.80	11.31
Entity 2	523,204,848.58	8.90
Entity 3	284,824,149.11	4.85
Entity 4	195,172,892.10	3.32
Entity 5	177,668,754.27	3.02
Total	1,650,638,144.76	31.40

5.8 Other receivables

Items	As at December 31, 2024	As at December 31, 2023
Interest receivable		
Dividends receivable	23,297,096.99	19,354,034.21
Other receivables	522,982,666.43	392,713,011.90
Total	546,279,763.42	412,067,046.11

5.8.1 Dividends receivable

(1) Details of dividends receivable

Items (or investees)	As at December 31, 2024	As at December 31, 2023
Within one year	9,628,297.85	980,000.00
More than one year	20,957,738.18	25,662,973.25
Sub-Total	30,586,036.03	26,642,973.25
Less: Provision for bad debts	7,288,939.04	7,288,939.04
Total	23,297,096.99	19,354,034.21

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(2) Significant dividends receivable with aging over one year

Items (or investees)	As at December 31, 2024	Provision for bad debts	Age of account	Reason for non-recovery	Whether impairment occurs and the reasons for it
Huadian Longkou Wind Power Co., LTD	13,210,670.09		1 to 3 years	The investee enterprises are strapped for cash	No, it will be paid after receiving state subsidies
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD	10,086,426.90		More than 2-3 years	The investee enterprises are strapped for cash	No, it will be paid after receiving state subsidies
Inner Mongolia Mengneng Wulan New energy Co., LTD	3,828,807.76	3,828,807.76	More than 3 years	The investee enterprises are strapped for cash	Yes, it is expected to be difficult to recover
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD	3,460,131.28	3,460,131.28	More than 3 years	The investee enterprises are strapped for cash	Yes, it is expected to be difficult to recover
Total	30,586,036.03	7,288,939.04			

(3) Provision for bad debts

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31, 2023			7,288,939.04	7,288,939.04
In 2023, balance as at December 31, 2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024				
Reversal in 2024				
Write-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31, 2024			7,288,939.04	7,288,939.04

5.8.2 Other receivables

(1) Disclosure by account age

Age of account	As at December 31, 2024	As at December 31, 2023
Within 1 year	391,728,062.92	274,585,074.58
1 to 2 years	72,982,364.90	96,899,124.18
2 to 3 years	71,582,020.91	61,121,662.65
More than 3 years		
3 to 4 years	54,137,481.82	5,179,818.15
4 to 5 years	3,899,717.38	14,919,960.97
Over 5 years	235,785,212.41	242,053,270.93
Sub-total	830,114,860.34	694,758,911.46
Less: Provision for bad debts	307,132,193.91	302,045,899.56
Total	522,982,666.43	392,713,011.90

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(2) Classification by nature of funds

Nature of money	As at December 31, 2024	As at December 31, 2023
Security deposit and quality guarantee	280,963,849.47	173,839,739.68
Cash for use	46,170,715.93	64,213,811.36
Payment in advance	3,709,428.90	12,628,216.85
Other operating business receivables	110,956,960.71	93,603,638.36
Others	81,181,711.42	48,427,605.65
Total	522,982,666.43	392,713,011.90

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(3) Disclosure by method of provision for bad debts

Category	As at December 31, 2024					As at December 31, 2023				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on an individual basis	201,828,216.79	24.31	179,320,549.29	88.85	22,507,667.50	204,164,078.14	29.39	182,238,617.22	89.26	21,925,460.92
Provision for bad debts on portfolio basis of credit risk characteristics	628,286,643.55	75.69	127,811,644.62	20.34	500,474,998.93	490,594,833.32	70.61	119,807,282.34	24.42	370,787,550.98
Including: Aging analysis combination	628,286,643.55	75.69	127,811,644.62	20.34	500,474,998.93	490,594,833.32	70.61	119,807,282.34	24.42	370,787,550.98
Total	830,114,860.34	100.00	307,132,193.91		522,982,666.43	694,758,911.46	100.00	302,045,899.56		392,713,011.90

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

① Significant other receivables for which provision for bad debts is made on a single basis:

Name	As at December 31, 2024			
	Balance of book value	Provision for bad debts	Withdrawal ratio (%)	Basis of withdrawal
China Science and Technology Securities Co., LTD	146,064,314.06	146,064,314.06	100.00	It has entered bankruptcy liquidation procedures
Sichuan Jiaotou Guochu Trading Co. LTD	21,755,000.00	21,755,000.00	100.00	Stage of litigation
Natural Resources and Planning and Construction Bureau, Chengdu Administrative Committee, Tianfu New District, Sichuan	12,327,367.50			Performance bond paid to the government
Planning and Natural Resources Bureau of TEDA	10,180,300.00			Performance bond paid to the government
Others	11,501,235.23	11,501,235.23	100.00	It is expected to be difficult to recover
Total	201,828,216.79	179,320,549.29		

② Provision for bad debts according to the combination of credit risk characteristics:
Aging combination:

Age of account	As at December 31, 2024		
	Other receivables	Provision for bad debts	Withdrawal ratio (%)
Within 1 year	391,472,153.71	19,542,340.04	5.00
1 to 2 years	72,712,090.30	7,271,209.01	10.00
2 to 3 years	61,401,720.91	12,280,344.20	20.00
3 to 4 years	20,055,114.32	8,022,045.74	40.00
4 to 5 years	3,899,717.38	1,949,858.70	50.00
More than 5 years	78,745,846.93	78,745,846.93	100.00
Total	628,286,643.55	127,811,644.62	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(4) Provision for bad debts

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31,2023	119,807,282.34		182,238,617.22	302,045,899.56
In 2023, balance as at December 31,2024				
-Transfer to Phase 2				
-Transfer to Phase 3	-9,000.50		9,000.50	
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024	8,305,627.66		291,911.19	8,597,538.85
Reversal in 2024			1,698,697.14	1,698,697.14
Write-off in 2024				
Charge-off in 2024	292,264.88		1,520,282.48	1,812,547.36
Other changes				
Balance as at December 31,2024	127,811,644.62		179,320,549.29	307,132,193.91

(5) Reversal or recovery in 2024

Name of debtor	Back or withdraw amount	The accumulated amount of provision for bad debts before reversal or recovery	To turn back or take back the cause or manner
Sichuan Qingming Supply Chain Management Co. LTD	799,997.14	799,997.14	Payment for goods is settled
Suzhou Meien Superconductor Co. LTD	898,700.00	898,700.00	Other

(6) Other receivables actually written off this year

Items	Amount of write-offs
Other receivables actually written off	1,812,547.36

Other receivables actually written off this year

Name of debtor	Nature of other receivables	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related party transactions
Chengdu Haoxiang Trading Co. LTD	Payment for goods	1,397,950.00	Involving litigation, relevant legal documents issued by the court have been obtained	Dongfang Turbine "triple one" decision	no

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(7) Other receivables in the top five of the ending balance collected by the debtor

Name of company	Nature of money	Ending balance	Age of account	Percentage of total closing balance of other receivables (%)	Ending balance of allowance for doubtful accounts
Entity 1	Funds for investment	146,064,314.06	More than 5 years	17.60	146,064,314.06
Entity 2	Security deposit and quality guarantee	45,800,000.00	Within 1 year	5.52	2,290,000.00
Entity 3	Security deposit and quality guarantee	33,785,000.00	Within 1 year	4.07	1,689,250.00
Entity 4	Other operating business receivables	32,913,108.49	Within 1 year	3.96	1,645,655.42
Entity 5	Other	21,755,000.00	3 to 4years	2.62	21,755,000.00
Total		280,317,422.55		33.77	173,444,219.48

5.9 Purchase and resale of financial assets

Items	As at December 31, 2024	As at December 31, 2023
Securities	2,666,820,136.99	2,959,861,095.88
Others		
Less: Provision for bad debts		
Total book value	2,666,820,136.99	2,959,861,095.88

5.10 Inventories

5.10.1 Classification of inventories

Category	As at December 31, 2024		
	Book balance	Provision/ impairment of contractual performance costs	Book value
Raw materials	3,875,676,958.49	281,468,847.74	3,594,208,110.75
Revolving materials (packaging, low-value consumables, etc.)	54,534,102.86	4,526,221.78	50,007,881.08
In the product	18,041,058,577.87	759,223,072.56	17,281,835,505.31
Inventory goods	662,438,783.87	2,201,734.51	660,237,049.36
Contract performance cost	106,338,879.00	7,331,367.55	99,007,511.45
Total	22,740,047,302.09	1,054,751,244.14	21,685,296,057.95

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(To continue)

Category	As at December 31, 2023		
	Book balance	Provision/ impairment of contractual performance costs	Book value
Raw materials	3,551,942,053.89	340,249,153.29	3,211,692,900.60
Revolving materials (packaging, low-value consumables, etc.)	42,832,506.06	304,044.44	42,528,461.62
In the product	14,732,514,760.54	756,317,460.87	13,976,197,299.67
Inventory goods	572,043,751.13	275,964.27	571,767,786.86
Contract performance cost	338,373,026.81	3,976,602.63	334,396,424.18
Total	19,237,706,098.43	1,101,123,225.50	18,136,582,872.93

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.10.2 Inventory depreciation reserve and contract performance cost impairment reserve

Category	As at December 31, 2023	Increase in 2024		Decrease in 2024		As at December 31, 2024
		Provision	Others	Reversal or write off	Others	
Raw materials	340,249,153.29	66,856,436.24		125,222,720.94	414,020.85	281,468,847.74
Revolving materials (packaging, low-value consumables, etc.)	304,044.44	4,233,779.50		11,602.16		4,526,221.78
In the product	756,317,460.87	429,508,716.39		426,603,104.70		759,223,072.56
Inventory goods	275,964.27	1,925,770.24				2,201,734.51
Contract performance cost	3,976,602.63	7,331,367.55		3,976,602.63		7,331,367.55
Total	1,101,123,225.50	509,856,069.92		555,814,030.43	414,020.85	1,054,751,244.14

Other notes: The reversal of inventory depreciation reserve is mainly caused by the recovery of product prices, and the resale of inventory depreciation reserve is mainly caused by inventory sales.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.11 Contract assets

5.11.1 Details of contract assets

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for impairment losses	Book value	Book balance	Provision for impairment losses	Book value
Payments for completed but not settled project	8,745,902,844.08	451,302,910.75	8,294,599,933.33	8,039,500,835.35	38,468,189.07	8,001,032,646.28
Contract quality guarantee deposit	2,921,135,858.79	452,671,230.61	2,468,464,628.18	2,253,575,167.01	193,383,836.81	2,060,191,330.20
Pre-acceptance payment	3,839,542,491.46	344,285,130.48	3,495,257,360.98	2,552,786,629.30	194,041,739.30	2,358,744,890.00
Total	15,506,581,194.33	1,248,259,271.84	14,258,321,922.49	12,845,862,631.66	425,893,765.18	12,419,968,866.48

5.11.2 Provision for impairment of contract assets in the current period

Items	As at December 31, 2023	Provision for current period	Current reversal	Current write-off/write-off	Other changes	As at December 31, 2024
Payments for completed but not settled project	38,468,189.07	412,834,721.68				451,302,910.75
Pre-acceptance payment	194,041,739.30	150,243,391.18				344,285,130.48
Contract quality guarantee deposit	193,383,836.81	262,598,742.39			3,311,348.59	452,671,230.61
Total	425,893,765.18	825,676,855.25			3,311,348.59	1,248,259,271.84

5.12 Non-current assets due within one year

Items	As at December 31, 2024	As at December 31, 2023
Long-term receivables maturing within one year	241,379,530.86	236,474,785.18
Loans and advances due within one year	2,100,000,000.00	294,427,621.08
Total	2,341,379,530.86	530,902,406.26

Note: The company reclassifies buyer's credit due within one year to non-current assets due within one year.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.13 Other current assets

Items	As at December 31, 2024	As at December 31, 2023
Advance payment of tax and retained tax credit	814,998,004.08	558,334,882.33
Granting of loans and advances (short-term)	364,800,000.00	881,125,300.00
Discounted assets	87,484,560.67	7,299,797.00
Others	49,819,789.90	3,360,585.85
Total	1,317,102,354.65	1,450,120,565.18

5.14 Disbursement loans and advances

5.14.1 Loans and advances, presented by individual and enterprise

Items	As at December 31, 2024	As at December 31, 2023
Personal loans and advances		
Credit card		
Residential property mortgage		
Other		
Corporate loans and advances	5,086,347,895.22	6,026,480,093.30
State-owned enterprises	5,086,347,895.22	6,026,480,093.30
Private enterprise		
Other		
Total loans and advances	5,086,347,895.22	6,026,480,093.30
Less: Provision for loan losses	602,436,797.97	408,468,301.84
including: single withdrawal number		
Combined withdrawal number	602,436,797.97	408,468,301.84
Book value of loans and advances	4,483,911,097.25	5,618,011,791.46

5.14.2 Distribution of loans by industry

Industry distribution	Ending balance	Proportion (%)	Beginning balance	Proportion (%)
Agriculture, animal husbandry and fishery				-
Extractive industry				-
Real estate industry				-
Building industry				-
Finance and insurance				-
Power equipment industry	4,397,487,895.22	86.46	5,581,480,093.30	92.62
Other business services	688,860,000.00	13.54	445,000,000.00	7.38
Other industries				

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Industry distribution	Ending balance	Proportion (%)	Beginning balance	Proportion (%)
Total loans and advances	5,086,347,895.22	100.00	6,026,480,093.30	100.00
Less: Reserve for loan losses	602,436,797.97	11.84	408,468,301.84	6.78
Including: the number of individual provisions				
Combined allowance	602,436,797.97	11.84	408,468,301.84	6.78
Book value of loans and advances	4,483,911,097.25	88.16	5,618,011,791.46	93.22

5.14.3 Distribution of loans by region

Regional distribution	Ending balance	Proportion (%)	Beginning balance	Proportion (%)
South China	312,656,724.36	6.15	626,209,012.28	10.39
North China	1,797,677,400.00	35.34	1,275,715,000.00	21.17
Southwest China	972,758,247.20	19.12	2,545,000,000.00	42.23
Northwest China	262,556,848.64	5.16		
East China	914,653,188.00	17.98	844,510,594.00	14.01
Central regions	826,045,487.02	16.24	735,045,487.02	12.20
Total loans and advances	5,086,347,895.22	100.00	6,026,480,093.30	100.00
Less: Reserve for loan losses	602,436,797.97	11.84	408,468,301.84	6.78
Including: the number of individual provisions				
Combined allowance	602,436,797.97	11.84	408,468,301.84	6.78
Book value of loans and advances	4,483,911,097.25	88.16	5,618,011,791.46	93.22

5.14.4 Distribution of loans issued by way of guarantee

Items	As at December 31, 2024	As at December 31, 2023
Credit loan	3,774,127,611.38	5,512,167,499.30
Guaranteed loan	688,860,000.00	445,000,000.00
Loan with collateral	623,360,283.84	69,312,594.00
Including: Mortgage loan		
Pledged loan	623,360,283.84	69,312,594.00
Discount		
Total loans and advances	5,086,347,895.22	6,026,480,093.30
Less: Reserve for loan losses	602,436,797.97	408,468,301.84

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024	As at December 31, 2023
Including:		
the number of individual provisions		
Combined allowance	602,436,797.97	408,468,301.84
Book value of loans and advances	4,483,911,097.25	5,618,011,791.46

5.14.5 Loan loss reserve

(1) Changes in reserve for loan losses

Credit risk and expected credit losses on loans and advances

	Phase 1	Phase 2	Phase 3	
Provision for bad debts	Expected credit losses over the next 12 months	Expected credit losses throughout life (no credit impairment)	Expected credit losses over life (credit impairment incurred)	Total
Book balance	5,086,347,895.22			5,086,347,895.22
Provision for losses	602,436,797.97			602,436,797.97
Book value	4,483,911,097.25			4,483,911,097.25

Note: The company has no overdue loans and advances at the end of the period.

(2) Statement of changes in reserves for expected credit losses on loans and advances

	Phase 1	Phase 2	Phase 3	
Loss reserve	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	Total
Balance as at December 31, 2023	408,468,301.84			408,468,301.84
In 2023, balance as at December 31, 2024				
Transfer to Phase 2				
Transfer to Phase 3				
Reversal from Phase 2				
Reversal from Phase 1				
Provision in 2024	193,968,496.13			193,968,496.13
Reversal in 2024				
Recoveries of original resold loans and rollover of advances				
Write-off in 2024				
Charge-off in 2024				

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Loss reserve	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Other changes				
Balance as at December 31, 2024	602,436,797.97			602,436,797.97

5.15 Investment in debt

5.15.1 Breakdown of creditor's right investment

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision	Book value	Book balance	Provision	Book value
Interbank certificate of deposit	18,009,582,877.25		18,009,582,877.25	17,751,802,997.43		17,751,802,997.43
Corporate bond	1,001,418,175.81	74,250,000.00	927,168,175.81	798,942,333.34	45,000,000.00	753,942,333.34
Financial bond	916,034,194.18	67,500,000.00	848,534,194.18	612,091,682.74	45,000,000.00	567,091,682.74
Sub-total	19,927,035,247.24	141,750,000.00	19,785,285,247.24	19,162,837,013.51	90,000,000.00	19,072,837,013.51
Less: Mature within one year						
Total	19,927,035,247.24	141,750,000.00	19,785,285,247.24	19,162,837,013.51	90,000,000.00	19,072,837,013.51

5.15.2 Reserve for impairment of debt investment

Reserve for impairment	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31, 2023	90,000,000.00			90,000,000.00
The balance at the end of last year is in the current period				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024	51,750,000.00			51,750,000.00
Reversal in 2024				
Write-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31, 2024	141,750,000.00			141,750,000.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

The book balance of debt investment changes as follows:

Book balance	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31, 2023	19,162,837,013.51			19,162,837,013.51
In 2022, balance as at December 31, 2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Increase in 2024	764,198,233.73			764,198,233.73
Termination of confirmation for this period				
Other changes				
Balance as at December 31, 2024	19,927,035,247.24			19,927,035,247.24

5.16 Long-term receivables

5.16.1 Breakdown of long-term receivables

Items	As at December 31, 2024		
	Book balance	Provision for bad debts	Book value
Finance lease payment			
Including: unrealized financing gains			
Sell goods on instalments	489,681,619.05	226,422,981.20	263,258,637.85
Sub-total	489,681,619.05	226,422,981.20	263,258,637.85
Less: the portion due within one year	461,496,172.43	220,116,641.57	241,379,530.86
Total	28,185,446.62	6,306,339.63	21,879,106.99

(Continue)

Items	As at December 31, 2023		
	Book balance	Provision for bad debts	Book value
Finance lease payment			
Including: unrealized financing gains			
Sell goods on instalments	685,638,917.85	247,677,272.55	437,961,645.30
Sub-total	685,638,917.85	247,677,272.55	437,961,645.30
Less: the portion due within one year	424,595,393.77	188,120,608.59	236,474,785.18
Total	261,043,524.08	59,556,663.96	201,486,860.12

5.16.2 Provision for bad debts of long-term receivables

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31,2023	59,556,663.96			59,556,663.96
In 2023, balance as at December 31,2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024	-53,250,324.33			-53,250,324.33
Reversal in 2024				
Write-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31,2024	6,306,339.63			6,306,339.63

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.17 Long-term equity investments

5.17.1 Long-term equity investments

Investees	As at December 31, 2023	Impairment provision as at December 31, 2023	Increase/decrease in 2024								As at December 31, 2024	Provision for impairment loss as at December 31, 2024
			Increase in investments	Decrease in investments	Gain/loss on investments recognized under equity method	Adjustment to other comprehensive income	Other equity change	Cash dividends or profits declared to be distributed	Provision for impairment loss	Others		
1. Joint ventures												
MHPS Dongfang Boiler Co., LTD.	219,156,263.12				19,944,682.85			5,938,965.31			233,161,980.66	
Framatome Dongfang Reactor Coolant Pumps Co., LTD.	140,900,570.53				23,992,970.19			23,228,197.70			141,665,343.02	
Sub-total	360,056,833.65				43,937,653.04			29,167,163.01			374,827,323.68	
2. Associates												
Liangshan Fengguang New Energy Operator and Maintenance Co.,LTD.	2,100,274.85				12,624.18						2,112,899.03	
Mulei East New Energy Co., Ltd.	-		431,200,000.00		49,355.63					461,218,546.04	892,467,901.67	
Three Gorges New Energy Power Generation (Manyu) Co. LTD			5,950,000.00								5,950,000.00	
Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD			19,840,000.00		-1,825,799.75		-123,799.96				17,890,400.29	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Investees	As at December 31, 2023	Impairment provision as at December 31, 2023	Increase/decrease in 2024								As at December 31, 2024	Provision for impairment loss as at December 31, 2024
			Increase in investments	Decrease in investments	Gain/loss on investments recognized under equity method	Adjustment to other comprehensive income	Other equity change	Cash dividends or profits declared to be distributed	Provision for impairment loss	Others		
Mitsubishi Heavy Industries Dongfang Gas Turbine Co.,LTD.	670,399,691.72				168,865,936.44			46,377,933.00		8,072,710.55	800,960,405.71	
Deyang Guangda Dongqi New Material Co., LTD	275,683,017.71				23,093,771.33			9,800,000.00		72,422,959.16	361,399,748.20	
Sichuan Dongshu New Materials Co., Ltd.	175,043,717.61				-47,156,718.62	374,209.38		4,283,382.12			123,977,826.25	
Sichuan Dongneng Energy Company Limited	-		17,000,000.00		3,925.13						17,003,925.13	
Dongfang Zhongheng (Chengdu) New Energy Technology Co., LTD.	4,996,703.16				-14,665.68						4,982,037.48	
Leshan Dongle Dajian Lifting Co., LTD.	4,512,384.88				1,021,896.99						5,534,281.87	
Sichuan Dongfang Development Clean Energy Co., LTD.	10,000,000.00		28,700,000.00		6,289.34						38,706,289.34	
Hunan Ping An Environmental protection Co., LTD.	34,591,405.17				-5,014,669.57						29,576,735.60	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Investees	As at December 31, 2023	Impairment provision as at December 31, 2023	Increase/decrease in 2024								As at December 31, 2024	Provision for impairment loss as at December 31, 2024
			Increase in investments	Decrease in investments	Gain/loss on investments recognized under equity method	Adjustment to other comprehensive income	Other equity change	Cash dividends or profits declared to be distributed	Provision for impairment loss	Others		
Sichuan Shuzhi Supply Chain Technology Co. LTD			8,600,000.00		1,248.52						8,601,248.52	
Huadian Longkou Wind power Co., LTD.	87,360,992.51				9,665,683.96			9,628,297.85			87,398,378.62	
China United Heavy Gas Turbine Technology Co., LTD	131,425,776.76				115,795.22						131,541,571.98	
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD	23,802,516.64				-2,719,647.08						21,082,869.56	
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD	13,725,971.47	13,725,971.47									13,725,971.47	13,725,971.47
Inner Mongolia Mengneng Wulan New energy Co., LTD	30,227,367.34	27,120,000.00			-3,107,367.34						27,120,000.00	27,120,000.00
Sub-total	1,463,869,819.82	40,845,971.47	511,290,000.00		142,997,658.70	374,209.38	-123,799.96	70,089,612.97		541,714,215.75	2,590,032,490.72	40,845,971.47
Total	1,823,926,653.47	40,845,971.47	511,290,000.00		186,935,311.74	374,209.38	-123,799.96	99,256,775.98		541,714,215.75	2,964,859,814.40	40,845,971.47

Other notes: Mulei East New Energy Co., Ltd. was changed from a subsidiary to a joint venture due to equity transfer this year.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.18 Other equity instrument investments

5.18.1 Breakdown of other equity instrument investments

Items	As at December 31, 2024	As at December 31, 2023	Profit recognized in other comprehensive income for the period	Loss charged to other comprehensive income for the period	Accumulated profit in other comprehensive income at the end of the period	Accumulated losses in other comprehensive income at the end of the period	Dividend income recognized during the period	Reasons for designation as at fair value through other comprehensive income
Harbin Neng Chuang Technology Co. LTD	5,912,400.40	5,000,000.00	912,400.40		912,400.40			Judge according to management's plan
China Datang Group Science and Technology Innovation Co. LTD	7,174,667.00			2,825,333.00		2,825,333.00		Judge according to management's plan
Sichuan South Sichuan High Grade Highway Development Company	1,000,000.00	1,000,000.00						Judge according to management's plan
Fuyang Qingyuan Huanqing Ecological Technology Co. LTD	5,000,000.00							Judge according to management's plan
China Southern Power Grid Energy Storage Co. LTD	430,638,292.92	419,574,463.26	11,063,829.66			109,361,700.87	5,717,057.16	Judge according to management's plan
Zhejiang Yuhuan Huadian Wind Power Co. LTD	94,869,000.00	70,300,000.00					4,486,754.33	Judge according to management's plan
Sichuan Huatian Group Co. LTD			36,625.00					Judge according to management's plan
Sichuan Tianhua Chemical Group Co. LTD						81,914.82		Judge according to management's plan
Total	544,594,360.32	495,874,463.26	12,012,855.06	2,825,333.00	912,400.40	112,268,948.69	10,203,811.49	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.19 Investment properties

5.19.1 Investment real estate with cost measurement mode

Items	Buildings and constructions	Land use rights	Total
1. Original book value			
(1) As at December 31, 2023	264,952,455.32	18,811,826.12	283,764,281.44
(2) Increase in 2024	11,084,188.07	200,934.59	11,285,122.66
-Purchases			
-Transfer from inventories \fixed assets \construction in progress	11,084,188.07	200,934.59	11,285,122.66
-Investment properties measured under the cost model			
-Other changes.			
(3) Decrease in 2024			
-Disposal			
-Other changes			
(4) As at December 31, 2024	276,036,643.39	19,012,760.71	295,049,404.10
2. Accumulated depreciation and amortization			
(1) As at December 31, 2023	130,840,760.37	6,873,667.13	137,714,427.50
(2) Increase in 2024	12,495,052.81	644,223.09	13,139,275.90
-Provision or amortization	12,495,052.81	644,223.09	13,139,275.90
-Other changes.			
(3) Decrease in 2024			
-Disposal			
-Other changes			
(4) As at December 31, 2024	143,335,813.18	7,517,890.22	150,853,703.40
3. Provision for impairment			
(1) As at December 31, 2023			
(2) Increase in 2024			
-Provision			
-Other changes			
(3) Decrease in 2024			
-Disposal			
-Other changes			
(4) As at December 31, 2024			
4. Book value			
(1) As at December 31, 2024	132,700,830.21	11,494,870.49	144,195,700.70
(2) As at December 31, 2023	134,111,694.95	11,938,158.99	146,049,853.94

5.20 Fixed assets

5.20.1 Fixed assets and liquidation of fixed assets

Items	As at December 31, 2024	As at December 31, 2023
Fixed assets	5,490,826,555.22	5,034,251,506.28
liquidation of fixed assets	6,180,173.49	649,115.31
Total	5,497,006,728.71	5,034,900,621.59

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.20.2 Fixed assets

Items	Assets of land	Houses and buildings	Machinery and equipment	Means of transport	Instruments, electronic equipment And others	Total
1. Original book value						
(1) As at December 31, 2023	17,915,996.06	6,970,319,044.62	8,672,870,675.94	325,738,628.44	2,000,633,841.23	17,987,478,186.29
(2) Increase in 2024		418,553,767.95	639,345,623.10	29,429,395.98	177,697,617.89	1,265,026,404.92
Purchase		10,313,703.44	110,263,901.17	25,002,194.14	66,354,923.17	211,934,721.92
Transfer of projects under construction		408,240,064.51	528,372,875.05	4,386,952.87	111,053,555.81	1,052,053,448.24
Business mergers have increased						
Sale and leaseback transfer						
Others			708,846.88	40,248.97	289,138.91	1,038,234.76
(3) Decrease in 2024		13,726,978.14	281,471,284.07	24,865,740.50	68,883,333.15	388,947,335.86
Disposal or scrapping		2,161,966.67	258,338,029.62	24,658,591.12	64,841,274.37	349,999,861.78
Sale and leaseback and transfer out						
Others		11,565,011.47	23,133,254.45	207,149.38	4,042,058.78	38,947,474.08
(4) As at December 31, 2024	17,915,996.06	7,375,145,834.43	9,030,745,014.97	330,302,283.92	2,109,448,125.97	18,863,557,255.35
2. Accumulated depreciation						
(1) As at December 31, 2023		4,189,504,652.91	7,033,001,508.46	250,716,320.22	1,349,277,516.92	12,822,499,998.51
(2) Increase in 2024		306,567,164.11	293,405,730.75	19,547,832.77	147,343,627.98	766,864,355.61
Withdrawal		306,567,164.11	293,405,730.75	19,547,832.77	147,343,627.98	766,864,355.61
Business mergers have increased						
Others						
(3) Decrease in 2024		4,206,363.03	254,792,620.67	22,931,363.83	62,989,695.55	344,920,043.08
Disposal or scrapping		1,790,119.22	243,746,637.91	22,812,042.11	60,969,910.30	329,318,709.54
Sale and leaseback and transfer out						

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Assets of land	Houses and buildings	Machinery and equipment	Means of transport	Instruments, electronic equipment And others	Total
Others		2,416,243.81	11,045,982.76	119,321.72	2,019,785.25	15,601,333.54
(4) As at December 31, 2024		4,491,865,453.99	7,071,614,618.54	247,332,789.16	1,433,631,449.35	13,244,444,311.04
3. Provision for impairment losses						
(1) As at December 31, 2023		86,088,944.90	37,757,072.02	118,991.45	6,761,673.13	130,726,681.50
(2) Increase in 2024			117,423.34		8,182.82	125,606.16
Withdrawal			117,423.34		8,182.82	125,606.16
Others						
(3) Decrease in 2024			2,132,740.61		433,157.96	2,565,898.57
Disposal or scrapping			2,132,740.61		433,157.96	2,565,898.57
Others						
(4) As at December 31, 2024		86,088,944.90	35,741,754.75	118,991.45	6,336,697.99	128,286,389.09
4. Carrying amount						
(1) As at December 31, 2024	17,915,996.06	2,797,191,435.54	1,923,388,641.68	82,850,503.31	669,479,978.63	5,490,826,555.22
(2) As at December 31, 2023	17,915,996.06	2,694,725,446.81	1,602,112,095.46	74,903,316.77	644,594,651.18	5,034,251,506.28

Note: The land assets in the fixed assets of the Company as of December 31, 2024 are the land ownership acquired by East India Company in India.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.20.3 Fixed assets leased out by operating lease

Items	As at December 31, 2024
Buildings and constructions	98,242,580.36
Machinery equipment	2,538,381.80
Transportation facilities	467,601.39
Instrument and apparatus, electronic equipment and others	368,704.52
Total	101,617,268.07

5.20.4 Temporarily idle fixed assets

Items	Original book value	Accumulated depreciation	Provision for impairment	Book value
Buildings and constructions	5,855,402.94	3,820,213.42		2,035,189.52
Machinery equipment	16,885,485.00	15,190,110.83	24,381.73	1,670,992.44
Transportation facilities	2,346,452.55	2,229,129.92		117,322.63
Instrument and meter				
Electronic equipment				
Others	328,050.42	311,647.91	9,004.63	7,397.88
Total	25,415,390.91	21,551,102.08	33,386.36	3,830,902.47

5.20.5 Liquidation of fixed assets

Items	As at December 31, 2024	As at December 31, 2023
Buildings and constructions	57,240.79	782.96
Machinery equipment	5,085,473.53	96,170.50
Transportation facilities	251,740.98	25,773.21
Instrument and meter	255,985.39	191,884.37
Electronic equipment	518,937.67	331,970.47
Others	10,795.13	2,533.80
Total	6,180,173.49	649,115.31

5.20.6 Fixed assets without title deeds

Items	Book value	Reasons for not completing the certificate of title
Hulunbuir Production Base Phase I (Office building)	13,600,818.56	The original infrastructure did not pass the acceptance of fire control, resulting in no property rights certificate
Real estate Title certificate of Chengdu No.2 Building	73,253,401.56	The actual area of the building is not consistent with the planning and design

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.21 Construction in progress

5.21.1 Construction in progress and Project goods and material

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	1,431,770,278.39	4,467,882.61	1,427,302,395.78	793,514,479.47	4,467,882.61	789,046,596.86
Project goods and material	30,649.48		30,649.48	30,649.48		30,649.48
Total	1,431,800,927.87	4,467,882.61	1,427,333,045.26	793,545,128.95	4,467,882.61	789,077,246.34

5.21.2 Construction in progress

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Dongfang Electric Innovation and Overseas Business Center project	610,578,430.08		610,578,430.08	259,791,869.12		259,791,869.12
G50 central gas turbine high temperature turbine blade casting production line construction project	48,038,175.38		48,038,175.38			
Dongfang Hydrogen Energy Industrial Park	44,114,871.95		44,114,871.95	92,082,991.16		92,082,991.16
Xizang Linzhi production and research base construction project	35,386,433.58		35,386,433.58	539,000.00		539,000.00
Blade branch factory 4 high-precision five-coordinate machining centers	29,815,955.29		29,815,955.29	73,207.55		73,207.55
Construction of research and development test bed for main helium fan of high temperature gas-cooled reactor	27,280,372.29		27,280,372.29	426,263.00		426,263.00
Dongfang Hydrogen Research and Development Test Center project	26,026,568.32		26,026,568.32	24,486,987.09		24,486,987.09
Buerjin base is under construction	19,055,511.66		19,055,511.66			

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
MPM automatic production line for tube screen	18,567,699.11		18,567,699.11			
Storage system before pipe docking	15,098,230.09		15,098,230.09			
New Energy Business Division headquarters comprehensive energy utilization infrastructure supporting	13,394,495.41		13,394,495.41			
Horizontal row bending machine	11,425,300.01		11,425,300.01			
32W23038SZ storage system after pipe docking	11,078,761.06		11,078,761.06			
Heavy two gas turbine rotor processing and manufacturing capacity improvement project	11,008,889.36		11,008,889.36	9,073,469.50		9,073,469.50
Construction of civil facilities for inorganic spraying and thermal spraying digital production line of gas turbine	10,892,848.52		10,892,848.52	10,187,628.58		10,187,628.58
New hydraulic comprehensive experiment building	6,733,736.24		6,733,736.24	14,980,254.08		14,980,254.08
Motor Division plant one span reinforcement	2,396,266.46		2,396,266.46	11,087,392.41		11,087,392.41
New robot welding base plant	1,068,000.00		1,068,000.00	491,692.50		491,692.50
Offshore Wind Power Industrial Park (Phase I)				16,328.82		16,328.82
Financial Sharing Service System Construction Project (Phase II)				20,886,739.49		20,886,739.49
Civil nuclear power project (capacity improvement and expansion)				13,891,758.54		13,891,758.54
Medium motor branch new production auxiliary building and warehouse				3,934,411.84		3,934,411.84
Phase II construction project of Xinjiang Manufacturing Base				23,691,226.85		23,691,226.85

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024			As at December 31, 2023		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Digital Phase II - 1 set of 6300KN punching automatic production line				22,911,504.50		22,911,504.50
4.5T horizontal high speed vacuum high speed dynamic balancing machine 1 set				19,441,276.35		19,441,276.35
One span reinforcement of large motor plant	4,013,522.76		4,013,522.76	15,694,232.34		15,694,232.34
Others	485,796,210.82	4,467,882.61	481,328,328.21	249,826,245.75	4,467,882.61	245,358,363.14
Total	1,431,770,278.39	4,467,882.61	1,427,302,395.78	793,514,479.47	4,467,882.61	789,046,596.86

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.21.3 Current changes of important construction projects under construction

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
Dongfang Electric Innovation and Overseas Business Center project	1,071,448,788.01	259,791,869.12	350,786,560.96			610,578,430.08	56.99	56.99				Raise oneself
G50 central gas turbine high temperature turbine blade casting production line construction project	80,870,000.00		48,038,175.38			48,038,175.38	59.40	59.40				Raise oneself
Dongfang Hydrogen Energy Industrial Park	244,400,000.00	92,082,991.16	80,870,792.15	128,838,911.36		44,114,871.95	70.77	70.77				Raise oneself
Xizang Linzhi production and research base construction project	50,000,000.00	539,000.00	34,847,433.58			35,386,433.58	70.77	70.77				Raise oneself
Blade branch factory 4 high-precision five-coordinate machining centers	58,000,000.00	73,207.55	29,742,747.74			29,815,955.29	51.41	51.41				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
Construction of research and development test bed for main helium fan of high temperature gas-cooled reactor	53,500,000.00	426,263.00	30,259,709.29	3,405,600.00		27,280,372.29	57.36	57.36				Raise oneself
Dongfang Hydrogen Research and Development Test Center project	48,200,000.00	24,486,987.09	6,774,062.83		5,234,481.60	26,026,568.32	64.86	64.86				Raise oneself
Buerjin base is under construction	53,787,500.00		19,055,511.66			19,055,511.66	35.43	35.43				Raise oneself
MPM automatic production line for tube screen	20,000,000.00		18,567,699.11			18,567,699.11	92.84	92.84				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
Storage system before pipe docking	18,000,000.00		15,098,230.09			15,098,230.09	83.88	83.88				Raise oneself
New Energy Business Division headquarters comprehensive energy utilization infrastructure supporting	19,056,900.00		13,394,495.41			13,394,495.41	70.29	70.29				Raise oneself
Horizontal row bending machine	17,699,115.00		11,425,300.01			11,425,300.01	64.55	64.55				Raise oneself
32W23038SZ storage system after pipe docking	13,061,946.90		11,078,761.06			11,078,761.06	84.82	84.82				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
Heavy two gas turbine rotor processing and manufacturing capacity improvement project	142,800,000.00	9,073,469.50	81,650,812.54	79,715,392.68		11,008,889.36	63.53	63.53				Raise oneself
Construction of civil facilities for inorganic spraying and thermal spraying digital production line of gas turbine	22,870,000.00	10,187,628.58	748,119.36	501,940.99		10,433,806.95	47.82	47.82				Raise oneself
New hydraulic comprehensive experiment building	43,000,000.00	14,980,254.08	20,044,150.49	28,290,668.33		6,733,736.24	81.45	81.45				Raise oneself
Motor Division plant one span reinforcement	35,000,000.00	11,087,392.41	2,502,106.46	11,193,232.41		2,396,266.46	38.83	38.83				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
New robot welding base plant	50,000,000.00	491,692.50	34,975,512.11	34,399,204.61		1,068,000.00	70.93	70.93				Raise oneself
Offshore Wind Power Industrial Park (Phase I)	62,585,251.09	16,328.82	62,568,922.27	62,585,251.09			100.00	100.00				Raise oneself
Financial Sharing Service System Construction Project (Phase II)	23,013,692.59	20,886,739.49	2,126,953.10	100,134.51	22,913,558.08		100.00	100.00				Raise oneself
Civil nuclear power project (capacity improvement and expansion)	22,470,117.62	13,891,758.54	8,578,359.08	22,470,117.62			100.00	100.00				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
Medium motor branch new production auxiliary building and warehouse	18,281,297.67	3,934,411.84	14,346,885.83	18,281,297.67			100.00	100.00				Raise oneself
Phase II construction project of Xinjiang Manufacturing Base	50,223,612.11	23,691,226.85	26,532,385.26	50,223,612.11			100.00	100.00				Raise oneself
Digital Phase II - 1 set of 6300KN punching automatic production line	23,012,070.28	22,911,504.50	100,565.78	23,012,070.28			100.00	100.00				Raise oneself
4.5T horizontal high speed vacuum high speed dynamic balancing machine 1 set	29,418,562.34	19,441,276.35	9,977,285.99	29,418,562.34			100.00	100.00				Raise oneself

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Number of budgets	As at December 31, 2023	Increase in 2024	Amount of fixed assets transferred in the current period	Other decreases for the current period	As at December 31, 2024	Proportion of cumulative project input to budget (%)	Progress of project	Accumulated amount of interest capitalized	Including: amount of interest capitalized in the current period	Capitalization rate of interest for the current period (%)	Source of funds
One span reinforcement of large motor plant	35,000,000.00	15,694,232.34	5,623,252.69	17,303,962.27		4,013,522.76	60.91	60.91				Raise oneself

5.22 Right-of-use assets

5.22.1 Breakdown of right-of-use assets

Items	Buildings and constructions	Machinery equipment	Total
1. Original book value			
(1) As at December 31, 2023	480,004,095.26	22,266,654.73	502,270,749.99
(2) Increase in 2024	366,897,385.44	46,082,076.29	412,979,461.73
-New lease	366,897,385.44	46,082,076.29	412,979,461.73
-Other Increase			
(3) Decrease in 2024	52,290,001.46	14,696,583.47	66,986,584.93
- Disposal	52,290,001.46	14,696,583.47	66,986,584.93
-Other Decrease			
(4) As at December 31, 2024	794,611,479.24	53,652,147.55	848,263,626.79
2. Accumulated depreciation			
(1) As at December 31, 2023	137,803,218.06	19,199,122.61	157,002,340.67
(2) Increase in 2024	184,322,250.93	14,817,455.81	199,139,706.74
-Provision	184,322,250.93	14,817,455.81	199,139,706.74
-Other Increase			
(3) Decrease in 2024	47,874,711.51	14,696,583.47	62,571,294.98
- Disposal	47,874,711.51	14,696,583.47	62,571,294.98
-Other Decrease			
(4) As at December 31, 2024	274,250,757.48	19,319,994.95	293,570,752.43
3. Provision for impairment			
(1) As at December 31, 2023			
(2) Increase in 2024			
-Provision			
(3) Decrease in 2024			
-Transfer to fixed assets			
-Expiration of lease			
(4) As at December 31, 2024			
4. Book value			
(1) As at December 31, 2024	520,360,721.76	34,332,152.60	554,692,874.36
(2) As at December 31, 2023	342,200,877.20	3,067,532.12	345,268,409.32

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.23 Intangible assets

5.23.1 Breakdown of intangible assets

Items	Land use rights	Non-patent technologies	Software	Patent right	Others	Total
1. Original book value						
(1) As at December 31, 2023	1,357,721,419.65	343,163,305.27	452,329,894.00	224,740,716.58	677,414,163.23	3,055,369,498.73
(2) Increase in 2024	91,847,258.07		116,550,521.20	12,917,869.56	10,136,603.00	231,452,251.83
-Purchase	86,489,760.45		116,550,521.20	12,352,802.01	10,136,603.00	225,529,686.66
-Internal R&D						
-Increase in business mergers						
-Others	5,357,497.62			565,067.55		5,922,565.17
(3) Decrease in 2024	23,012,159.79	1,633,758.82	4,849,214.33	144,607.65		29,639,740.59
-Disposal	11,546,720.45	1,633,758.82	4,843,639.11	126,705.87		18,150,824.25
-Others	11,465,439.34		5,575.22	17,901.78		11,488,916.34
(4) As at December 31, 2024	1,426,556,517.93	341,529,546.45	564,031,200.87	237,513,978.49	687,550,766.23	3,257,182,009.97
2. Accumulated amortization						
(1) As at December 31, 2023	291,117,351.01	336,318,477.45	298,198,979.01	95,780,145.79	185,426,097.56	1,206,841,050.82
(2) Increase in 2024	33,629,898.78	4,182,042.13	46,095,223.22	19,839,523.45	30,491,301.46	134,237,989.04
-Provision	33,629,898.78	4,182,042.13	46,095,223.22	19,839,523.45	30,491,301.46	134,237,989.04
-Increase in business mergers						
-Others						
(3) Decrease in 2024	2,995,177.40	1,257,353.58	4,097,712.30	268,418.00	227.35	8,618,888.63
-Disposal	2,995,177.40	1,257,353.58	4,097,712.30	268,418.00	227.35	8,618,888.63
-Others						
(4) As at December 31, 2024	321,752,072.39	339,243,166.00	340,196,489.93	115,351,251.24	215,917,171.67	1,332,460,151.23
3. Provision for impairment						
(1) As at December 31, 2023	33,314.36	376,405.24	308,176.10			717,895.70
(2) Increase in 2024						
-Provision						
-Others						

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Land use rights	Non-patent technologies	Software	Patent right	Others	Total
(3) Decrease in 2024		376,405.24	308,176.10			684,581.34
Disposal		376,405.24	308,176.10			684,581.34
Others						
(4) As at December 31, 2024	33,314.36					33,314.36
4. Book value						
(1) As at December 31, 2024	1,104,771,131.18	2,286,380.45	223,834,710.94	122,162,727.25	471,633,594.56	1,924,688,544.38
(2) As at December 31, 2023	1,066,570,754.28	6,468,422.58	153,822,738.89	128,960,570.79	491,988,065.67	1,847,810,552.21

5.23.2 Description of intangible assets

Other intangible assets are mainly the power station franchise of Nanmanghe Company.

5.23.3 Land use right without a certificate of title

Items	As at December 31, 2024	Reasons for not completing the certificate of title
Burjin land use rights	2,775,699.03	In process
Deyang city urban and rural Luhe village	573,413.72	In process
Hanjiang Road, Deyang City	3,722,038.10	In process
Chengdu Jinniu Shengdeng Township 1	127,987.64	In process
Chengdu Jinniu Shengdeng Township 2	535,804.42	In process
Chengdu Jinniu Shengdeng Township 3	1,423,824.67	In process
Deyang City Lushan south west side	2,224,018.33	In process
Huashan South Road, Deyang City	1,030,941.47	In process
Total	12,413,727.38	

5.24 Development expenditure

Items	As at December 31, 2024	As at December 31, 2023
Basic research and development project	4,682,571.60	5,027,241.19
Sub-total	4,682,571.60	5,027,241.19
Less: Provision for impairment		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024	As at December 31, 2023
Total	4,682,571.60	5,027,241.19

5.25 Long-term deferred expenses

Items	As at December 31, 2023	Increase in 2024	Amortization in 2024	Other decreases	As at December 31, 2024
Piecemeal works	2,116,601.80	16,793,433.18	2,798,924.84	897,195.55	15,213,914.59
Total	2,116,601.80	16,793,433.18	2,798,924.84	897,195.55	15,213,914.59

5.26 Deferred tax assets and deferred tax liabilities

5.26.1 Unoffset deferred income tax assets

Items	As at December 31, 2024		As at December 31, 2023	
	Deferred tax assets or liabilities	Deductible temporary differences	Deferred tax assets or liabilities	Deductible temporary differences
1.Deferred income tax assets	3,320,567,076.73	20,886,313,312.30	3,227,909,778.01	20,457,324,449.12
Provision for asset impairment	1,500,481,214.82	9,073,044,484.30	1,412,471,299.55	8,776,475,177.86
Deductible losses	80,444,623.47	533,093,000.52	125,492,236.33	836,614,908.85
Estimated liabilities	845,013,357.75	5,470,391,215.15	842,920,555.97	5,375,179,121.06
Employee compensation payable	229,071,952.01	1,496,758,460.54	253,502,340.06	1,661,414,877.31
No profit was realized from internal trading	65,364,446.17	435,762,974.47	38,478,918.02	253,435,217.25
Government grants	42,074,120.93	277,960,908.01	34,522,710.66	200,652,847.33
Accounts payable	419,785,640.45	2,798,597,042.61	426,130,496.02	2,840,857,395.84
Depreciation of fixed assets	6,623,826.24	44,290,088.26	3,450,237.77	23,611,808.39
Changes in fair value	17,002,771.94	113,351,812.94	18,647,962.34	124,319,748.90
Foreign enterprise income tax to be deducted	2,097,381.02	13,982,540.13	2,097,381.02	13,982,540.13
Lease liabilities	110,881,390.68	617,571,777.02	69,620,289.01	346,945,131.17
Other	1,726,351.25	11,509,008.35	575,351.26	3,835,675.03
2.Deferred income tax liabilities	229,850,405.47	1,419,746,808.74	180,156,104.32	1,078,287,408.11
Depreciation of fixed assets	62,917,646.88	417,189,403.26	60,906,798.82	402,818,883.90
Changes in fair value	55,167,264.58	349,284,254.03	50,323,289.10	329,908,352.11
Right-of-use assets	111,765,494.01	653,273,151.45	68,926,016.40	345,560,172.10

5.26.2 Details of unrecognized deferred income tax assets

Items	As at December 31, 2024	As at December 31, 2023
Deductible temporary differences - impairment provisions	384,303,828.59	166,455,746.44
Deductible losses	2,415,133,557.30	1,957,182,481.90
Total	2,799,437,385.89	2,123,638,228.34

5.26.3 Deductible losses on unrecognized deferred tax assets will expire in the following years

Year	As at December 31, 2024	As at December 31, 2023
Year 2025	2,967,041.68	26,984,135.07
Year 2026	42,210,748.51	42,210,748.51
Year 2027	448,494,919.99	481,303,585.91
Year 2028	288,783,979.82	288,783,979.82
Year 2029 and beyond	1,632,676,867.30	1,117,900,032.59
Total	2,415,133,557.30	1,957,182,481.90

5.27 Other non-current assets

Items	As at December 31, 2024			As at December 31, 2023		
	Balance of book value	Provision for impairment losses	Carrying amount	Balance of book value	Provision for impairment losses	Carrying amount
Contract guarantee	8,410,530,695.35	860,876,388.86	7,549,654,306.49	6,735,293,359.39	1,043,805,909.95	5,691,487,449.44
Prepayment for acquisition of long-term assets	26,939,500.00		26,939,500.00			
Bankruptcy liquidation subsidiary ^{Note1}	409,363,000.00	409,363,000.00		469,363,000.00	469,363,000.00	
Others ^{Note2}	4,500,000.00		4,500,000.00	1,158,451,915.23		1,158,451,915.23
Total	8,851,333,195.35	1,270,239,388.86	7,581,093,806.49	8,363,108,274.62	1,513,168,909.95	6,849,939,364.67

Note 1: Description of bankruptcy liquidation subsidiary: Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD. (hereinafter referred to as Hangzhou New Energy) entered bankruptcy procedure in 2017 and has not completed bankruptcy liquidation up to now.

Note 2: The opening balance includes RMB 1.158 billion recognized as an asset in 2023, representing the right to obtain newly issued shares of Sichuan Energy Investment. Upon the actual issuance in 2024, the amount was reclassified and accounted for as a financial asset at fair value through profit or loss.

5.28 Assets whose ownership or use rights are restricted

Item	Book balance	Reasons for limitation
Monetary	4,302,604,950.09	Deposit of central bank reserves, margin, etc
Notes receivable	525,454,841.61	Endorsement has not been terminated
Fixed assets	61,471,646.14	Mortgage loan
Intangible assets	530,089,264.57	Mortgage loan
Total	5,419,620,702.41	

5.29 Short-term borrowings

5.29 Classification of short-term borrowings

Items	As at December 31, 2024	As at December 31, 2023
Loan pledged	1,080,000.00	
Mortgage loan		
Guaranteed loans		
Loan on credit	74,000,000.00	110,165,544.44
Total	75,080,000.00	110,165,544.44

5.30 Notes payable

Category	As at December 31, 2024	As at December 31, 2023
Bank acceptance draft	4,848,571,332.31	4,402,210,783.76
Commercial acceptance bill	10,786,707,295.76	9,490,036,916.78
Total	15,635,278,628.07	13,892,247,700.54

5.31 Accounts payable

5.31.1 List accounts payable

Items	As at December 31, 2024	As at December 31, 2023
Within 1 year (including 1 year)	21,233,568,378.41	16,063,262,831.18
1-2 years (including 2 years)	1,598,639,709.95	1,601,235,241.60
2-3 years (including 3 years)	897,115,396.62	697,079,766.93
Over 3 years	1,103,721,536.48	944,525,909.10
Total	24,833,045,021.46	19,306,103,748.81

Note: Accounts payable are mainly recorded on the date of business occurrence, and the aging shown on the date of entry is basically consistent with the aging shown on the invoice date.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.31.2 Significant accounts payable aged over one year or overdue

Items	As at December 31, 2024	Reasons for outstanding or carried forward
Entity 1	119,917,560.31	The settlement point is not reached
Entity 2	84,365,163.69	The settlement point is not reached
Entity 3	78,897,129.92	The settlement point is not reached
Entity 4	74,632,408.36	The settlement point is not reached
Entity 5	54,223,704.51	The settlement point is not reached
Entity 6	52,212,959.49	The settlement point is not reached
Entity 7	42,189,025.72	The settlement point is not reached
Entity 8	40,517,735.60	The settlement point is not reached
Entity 9	40,312,162.01	The settlement point is not reached
Entity 10	39,651,000.00	The settlement point is not reached
Entity 11	38,400,689.17	The settlement point is not reached
Entity 12	38,091,749.11	The settlement point is not reached
Entity 13	36,084,620.29	The settlement point is not reached
Entity 14	35,041,771.97	The settlement point is not reached
Entity 15	34,527,777.99	The settlement point is not reached
Entity 16	32,535,512.60	The settlement point is not reached
Entity 17	32,441,159.81	The settlement point is not reached
Entity 18	30,659,714.94	The settlement point is not reached
Entity 19	30,025,533.30	The settlement point is not reached
Entity 20	27,579,364.15	The settlement point is not reached
Entity 21	27,265,444.96	The settlement point is not reached
Entity 22	25,739,999.95	The settlement point is not reached
Entity 23	25,469,107.15	The settlement point is not reached
Entity 24	25,268,981.87	The settlement point is not reached
Entity 25	24,554,130.01	The settlement point is not reached
Entity 26	24,433,926.23	The settlement point is not reached
Entity 27	23,709,346.06	The settlement point is not reached
Entity 28	22,794,090.95	The settlement point is not reached
Entity 29	22,729,449.30	The settlement point is not reached
Entity 30	22,461,999.33	The settlement point is not reached
Entity 31	20,279,745.12	The settlement point is not reached
Total	1,227,012,963.87	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.32 Contract liabilities

5.32.1 Breakdown of contract liabilities

Items	As at December 31, 2024	As at December 31, 2023
Within 1 year (including 1 year)	31,343,885,734.74	26,015,520,526.06
Over 1 year	9,322,111,036.60	6,156,405,523.30
Total	40,665,996,771.34	32,171,926,049.36

5.33 Deposit absorption and interbank deposit

Items	As at December 31, 2024	As at December 31, 2023
Current account balances	1,667,995,201.96	450,266,209.68
Time deposits (including notice deposits)	592,600,000.00	141,802,794.39
Other deposits (including outward remittance, remittance payable, etc.)		
Total	2,260,595,201.96	592,069,004.07

5.34 Employee benefit payable

5.34.1 List the salary payable to employees

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Short-term compensation	282,567,692.48	4,820,896,938.47	4,779,959,728.56	323,504,902.39
Post-employment benefits - defined contribution plans	234,117,533.89	780,011,948.59	725,676,942.67	288,452,539.81
Dismissal benefits	347,374,914.07	355,089,921.21	354,788,319.84	347,676,515.44
Other benefits maturing within one year				
Others				
Total	864,060,140.44	5,955,998,808.27	5,860,424,991.07	959,633,957.64

5.34.2 List short-term salary

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
(1) Salaries, bonuses, allowances and subsidies		3,574,523,599.29	3,574,523,599.29	
(2) Employee welfare	34,984,243.89	355,323,936.24	361,428,783.59	28,879,396.54
(3) Social insurance premiums	68,146,049.71	350,285,550.46	308,233,430.10	110,198,170.07
Including: Medical insurance premium and Maternity insurance premium	231,579.70	227,619,969.97	227,576,495.97	275,053.70
Work-related injury insurance premium	69,019.00	20,587,420.13	20,584,637.13	71,802.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Others	67,845,451.01	102,078,160.36	60,072,297.00	109,851,314.37
(4) Housing provident funds	326,660.00	364,993,941.81	364,993,941.81	326,660.00
(5) Labor union expenditures and employee education funds	175,874,127.32	130,004,586.65	125,122,357.53	180,756,356.44
(6) Short-term compensated absences				
(7) Short-term profit share plan				
(8) Other short-term compensation	3,236,611.56	45,765,324.02	45,657,616.24	3,344,319.34
Total	282,567,692.48	4,820,896,938.47	4,779,959,728.56	323,504,902.39

5.34.3 Set up withdrawal plan and list it

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Basic endowment insurance premium	236,690.92	467,512,483.03	467,419,741.03	329,432.92
Unemployment insurance premium	8,876.21	17,977,652.63	17,974,175.63	12,353.21
Enterprise annuity payment	233,871,966.76	294,521,812.93	240,283,026.01	288,110,753.68
Total	234,117,533.89	780,011,948.59	725,676,942.67	288,452,539.81

5.35 Taxes payable

Tax and fee items	As at December 31, 2024	As at December 31, 2023
Value added tax	273,549,559.82	182,524,888.48
Resource tax	137,719.99	217,767.56
Corporate income tax	390,254,125.42	147,274,206.64
City maintenance and construction tax	22,964,345.49	16,082,866.65
Property tax	844,060.08	791,431.24
Land use tax	514,119.18	547,877.32
Personal income tax	51,705,981.89	43,240,250.56
Education surcharge (including local education surcharge)	16,296,977.18	11,297,636.06
Other taxes and fees	26,382,284.66	37,811,765.73
Total	782,649,173.71	439,788,690.24

5.36 Other payables

Items	As at December 31, 2024	As at December 31, 2023
Interest payable		
Dividends payable	4,568,944.33	4,056,055.47
Other payables	1,609,809,922.88	1,484,264,159.25
Total	1,614,378,867.21	1,488,320,214.72

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.36.1 Dividends payable

Items	As at December 31, 2024	As at December 31, 2023
Ordinary share dividends	4,568,944.33	4,056,055.47
Total	4,568,944.33	4,056,055.47

5.36.2 Other payables

(1) List according to the nature of the payment

Items	As at December 31, 2024	As at December 31, 2023
Deposits and deposits	546,669,951.53	435,828,731.06
Collections on behalf of others	368,326,345.92	263,873,223.49
Payment payable for equity acquisition	167,505,076.96	260,260,801.59
Advance money payable	229,790,597.84	237,267,261.35
Lease, service and minor purchase payables	82,229,167.45	78,309,811.60
Social insurance premium and housing provident fund undertaken by individuals	55,257,944.47	48,091,288.48
Others	160,030,838.71	160,633,041.68
Total	1,609,809,922.88	1,484,264,159.25

(2) Significant other payables with an account age of more than 1 year

Items	As at December 31, 2024	Reasons for outstanding or carried forward
Entity 1	382,527,094.71	Settlement conditions were not met
Entity 2	46,581,603.88	Settlement conditions were not met
Entity 3	27,311,986.14	Settlement conditions were not met
Entity 4	19,167,515.49	Settlement conditions were not met
Entity 5	17,943,636.89	Settlement conditions were not met
Entity 6	10,162,471.13	Settlement conditions were not met
Total	503,694,308.24	

5.37 Non-current liabilities due within one year

Items	As at December 31, 2024	As at December 31, 2023
Long-term borrowings maturing within one year	194,058,558.16	193,964,036.00
Lease liabilities maturing within one year	137,346,525.02	122,065,276.52
Total	331,405,083.18	316,029,312.52

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.38 Other current liabilities

Items	As at December 31, 2024	As at December 31, 2023
Pending resale tax	1,217,709,102.42	1,961,684,144.76
Notes receivable endorsed but not yet mature without termination of recognition at the end of the period	491,621,476.21	85,895,092.11
Agency liabilities	1,994,228.10	3,036,593.99
Others	43,581,592.57	17,767,975.51
Total	1,754,906,399.30	2,068,383,806.37

5.39 Long-term borrowings

Items	As at December 31, 2024	As at December 31, 2023
Pledged borrowings		
Mortgaged borrowings	319,458,246.72	336,167,606.64
Guaranteed borrowings		
Credit borrowings	2,041,777,207.24	1,241,222,838.56
Sub-total	2,361,235,453.96	1,577,390,445.20
Less: Part due within one year	194,058,558.16	193,964,036.00
Total	2,167,176,895.80	1,383,426,409.20

5.40 Lease liabilities

Items	As at December 31, 2024	As at December 31, 2023
Lease payment	653,716,006.24	430,539,316.50
Less: unrecognized financing charges	100,410,581.42	78,485,473.62
Non-current liabilities reclassified to maturity within one year	137,346,525.02	122,065,276.52
Total	415,958,899.80	229,988,566.36

5.41 Long-term payables

Items	As at December 31, 2024	As at December 31, 2023
Long-term payables		
Special payables	240,000.00	240,000.00
Total	240,000.00	240,000.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.41.1 Special payables

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024	Forming reason
Budget for energy conservation and emission reduction from central state capital operations	140,000.00			140,000.00	Not yet used up
Urban light rail vehicle AC transmission project funding	100,000.00			100,000.00	Not yet used up
Total	240,000.00			240,000.00	

5.42 Long-term Employee benefit payable

Items	As at December 31, 2024	As at December 31, 2023
Post-employment benefits -net liabilities of defined benefit plans		
Dismissal benefits	804,489,274.85	832,872,411.77
Other long-term benefits	198,616,894.62	220,666,864.64
Total	1,003,106,169.47	1,053,539,276.41

5.43 Estimated liabilities

Items	As at December 31, 2023	As at December 31, 2024	Forming reason
Pending litigation	1,252,318.37	718,906.14	The court has not yet ruled on the bill endorsement dispute
Product quality assurance	3,718,974,285.09	4,177,913,625.67	Estimated expenditure for product quality assurance
Loss contracts to be executed	1,469,912,211.78	1,220,406,318.83	Loss contracts to be executed and the portion of expected future losses in execution
Others	236,585,303.24	260,296,862.69	Expect late delivery penalty
Total	5,426,724,118.48	5,659,335,713.33	

5.44 Deferred income

Item	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024	Forming reason
Government grants related to assets	262,612,858.34	73,200,300.00	79,189,387.58	256,623,770.76	See Table 1 for details
Government grants related to income	102,389,392.44	235,748,809.69	116,635,367.27	221,502,834.86	See Table 1 for details
Others	327,641.96		54,716.08	272,925.88	
Total	365,329,892.74	308,949,109.69	195,879,470.93	478,399,531.50	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.44.1 Deferred income related to government subsidies

Items of liabilities	As at December 31, 2023	Amount of new subsidy in this period	The amount of non-operating income is included in the current period	Amount of other income transferred in the current period	Write down the amount of costs and expenses in the current period	Other changes	As at December 31, 2024	Asset-related/income-related
VAT refund for third-tier enterprises	135,825,305.78			23,171,169.95			112,654,135.83	Related to assets
Project infrastructure construction support funds	81,024,653.88	5,500,000.00		15,123,616.87			71,401,037.01	Related to assets
Research grants	3,518,050.00	60,544,800.00		31,411,857.96			32,650,992.04	Related to assets
Appropriation for technical transformation	8,534,765.59			2,113,067.25			6,421,698.34	Related to assets
Financial subsidies	24,966,659.53			4,365,027.33			20,601,632.20	Related to assets
Other Grants	8,743,423.56	7,155,500.00		3,004,648.22			12,894,275.34	Related to assets
Research grants	96,481,827.11	190,720,786.06		101,375,341.72		8,575,413.67	177,251,857.78	Related to earnings
Appropriation for technical transformation								Related to earnings
Financial subsidies	1,778,262.55	36,489,500.00		1,757,591.56			36,510,170.99	Related to earnings
Other Grants	4,129,302.78	8,538,523.63		5,496,158.74		-569,138.42	7,740,806.09	Related to earnings

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.45 share capital

Name of investor	As at December 31, 2023		Increase in 2024	Decrease in 2024	As at December 31, 2024	
	Amount of investment	Proportion			Amount of investment	Proportion
Dong Fang Electric Corporation	1,731,379,826.00	55.52	7,835,300.00		1,739,215,126.00	55.79
A-share shareholder	1,047,153,971.00	33.58		8,869,640.00	1,038,284,331.00	33.30
H share shareholder	340,000,000.00	10.90			340,000,000.00	10.91
Total number of shares	3,118,533,797.00	100.00	7,835,300.00	8,869,640.00	3,117,499,457.00	100.00

1. On January 5, 2024, the 33rd meeting of the 10th Board of Directors of the Company deliberated and passed the Proposal on Repurchase and Cancellation of Part of Restricted Shares. The Board of Directors deliberated and decided to repurchase and cancellation of all 1,034,340 restricted shares that have been granted to 76 incentive objects but have not been lifted from the restriction. After the completion of this cancellation, the registered capital will be reduced by RMB 1,034,340.00.

2. This year, Dongfang Electric Group increased its holding of 7,835,300.00 A-shares through centralized bidding through the trading system of Shanghai Stock Exchange

5.46 Capital reserves

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Capital (share capital) premium	11,393,054,091.79	76,739,553.12	4,127,540.41	11,465,666,104.50
Other capital reserves	172,952,535.07	682,412.68	79,474,530.87	94,160,416.88
Total	11,566,006,626.86	77,421,965.80	83,602,071.28	11,559,826,521.38

Other explanations, including changes in the increase or decrease of the current period and reasons for the changes:

1. This year, the company repurchased and cancelled part of restricted shares, reducing capital reserve - capital premium of RMB 4,127,540.41;

2. This year, the Company's restricted shares were released from lock-up, resulting in a decrease of RMB 76,739,553.12 in capital reserve—other capital reserves and a corresponding increase of RMB 76,739,553.12 in capital reserve—share premium.

3. This year, the company adjusted the share payment expenses to reduce capital reserve - capital premium of RMB 2,734,977.75;

4. Following a capital increase by minority shareholders in Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., Ltd., a former subsidiary of the Company's subsidiary Dongfang Boiler, the Company lost control and switched to equity method accounting. As a result, changes in Henan Chengfa's other equity interests increased the Company's capital reserve—other capital reserves by RMB 682,412.68.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.47 Treasury stock

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Repurchase plan for restricted stock incentive	111,093,911.81		110,445,029.52	648,882.29
Total	111,093,911.81		110,445,029.52	648,882.29

5.48 Other comprehensive income

Items	As at December 31, 2023	Amount for the current period						As at December 31, 2024
		Amount incurred before current income tax	Less: other comprehensive income recorded in the previous period is transferred to profit and loss in the current period	Less: Income tax expense	Net profit attributable to shareholders of the company	Net profit attributable to minority shareholders	Less: other comprehensive income recorded in the previous period is transferred to retained earnings in the current period	
1. Other comprehensive income that cannot be reclassified into profit and loss	-94,723,986.16	9,015,807.70		1,524,485.09	6,879,841.41	611,481.20		-87,844,144.75
Including: re-measure the change of set benefit plan								
Other comprehensive income that cannot be converted into profit and loss under the equity method								
Changes in fair value of other equity instrument investments	-94,723,986.16	9,015,807.70		1,524,485.09	6,879,841.41	611,481.20		-87,844,144.75
Changes in the fair value of the enterprise's own credit risk								
Other changes								
2. Other comprehensive income reclassified into profit and loss	-35,230,197.56	4,112,266.21			2,992,112.04	1,120,154.17		-32,238,085.52

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2023	Amount for the current period						As at December 31, 2024
		Amount incurred before current income tax	Less: other comprehensive income recorded in the previous period is transferred to profit and loss in the current period	Less: Income tax expense	Net profit attributable to shareholders of the company	Net profit attributable to minority shareholders	Less: other comprehensive income recorded in the previous period is transferred to retained earnings in the current period	
Including: other comprehensive income that can be converted into profit or loss under the equity method	1,059,280.08	374,209.38			341,649.17	32,560.21		1,400,929.25
Changes in fair value of other debt investments								
The amount of financial assets reclassified into other comprehensive income								
Other debt investment credit impairment provisions	-3,809.45	1,467,170.56			1,347,742.87	119,427.69		1,343,933.42
Cash flow hedge reserve								
Differences on translation of foreign currency financial statements	-36,285,668.19	2,270,886.27			1,302,720.00	968,166.27		-34,982,948.19
Other changes								
Total other comprehensive income	-129,954,183.72	13,128,073.91		1,524,485.09	9,871,953.45	1,731,635.37		-120,082,230.27

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.49 Special purpose reserve

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Work safety expenses	126,393,962.48	83,740,478.65	85,941,283.37	124,193,157.76
Total	126,393,962.48	83,740,478.65	85,941,283.37	124,193,157.76

5.50 Surplus reserves

Items	As at December 31, 2023	Increase in 2024	Decrease in 2024	As at December 31, 2024
Statutory surplus reserves	1,337,132,818.92	87,756,382.31		1,424,889,201.23
Total	1,337,132,818.92	87,756,382.31		1,424,889,201.23

5.51 Undistributed profit

Items	Amount for the current period	Amount for the previous period
Retained profit at the end of the previous year before adjustment	21,337,876,676.79	19,003,660,394.74
Total adjustment to retained profit at the beginning of the year ("+" for increase and "-" for decrease)		
Retained profit at the beginning of the year after adjustment	21,337,876,676.79	19,003,660,394.74
Plus: Net profit attributable to the shareholders of the company for the period	2,922,100,908.48	3,550,393,576.32
Less: Withdrawal of statutory surplus reserves	87,756,382.31	135,629,278.06
Withdrawal of discretionary surplus reserves		
Common stock dividends payable	1,480,812,259.51	1,080,548,016.21
Common stock dividends transferred to share capital		
Others	-803,801.40	
Retained profit at the end of the period	22,690,605,142.05	21,337,876,676.79

5.52 Operating income and operating costs

5.52.1 Operating income and operating cost

Items	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Expenses from costs/interest/Expenses from handling charges and commissions	Revenue	Expenses from costs/interest/Expenses from handling charges and commissions
operating income	68,592,735,741.35	58,876,109,012.73	59,566,526,583.78	50,073,722,959.33
Interest income	1,102,098,612.61	24,698,284.75	1,108,245,427.30	31,964,932.11
Fee and commission income	301,369.51	1,448,745.83	1,841,384.74	1,365,320.87
Total	69,695,135,723.47	58,902,256,043.31	60,676,613,395.82	50,107,053,212.31

5.52.2 Sector and product revenue

Items	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
Renewable energy equipment	16,602,968,594.74	15,977,700,438.04	13,837,886,523.69	12,878,403,178.02
Including: Wind power	12,969,952,104.40	12,958,308,770.86	10,840,486,805.60	10,415,984,737.03
Water and electricity	2,955,365,721.95	2,399,213,263.02	2,310,808,752.28	1,896,644,646.84
Clean and efficient energy equipment	28,358,197,064.75	23,607,798,883.44	20,589,292,229.74	16,291,866,495.44
Including: Nuclear power	4,876,705,066.95	3,704,412,849.12	2,902,562,871.00	2,251,907,107.59
Gas and electricity	7,110,320,754.81	6,592,663,906.04	3,789,432,264.09	3,347,036,537.09
Coal power	16,371,171,242.99	13,310,722,128.28	13,897,297,094.65	10,692,922,850.76
Engineering and supply chain business	6,019,136,023.50	5,471,221,389.28	12,022,435,152.94	10,520,951,021.38
Including: project contracting	5,220,397,154.87	4,948,926,256.17	3,965,582,764.90	3,274,559,035.72
Supply chain management and services	721,342,741.38	448,571,279.73	7,921,951,701.80	7,161,569,077.35
Modern manufacturing service industry	7,564,406,473.18	3,902,351,786.49	5,383,541,292.78	2,708,431,564.88
Including: power station services	6,134,824,410.03	3,592,145,775.37	3,788,476,423.12	2,237,391,805.02
Financial Services	1,102,399,982.12	26,147,030.58	1,126,383,732.87	33,330,252.98
Emerging growth	11,150,427,567.30	9,943,183,546.06	8,843,458,196.67	7,707,400,952.59

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the current period		Amount for the previous period	
	Revenue	Cost	Revenue	Cost
industries				
Total	69,695,135,723.47	58,902,256,043.31	60,676,613,395.82	50,107,053,212.31

5.53 Taxes and surcharges

Items	Amount for the current period	Amount for the previous period
Environmental protection tax	373,269.03	327,733.84
City maintenance and construction tax	110,038,233.93	83,008,683.12
Education surcharge	78,781,347.10	59,719,464.82
Water resource tax	996,167.70	1,035,841.00
Property tax	65,838,976.73	61,062,936.42
Land use tax	34,614,457.18	32,687,417.04
Vehicle and vessel use tax	63,542.05	76,618.84
Stamp duty	87,530,346.14	64,057,097.38
Others	289,775.12	1,493,698.73
Total	378,526,114.98	303,469,491.19

5.54 Selling and distribution expenses

Items	Amount for the current period	Amount for the previous period
Employee compensation	620,018,816.98	557,073,976.24
Travel expenses	93,156,517.21	81,674,411.24
Business entertainment expenses	38,471,392.00	36,560,677.41
Others	70,713,962.58	91,642,930.00
Total	822,360,688.77	766,951,994.89

5.55 General and administrative expenses

Items	Amount for the current period	Amount for the previous period
Compensation for employees	2,021,463,213.53	1,967,064,676.17
Cost of repair	412,371,940.92	464,148,809.77
Depreciation expense	291,650,921.97	241,444,058.80
Production safety expenses	99,665,268.97	121,757,720.24

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the current period	Amount for the previous period
Property management fees	77,473,029.80	65,977,964.25
Travel expenses	67,891,098.77	69,875,600.74
Consulting fees	41,969,937.24	19,160,059.18
Information construction expenses	37,805,854.96	26,483,700.48
Amortization of intangible assets	35,330,642.87	37,764,366.34
Hydropower kinetic energy cost	34,971,519.11	35,384,602.86
Transportation expenses	28,836,521.95	27,471,578.03
Fees for hiring intermediaries	24,676,537.12	21,592,972.40
Rental expenses	17,709,563.09	34,585,959.04
Insurance premium	12,436,153.32	16,240,941.72
Advertising and publicity expenses	33,831,658.35	26,033,404.60
Other	284,970,329.28	228,916,867.43
Total	3,523,054,191.25	3,403,903,282.05

Other notes: The management expenses in 2024 include the remuneration of the domestic annual report accounting firm of RMB 2,000,000.00 and the remuneration of the internal control audit accounting firm of RMB 400,000.00; The management expenses in 2023 include the remuneration of the domestic annual report accounting firm of RMB 2,000,000.00 and the remuneration of the internal control audit accounting firm of RMB 275,000.00

5.56 Research and development expenses

Items	Amount for the current period	Amount for the previous period
Cost of materials	311,630,057.83	274,253,617.31
Compensation for employees	1,556,826,302.72	1,485,775,760.73
Depreciation and amortization	199,086,616.56	182,834,528.98
Outsourcing expenses	169,782,285.72	80,025,381.19
Travel expenses	43,731,246.92	41,192,953.76
Test inspection, quality appraisal fees	242,430,632.41	227,716,622.51
Others	485,525,729.98	457,728,430.62
Total	3,009,012,872.14	2,749,527,295.10

5.57 Financial expenses

Items	Amount for the current period	Amount for the previous period
Interest expenses	82,971,078.48	64,439,100.49
Less: Interest income	132,705,664.58	120,750,779.59
Profit or loss on foreign exchange	5,925,300.49	-32,511,329.65
Others	88,357,171.03	96,275,014.40
Total	44,547,885.42	7,452,005.65

5.58 Other income

5.58.1 Other income details

Items	Amount for the current period	Amount for the previous period
Government grants	271,278,496.88	232,157,997.24
Handling charges for withdrawal of individual income tax	2,218,130.16	1,184,737.00
Advanced manufacturing enterprise value-added tax allowance	495,274,593.55	185,185,593.19
Others	1,150,416.93	20,267,291.28
Total	769,921,637.52	438,795,618.71

5.58.2 Government subsidies included in other income

Items	Amount for the current period	Amount for the previous period	Related to assets, related to income
Third-line enterprise VAT refund	23,171,169.95	18,857,068.84	Related to assets
Third-line enterprise VAT refund		364,427.82	Related to earnings
Scientific research allocation	21,195,180.63	17,828,239.51	Related to assets
Scientific research allocation	133,702,823.90	101,047,015.48	Related to earnings
Financial subsidy		340,000.00	Related to assets
Tax rebate	20,424,033.98	18,275,703.27	Related to earnings
Free allocation		123,898.77	Related to assets
Free allocation	1,600,000.00	2,085,080.44	Related to earnings
Other appropriation	13,900,518.98	5,756,914.25	Related to assets
Other appropriation	57,284,769.44	67,479,648.86	Related to earnings
Total	271,278,496.88	232,157,997.24	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.59 Investment income

Items	Amount for the current period	Amount for the previous period
Long-term equity investment income calculated by equity method	186,935,311.74	320,691,180.02
Investment income from disposal of long-term equity investments	778,666,016.97	370,285,303.34
Investment income of a trading financial asset during the holding period	14,148,798.13	192,294.14
Investment income from the disposal of trading financial assets	14,190,044.78	-59,515,038.57
Interest income earned during the holding period of debt investment	47,198,390.21	36,882,927.76
Investment income from disposal of debt investment	10,203,811.49	1,839,621.96
Investment income arising from debt restructuring	72,942,065.54	92,575,486.17
Others	452,779,400.02	-14,801,989.90
Total	1,577,063,838.88	748,149,784.92

5.60 Exchange gain or loss

Items	Amount for the current period	Amount for the previous period
Foreign exchange income	6,844,738.21	28,240,727.60
Foreign exchange transaction expenses		
Total	6,844,738.21	28,240,727.60

5.61 Gains from changes in fair value

The source of fair value change income	Amount for the current period	Amount for the previous period
Trading financial assets	-204,160,425.88	85,064,728.63
Derivative financial assets		
Other non-current financial assets		
Transactional financial liabilities		
Derivative financial liabilities		
Investment real estate measured at fair value		
Others		
Total	-204,160,425.88	85,064,728.63

5.62 Credit impairment loss

Items	Amount for the current period	Amount for the previous period
Losses from bad debts of accounts receivable	216,409,118.19	357,997,797.05
Losses from bad debts of notes receivable	-28,936,582.70	-5,120,607.87
Losses from impairment of receivables financing	-1,467,170.56	1,296,201.96
Losses from bad debts of other receivables	-7,019,046.15	-5,047,696.62
Losses from impairment of creditor's right investments	-51,750,000.00	-20,829,375.00
Loss on bad debts from long-term receivables	21,254,291.35	-161,545,313.87
Impairment losses on credit assets	-294,525,749.32	-342,426,011.12
Total	-146,035,139.19	-175,675,005.47

Other notes:

1. The bad debt loss of long-term receivables includes the part of non-current assets due within one year; Impairment losses on credit assets include those shown in other current assets.
2. Loss is marked with "-" sign.

5.63 Asset impairment loss

Items	Amount for the current period	Amount for the previous period
Loss from inventory depreciation	-505,097,170.25	-243,151,176.15
Impairment loss of contract assets	-642,747,334.16	-252,590,814.19
Impairment losses on fixed assets	-125,606.16	-173,835.02
Others	-42,087.08	
Total	-1,148,012,197.65	-495,915,825.36

Other notes:

1. The impairment loss of contract assets includes the part that lists the contract assets of more than one year as other non-current assets according to liquidity.
2. Loss is marked with "-" sign.

5.64 Gain on disposal of assets

Items	Amount for the current period	Amount for the previous period	Amount recorded in non-recurring profit or loss for the current period
Gains and losses on disposal of non-current assets	16,452,695.37	9,767,653.91	16,452,695.37
Total	16,452,695.37	9,767,653.91	16,452,695.37

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5.65 Non-operating income

Items	Amount for the current period	Amount for the previous period	Amount recorded in non-recurring profit or loss for the current period
Gain on destruction and scrapping of non-current assets	715,589.92	28,136.56	715,589.92
Accepting donations			
Government subsidies not related to the day-to-day activities of the enterprise	2,159,900.00	470,012.39	2,159,900.00
Income from compensation for breach of contract	12,238,720.69	39,620,701.51	12,238,720.69
Unpayable payments (income from debt liquidation)			
Dish profit is obtained			
Revenue from fines			
Other	34,390,917.06	31,286,796.23	34,390,917.06
Total	49,505,127.67	71,405,646.69	49,505,127.67

Government subsidies recorded in current profits and losses

Items	Amount for the current period	Amount for the previous period	Related to assets, related to income
Subsidies for enterprise epidemic prevention and emergency capacity building	900,000.00		Related to income
Provincial Science and Technology Department award	300,000.00		Related to income
Chengdu high-tech Enterprise recognition award and subsidy	300,000.00		Related to income
Others	659,900.00	470,012.39	Related to income
Total	2,159,900.00	470,012.39	

5.66 Non-operating expenses

Items	Amount for the current period	Amount for the previous period	Amount recorded in non-recurring profit or loss for the current period
Loss on destruction and scrapping of non-current assets	6,114,853.31	7,119,892.57	6,114,853.31
External donation expenditure	25,903,774.67	24,269,254.00	25,903,774.67
Fines and late fees	18,678,855.22	4,914,768.46	18,678,855.22
Others	2,016,973.67	5,621,362.25	2,016,973.67

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the current period	Amount for the previous period	Amount recorded in non-recurring profit or loss for the current period
Total	52,714,456.87	41,925,277.28	52,714,456.87

5.67 Income tax expenses

5.67.1 Table of income tax expenses

Items	Amount for the current period	Amount for the previous period
Current income tax expense	639,680,886.92	305,484,533.07
Deferred income tax expense	-42,962,997.57	56,970,303.15
Total	596,717,889.35	362,454,836.22

5.66.2 Adjustment process of accounting profits and income tax expenses

Items	Amount for the current period
Total profits	3,884,243,745.66
Income tax expense calculated at the statutory [or applicable] tax rate	582,636,561.85
The effect of different tax rates applied to subsidiaries	378,426,635.78
The effect of adjusting income tax for previous periods	-10,835,633.59
The effect of non-taxable income	-225,541,541.72
The impact of non-deductible costs, expenses and losses	148,460,500.60
The effect of using deductible losses on previously unrecognized deferred tax assets	-7,113,948.92
The effect of deductible temporary differences or deductible losses of unrecognized deferred tax assets in the current period	-38,985,455.00
Changes in the balance of deferred tax assets/liabilities at the beginning of the period as a result of tax rate adjustments	
Others	-230,329,229.65
Income tax expense	596,717,889.35

5.68 Earnings per share

5.68.1 Basic earnings per share

Basic earnings per share is calculated by dividing consolidated net income attributable to common shareholders of the parent company by the weighted average number of common shares outstanding of the Company:

Items	Amount for the current period	Amount for the previous period
Consolidated net profit attributable to common shareholders of the	2,922,100,908.48	3,550,393,576.32

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the current period	Amount for the previous period
company		
A weighted average of the company's common shares outstanding	3,118,189,017.00	3,118,602,297.00
Basic earnings per share	0.94	1.14
Including: basic earnings per share from continuing operations	0.94	1.14
Basic earnings per share from discontinued operations		

5.68.2 Diluted earnings per share

Items	Amount for the current period	Amount for the previous period
Consolidated net income attributable to common shareholders of the company (diluted)	2,922,100,908.48	3,550,393,576.32
Weighted average of the Company's outstanding ordinary shares (diluted)	3,118,189,017.00	3,118,602,297.00
Diluted earnings per share	0.94	1.14
Including: Diluted earnings per share from continuing operations	0.94	1.14
Diluted earnings per share from discontinued operations		

5.69 Cash flow statement items

5.69.1 Cash related to operating activities

(1) Other cash received relating to operating activities

Items	Amount for the current period	Amount for the previous period
Security deposit	3,076,884,427.90	2,827,180,888.69
Interest income	103,513,832.60	273,837,291.97
Government grants	393,003,726.09	294,944,761.62
Premium subsidy		131,910,000.00
Indemnity	51,386,696.06	95,745,637.21
Petty funds are recovered	20,035,948.90	48,082,904.41
Recover advance payments	18,047,882.84	21,594,068.84
Appropriation of funds	13,985,460.00	21,280,000.00
Recovery of arrears	7,636,269.38	67,500,578.85
Revenue from fines	4,879,739.81	3,686,163.67
Cash received from operating leased fixed assets and investment real estate	3,039,298.74	3,900,514.25
Reverse repos are called back at maturity	348,968,109.44	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the current period	Amount for the previous period
Collection on behalf of	339,279,874.99	130,566,874.98
Bidding service fee	199,694,478.00	170,813,981.54
Others	380,011,561.45	116,826,872.54
Total	4,960,367,306.20	4,207,870,538.57

(2) Other cash paid relating to operating activities

Items	Amount for the current period	Amount for the previous period
Buy back business		1,495,111,616.42
Operating expenses	1,944,854,425.22	2,097,646,315.77
Payment of security deposit	3,907,128,881.93	2,745,141,288.44
Pay the allowance	145,547,737.89	147,558,052.57
Payment on behalf	290,941,490.26	248,153,351.71
Others	139,443,293.19	7,787,468.47
Total	6,427,915,828.49	6,741,398,093.38

5.69.2 Cash related to investing activities

(1) Other cash received relating to investing activities

Items	Amount for the current period	Amount for the previous period
Others		2,753,588.37
Total		2,753,588.37

(2) Other cash paid relating to investing activities

Items	Amount for the current period	Amount for the previous period
Investment	7,000.00	148,000.00
Total	7,000.00	148,000.00

5.69.3 Cash related to financing activities

(1) Other cash received relating to financing activities

Items	Amount for the current period	Amount for the previous period
Discount on	439,736,697.59	376,326,577.79
Entrusted loans	153,800,000.00	60,000,000.00
Total	593,536,697.59	436,326,577.79

(2) Other cash paid in connection with financing activities

Items	Amount for the current period	Amount for the previous period
Deposit bank acceptance margin		60,846,327.00
Lease on lease	136,544,823.32	112,976,705.97
Others	18,578,449.16	3,858,041.71
Total	155,123,272.48	177,681,074.68

5.70 Supplementary information to the statement of cash flow

5.70.1 Supplementary information to the statement of cash flows

Additional Information	Amount for the current period	Amount for the previous period
I. Adjust net profit to cash flow from operating activities		
Net profit	3,287,525,856.31	3,643,709,330.76
Plus:		
Impairment losses on assets	1,148,012,197.65	495,915,825.36
Credit impairment losses	146,035,139.19	175,675,005.47
Depreciation of fixed assets, depletion of oil and gas properties and depreciation of productive biological assets	780,003,631.51	642,755,892.90
Amortization of use-right assets	199,139,706.74	114,062,468.12
Amortization of intangible assets	134,237,989.04	118,532,377.15
Amortization of long-term deferred expenses	2,798,924.84	759,191.31
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain is represented by "-" sign)	-16,452,695.37	-9,767,653.91
Loss on scrapping of fixed assets (income is represented by "-" sign)	5,381,986.62	7,119,892.57
Loss from changes in fair value (gain is represented by "-" sign)	204,160,425.88	-85,064,728.63

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Additional Information	Amount for the current period	Amount for the previous period
Financial expenses (income is represented by "-" sign)	88,896,378.97	7,452,005.65
Investment loss (income is represented by "-" sign)	-1,577,063,838.88	-748,149,784.92
Decrease in deferred income tax assets (increase is marked with "-")	-92,657,298.72	-19,979,003.83
Increase in deferred income tax liabilities (decrease is represented by "-" sign)	49,694,301.15	55,814,785.26
Decrease in inventories (increase is marked with "-")	-3,548,713,185.02	660,883,407.54
Decrease in operating receivables (increase is marked with "-")	3,151,377,842.03	-7,894,487,715.10
Increase in operating payables (decrease is represented by "-" sign)	6,097,114,046.38	-661,107,518.29
Other		
Net cash flows from operating activities	10,059,491,408.32	-3,495,876,222.59
II. Major investment and financing activities that do not involve cash receipts and expenditures		
Conversion of debt to capital		
Convertible corporate bonds maturing within one year		
Acquire the right to use assets by assuming lease liabilities		
III. Net change in cash and cash equivalents		
The ending balance of cash	22,502,857,720.96	14,167,585,378.12
Minus: Opening balance of cash	14,167,585,378.12	12,124,165,479.08
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	8,335,272,342.84	2,043,419,899.04

5.70.2 Composition of cash and cash equivalents

Items	As at December 31, 2024	As at December 31, 2023
I. Cash	22,502,857,720.96	14,167,585,378.12
Including: Cash on hand	746,278.67	895,680.60
A bank deposit readily available for payment	2,976,430,305.28	6,383,534,588.71
Other monetary funds readily available for payment	114,897,348.73	96,247,585.44
Funds deposited with the central bank that can be used for payments	1,346.44	690,753,806.62
Deposit interbank funds	19,410,782,441.84	6,996,153,716.75
Interbank lending		
II. Cash equivalents		
Including: bond investments maturing within three months		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024	As at December 31, 2023
III. Balance of cash and cash equivalents at the end of the period	22,502,857,720.96	14,167,585,378.12
Including: Cash and cash equivalents held but not available for use by the parent company or other subsidiaries within the Corporation		

5.70.3 Dispose of relevant information of subsidiaries and other business units

Items	As at December 31, 2024
1. Price of disposal of subsidiaries and other business units	929,000,000.00
2. Dispose of cash and cash equivalents received by subsidiaries and other business units	
Less: Held by subsidiaries and other business units of cash and cash equivalents	436,427,924.38
3. Disposal of net cash received by subsidiaries and other business units	492,572,075.62
4. Dispose of the net assets of subsidiaries	1,027,887,301.82
Including: current assets	776,761,041.19
Non-current assets	2,725,113,152.38
Current liabilities	807,279,943.59
Non-current liabilities	1,666,706,948.16

5.71 Foreign currency monetary items

Items	Foreign currency balance at the end of the period	Exchange rate of conversion	Balance of RMB translation at the end of the period
Monetary funds			1,582,516,675.52
Including: USD	151,175,470.34	7.1884	1,086,709,751.02
Hong Kong dollar	3,562.61	0.9260	3,298.98
Japanese yen	4,544,023.59	0.0462	209,933.89
Euro	39,997,689.94	7.5257	301,010,615.18
Pound sterling	1.19	9.0765	10.80
Swiss franc	0.01	7.9977	0.08
Canadian Dollar	9.01	5.0498	45.50
Indian rupee	747,497,827.28	0.0854	63,836,314.45
Vietnamese dong	8,454,204,666.67	0.0003	2,536,261.40
Bosnia and Herzegovina mark	3,538,486.66	4.0149	14,206,670.09
Ethiopian Bill	91,471,130.61	0.0588	5,378,502.48
Kip, Laos	7,504,563,033.33	0.0003	2,251,368.91
Sri Lankan Rupee	18,496,986.00	0.0250	462,424.65
Taka of Bangladesh	55,217,690.31	0.0609	3,362,757.34
Indonesian rupiah	95,935,451,180.00	0.0005	47,967,725.59

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Foreign currency balance at the end of the period	Exchange rate of conversion	Balance of RMB translation at the end of the period
United Arab Emirates dirham	76,660.12	1.9711	151,104.76
Russian ruble	188,621.48	0.0661	12,467.88
Malaysian ringgit	120,981.45	1.6199	195,977.85
Serbian dinar	1,617,289.89	0.0653	105,609.03
Soom, Uzbekistan	67,712,674,000.00	0.0006	40,627,604.40
Other	783,949,090.37		13,488,231.24
Accounts receivable			1,041,452,333.21
Including: USD	128,389,001.11	7.1884	922,911,495.57
Euro	7,135,553.37	7.5257	53,700,033.97
Indian rupee	183,593,715.22	0.0854	15,678,903.28
Ethiopian Bill	23,612,930.27	0.0588	1,388,440.30
Taka of Bangladesh	146,752,561.25	0.0609	8,937,230.98
Indonesian rupiah	74,109,981,220.00	0.0005	37,054,990.61
Others	17,058,169.74		1,781,238.50
Other receivables			18,262,779.16
Including: USD	2,364,379.57	7.1884	16,996,106.10
Indian rupee	5,983,564.52	0.0854	510,996.41
Indonesian rupiah	181,024,300.00	0.0005	90,512.15
Others	804,119,426.43		665,164.50
Accounts payable			144,847,238.49
Including: USD	7,970,994.08	7.1884	57,298,693.83
Hong Kong dollar	57,280.09	0.9260	53,041.36
Japanese yen	415,325,197.40	0.0462	19,188,024.12
Euro	7,748,530.81	7.5257	58,313,118.29
Pound sterling	7.97	9.0765	72.30
Swiss franc	10,416.00	7.9977	83,304.04
Turkish lira	13,824.09	0.2051	2,835.32
Indonesian rupiah	3,756,817,960.00	0.0005	1,878,408.98
Others	14,133,682,998.42		8,029,740.25
Other payables			44,705,422.71
Including: USD	5,594,802.33	7.1884	40,217,677.09
Hong Kong dollar	21,138.21	0.9260	19,573.98
Euro	136,580.34	7.5257	1,027,862.68
Indian rupee	23,579,047.66	0.0854	2,013,650.67
Taka of Bangladesh	3,576,516.09	0.0609	217,809.83

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Foreign currency balance at the end of the period	Exchange rate of conversion	Balance of RMB translation at the end of the period
Indonesian rupiah	2,404,976,760.00	0.0005	1,202,488.38
Egyptian pound	4,562.28	0.1437	655.60
Others	10,050,000.00		5,704.48
Long-term borrowings			319,458,246.72
Including: USD	44,440,800.00	7.1884	319,458,246.72

6 Changes in the scope of consolidation

6.1 Disposal of subsidiaries

6.1.1 Transactions or events that lose control of the subsidiary in the current period

Name of subsidiary	Disposal price at the point of loss of control	Proportion of disposal at the point of loss of control (%)	Disposal of the point of loss of control	The point at which control is lost	The basis for judgment of the point of loss of control	The difference between the disposal price and the consolidated financial statement level corresponding to the disposal investment shall be enjoyed by the subsidiary's share of net assets	The proportion of equity remaining at the date of loss of control	The book value of the remaining equity at the consolidated financial statement level at the date of loss of control	The fair value of the remaining equity at the consolidated financial statement level at the date of loss of control	The gains or losses arising from the remeasurement of the remaining equity at fair value	Determination method and main assumptions of the fair value of the remaining equity at the consolidated financial statement level on the date of loss of control	Amount transferred from other comprehensive income related to equity investment in Atomic Corporation to investment profit or loss/retained earnings
Jiuquan Dongsu New Energy Co. LTD	235,500,000.00	100.00	Transfer of equity	June 26, 2024	Change of control	87,713,423.96	0.00%	0.00	0.00	0.00	Transaction price	0.00
Mulei East New Energy Co. LTD	929,000,000.00	51.00	Transfer of equity	December 19, 2024	Change of control	480,148,629.85	49.00%	431,249,355.63	892,568,627.45	461,218,546.04	Transaction price	0.00

Note: The disposal of Jiuquan Dongsu New Energy Co., Ltd. on 26 June 2024 includes its subsidiary Jiuquan Dongsu Ma Manshan New Energy Co., Ltd. and no separate assessment has been made on Jiuquan Dongsu Ma Manshan New Energy Co., LTD.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

6.1.2 Changes in the scope of consolidation for other reasons

Serial number	Name of Company	Form/loss of control	Net assets at the end of the period	Net profit for the period
1	Mulei Dongji New Energy Co. LTD	Invest in establishing subsidiaries	10,026,018.01	26,018.01
2	Huaihua Dongfang Wind Power New Energy Co. LTD	Invest in establishing subsidiaries		
3	Liaocheng Dongguan New Energy Co. LTD	Invest in establishing subsidiaries		
4	Altay Dongjin New Energy Co. LTD	Invest in establishing subsidiaries	500,272,346.48	272,346.48
5	Qingxian Dongtai Energy Manufacturing Co. LTD	Invest in establishing subsidiaries	368,954.15	368,954.15
6	Dongfang Wind Power (Guangxi) New Energy Co. LTD	Invest in establishing subsidiaries		
7	Dongfang Electric (Jieyang) New Energy Co. LTD	Invest in establishing subsidiaries		
8	Yiyang Donghu New Energy Co. LTD	Invest in establishing subsidiaries		
9	Dongfang Wind Power (Tongyu) New Energy Co. LTD	Invest in establishing subsidiaries	11,934,103.09	-105,896.91
10	Dongyu New Energy Power Generation (Tongyu) Co. LTD	Invest in establishing subsidiaries		
11	Dongfang Wind Power New Energy (Chongqing) Co. LTD	Invest in establishing subsidiaries		
12	Ruoqiang East new new energy Co., LTD	Invest in establishing subsidiaries		
13	Dongfang Electric (Changdu) New energy Co., LTD	Invest in establishing subsidiaries	12,044,626.15	44,626.15
14	Dongfang Electric (Golmud) New Energy Co. LTD	Invest in establishing subsidiaries		
15	Dongfang Electric Clean Energy (Shandong) Co. LTD	Invest in establishing subsidiaries	50,070,395.53	70,395.53
16	Jiuquan Dongsai New Energy Co. LTD	Invest in establishing subsidiaries		
17	Dairy Shandong Innovation Energy Co., LTD	Invest in establishing subsidiaries		
18	Dongfang Electric (Nyingchi) New Energy Co., LTD	Invest in establishing subsidiaries		
19	Dongfang Electric & Petrochemical Hydrogen Energy (Jiangxi) Co. LTD	Invest in establishing subsidiaries	701.51	701.51
20	Dongguo New Energy (Panzhihua) Co. LTD	Invest in establishing subsidiaries		
21	Dongguo New Energy (Yanbian) Co. LTD	Invest in establishing subsidiaries		
22	Dongfang Electric Costa Rica Co. LTD	Invest in establishing subsidiaries	3,871,848.90	309,348.90

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Serial number	Name of Company	Form/loss of control	Net assets at the end of the period	Net profit for the period
23	Dongfang Zhiyun Logistics Technology (Tianjin) Co., LTD	Invest in establishing subsidiaries	12,428.67	12,428.67
24	Shanghai Dongburn Green Movement Technology Service Co. LTD	Invest in establishing subsidiaries	20,450,190.24	-1,049,809.76
25	Dongfang Electric (Chengdu) Innovation Research Co., LTD	Invest in establishing subsidiaries	60,308,699.21	93,377.21
26	Dongfang (Shandong) Wind Power Equipment Manufacturing Co., Ltd.	Write off		
27	Dongfang Electric Wind Turbine Blade (Xing'an League) Co., Ltd.	Absorbed and merged		
28	Tepco (Shandong) Energy Technology Co., LTD	Write off		
29	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	Minority shareholders increase capital and lose control		
30	Dongfang Electric (Neijiang) Hydrogen Energy Co., LTD	Write off		
31	Dongfang Electric (Anhui) Hydrogen Fuel Cell Technology Co., Ltd.	Write off		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

7. Rights and interests in other entities

7.1 Interest in subsidiaries

7.1.1 Composition of enterprise groups

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Electric Wind Power Co. LTD	43,812.16	Other joint stock limited company (unlisted)	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing	41.19	38.25	Establishment of investment
Dongfang Electrical (Tianjin) Wind Power Technology Co., Ltd.	52,440.78	Company Limited	Tianjin, China	Tianjin, China	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Tianjin) Wind Power Blade Engineering Co. LTD	15,986.96	Company Limited	Tianjin, China	Tianjin, China	Generator and generator set manufacturing		85	Establishment of investment
Dongfang Electric Wind Power (Liangshan) Co., Ltd.	2,300.00	Company Limited	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Fujian) Co., Ltd.	4,500.00	Company Limited	Fujian Province	Fujian Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Xing'an League) Co., Ltd.	12,400.00	Company Limited	Xingan League	Xingan League	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Shandong) Co., Ltd.	23,000.00	Other limited liability company	Shandong Province	Shandong Province	Generator and generator set manufacturing		55	Establishment of investment
Dongfang Electric Xinneng Technology (Chengdu) Co., Ltd.	5,000.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongxia (Jiangsu) Smart Energy Co. LTD	1,690.00	Other limited liability company	Nantong, Jiangsu Province	Nantong, Jiangsu Province	Generator and generator set manufacturing		46	Establishment of investment
Dongji Energy Technology (Tongyu) Co., Ltd.	500.00	Company Limited	Baicheng, Jilin Province	Baicheng, Jilin Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongji Shuanggang Wind Power (Tongyu) Co., Ltd.	0.00	Company Limited	Baicheng, Jilin Province	Baicheng, Jilin Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Jiuquan) Wind Power Equipment Co., Ltd.	5,500.00	Company Limited	Jiuquan, Gansu Province	Jiuquan, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Guangyuan) New Energy Co., Ltd.	500.00	Company Limited	Guangyuan, Sichuan	Guangyuan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Guangdong) Wind Power Equipment Co., Ltd.	3,100.00	Company Limited	Yangjiang, Guangdong	Yangjiang, Guangdong	Generator and generator set manufacturing		100.00	Establishment of investment

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Electric (Yanyuan) New Energy Equipment Co., Ltd.	1,000.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		65	Establishment of investment
Dongfang Wind Power (Liangshan) New Energy Co., Ltd.	100.00	Company Limited	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
Xinjiang Dongfang Wind Power New Energy Co., Ltd.	6,000.00	Company Limited	Changji, Xinjiang	Changji, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Nanjing) Co., Ltd.	0.00	Company Limited	Nanjing, Jiangsu Province	Nanjing, Jiangsu Province	Generator and generator set manufacturing		50	Establishment of investment
Dongnengsheng Wind Power (Heihe) Co. LTD	0.00	Company Limited	Heihe, Heilongjiang Province	Heihe, Heilongjiang Province	Generator and generator set manufacturing		60	Establishment of investment
Wuchuan Dongneng New Energy Technology Co. LTD	0.00	Other limited liability company	Zunyi, Guizhou Province	Zunyi, Guizhou Province	Generator and generator set manufacturing		70	Establishment of investment
Yumen Dongyu New Energy Co., Ltd.	12,000.00	Company Limited	Jiuquan, Gansu Province	Jiuquan, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
Inner Mongolia dongfang Wind power New energy Co., LTD	500.00	Company Limited	Inner Mongolia	Inner Mongolia	Generator and generator set manufacturing		100.00	Establishment of investment
Fujian Dongfu New Energy Co., Ltd.	300.00	Company Limited	Fuzhou, Fujian Province	Fuzhou, Fujian Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Hami) Co., LTD	0.00	Company Limited	Hami, Xinjiang	Hami, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Guiyang) Co. LTD	500.00	Company Limited	Guiyang, Guizhou Province	Guiyang, Guizhou Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Wind Power (Baotou) Co., LTD	0.00	Company Limited	Baotou, Inner Mongolia	Baotou, Inner Mongolia	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Wind Power (Burjin) New Energy Co. LTD	3,750.00	Company Limited	Altay, Xinjiang	Altay, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Wind Power (Tangshan) New Energy Co., LTD	2,000.00	Company Limited	Tangshan, Hebei Province	Tangshan, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Wind Power (Qingxian) New Energy Co. LTD	0.00	Company Limited	Cangzhou, Hebei Province	Cangzhou, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Wind Power (Ruoqiang) New Energy Co. LTD	200.00	Company Limited	Bayingoling Mongolian Autonomous Prefecture, Xinjiang	Bayingoling Mongolian Autonomous Prefecture, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
Hainan Yangpu Offshore Wind	10,000.00	Other limited	Danzhou, Hainan	Danzhou, Hainan	Generator and generator set		55	Establishment of

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Power Industry Development Co., Ltd.		liability company	Province	Province	manufacturing			investment
Dongfang Wind Power (Zhangzhou) New Energy Co., LTD	0.00	Company Limited	Zhangzhou, Fujian	Zhangzhou, Fujian	Generator and generator set manufacturing		80	Establishment of investment
Dongtang (Tangshan Caofeidian District) New Energy Co., LTD	0.00	Other limited liability company	Tangshan, Hebei Province	Tangshan, Hebei Province	Generator and generator set manufacturing		51	Establishment of investment
Mengcheng Donghua New Energy Technology Co. LTD	0.00	Other limited liability company	Bozhou, Anhui Province	Bozhou, Anhui Province	Generator and generator set manufacturing		40	Establishment of investment
Dongqing (Geermu) New Energy Co. LTD	0.00	Company Limited	Golmud City, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Golmud City, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Generator and generator set manufacturing		100.00	Establishment of investment
Mulei Dongji New Energy Co. LTD	1,000.00	Company Limited	Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
Huaihua Dongfang Wind Power New Energy Co. LTD	0.00	Company Limited	Huaihua City, Hunan Province	Huaihua City, Hunan Province	Generator and generator set manufacturing		100.00	Establishment of investment
Liaocheng Dongguan New Energy Co. LTD	0.00	Company Limited	Liaocheng City, Shandong Province	Liaocheng City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
Altay Dongjin New Energy Co. LTD	50,000.00	Company Limited	Altay Region, Xinjiang Uygur Autonomous Region	Altay Region, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
Qingxian Dongtai Energy Manufacturing Co. LTD	0.00	Other limited liability company	Cangzhou City, Hebei Province	Cangzhou City, Hebei Province	Generator and generator set manufacturing		55	Establishment of investment
Dongfang Wind Power (Guangxi) New Energy Co. LTD	0.00	Company Limited	Yulin City, Guangxi Zhuang Autonomous Region	Yulin City, Guangxi Zhuang Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Jieyang) New Energy Co. LTD	0.00	Company Limited	Jieyang City, Guangdong Province	Jieyang City, Guangdong Province	Generator and generator set manufacturing		100.00	Establishment of investment
Yiyang Donghu New Energy Co. LTD	0.00	Other limited liability company	Yiyang City, Hunan Province	Yiyang City, Hunan Province	Generator and generator set manufacturing		60	Establishment of investment
Dongfang Wind Power (Tongyu)	1,204.00	Other limited	Baicheng City, Jilin	Baicheng City, Jilin	Generator and generator set		51	Establishment of

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
New Energy Co. LTD		liability company	Province	Province	manufacturing			investment
Dongyu New Energy Power Generation (Tongyu) Co. LTD	0.00	Other limited liability company	Baicheng City, Jilin Province	Baicheng City, Jilin Province	Generator and generator set manufacturing		51	Establishment of investment
Dongfang Wind Power New Energy (Chongqing) Co. LTD	0.00	Company Limited	Qianjiang District, Chongqing	Qianjiang District, Chongqing	Generator and generator set manufacturing		100.00	Establishment of investment
Ruoqiang East new new energy Co., LTD	0.00	Company Limited	Bayingoling Mongolian Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Bayingoling Mongolian Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Changdu) New energy Co., LTD	1,200.00	Company Limited	Qamdo City, Tibet Autonomous Region	Qamdo City, Tibet Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric (Golmud) New Energy Co. LTD	0.00	Other limited liability company	Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Generator and generator set manufacturing		68	Establishment of investment
Dongfang Electric Clean Energy (Shandong) Co. LTD	5,000.00	Other limited liability company	Weihai City, Shandong Province	Weihai City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
Jiuquan Dongsai New Energy Co. LTD	0.00	Other limited liability company	Weihai City, Shandong Province	Weihai City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dairy Shandong Innovation Energy Co., LTD	0.00	Other limited liability company	Jiuquan City, Gansu Province	Jiuquan City, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
Dongfang Electric Machinery Company Limited	341,569.33	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Production	91.86	0	Establishment of investment
Dongfang Electric (Deyang) Motor Technology Co., Ltd.	29,000.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing		90	Establishment of investment
Dongfang Electric (Guangdong) Energy Technology Co., Ltd.	20,000.00	Company Limited	Yangjiang, Guangdong	Yangjiang, Guangdong	Services		100.00	Establishment of investment
Dongfang Electric (Jiuquan) Energy Technology Co. LTD	500.00	Company Limited	Jiuquan, Gansu Province	Jiuquan, Gansu Province	Research and experimental development		100.00	Establishment of investment
Dongfang Electric (Linzi) New Energy Co., LTD	0.00	Company Limited	Lang County, Linzhi City, Tibet Autonomous Region	Lang County, Linzhi City, Tibet Autonomous Region	Production and supply of electricity and heat		100.00	Establishment of investment
Dongfang Electric Corporation	189,278.18	Other joint stock	Zigong, Sichuan	Zigong, Sichuan	Production	95.35		Establishment of

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Boiler Co.,ltd.		limited company (unlisted)	Province	Province				investment
Dongfang Kaiterui (Chengdu) Environmental Technology Co., LTD.	23,555.49	Other limited liability company	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Special pharmaceutical material production industry		60.81	Establishment of investment
Dongfang Electric Hydrogen Energy (Anhui) Co., Ltd.	3,000.00	Company Limited	Fuyang, Anhui Province	Fuyang, Anhui Province	Heat production and supply		90	Establishment of investment
Dongfang Electric Hydrogen Energy (Ya'an) Co., Ltd.	100.00	Other limited liability company	Ya 'an, Sichuan	Ya 'an, Sichuan	Service industry		61	Establishment of investment
Dongfang Electric Hydrogen Energy (Chengdu) Co., Ltd.	23,115.09	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Heat production and supply		69.63	Establishment of investment
Dongfang Electric Guoxin Hydrogen Energy(Deyang)Co.Ltd	1,700.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Heat production and supply		51	Establishment of investment
Dongfang Electric Hydrogen Energy (Guiyang) Co. LTD	51.00	Other limited liability company	Guiyang, Guizhou Province	Guiyang, Guizhou Province	Heat production and supply		51	Establishment of investment
Dongfang Tourmaline Hydrogen Energy (Liangshan) Co. LTD	0.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		50	Establishment of investment
Dongfang Electric (Chengdu) Hydrogen Energy Technology Co., LTD	25,563.40	Other limited liability company	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Professional and technical services	26.58	26.82	Merger of enterprises under the same control
Dongfang Electric (Xichang) Hydrogen Energy Co., Ltd.	1,000.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Science and technology promotion and application services		66	Merger of enterprises not under the same control
Jiangsu Dongchuang Hydrogen Energy Technology Co., Ltd.	500.00	Company Limited	Suzhou, Jiangsu Province	Suzhou, Jiangsu Province	Electrical machinery and equipment manufacturing		60	Establishment of investment
Dongfang Electric (Beijing) Hydrogen Technology Co., Ltd.	1,000.00	Company Limited	Beijing, China	Beijing, China	Electrical machinery and equipment manufacturing		100.00	Establishment of investment
Dongfang Electric (Hebei) Hydrogen Energy Technology Co., Ltd.	1,000.00	Company Limited	Tangshan, Hebei Province	Tangshan, Hebei Province	Electrical machinery and equipment manufacturing		100.00	Establishment of investment
Dongfang Electric (Fujian) Hydrogen Energy Technology Co., Ltd.	200.00	Company Limited	Fuzhou, Fujian Province	Fuzhou, Fujian Province	Heat production and supply		100.00	Establishment of investment

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Electric Hydrogen Energy (Haixi) Co. LTD	100.00	Company Limited	Golmud, Qinghai Province	Golmud, Qinghai Province	Production and supply of electricity and heat		100.00	Establishment of investment
Dongfang Electric Hydrogen Energy (Panzhihua) Co. LTD	5,000.00	Other limited liability company	Renhe District, Panzhihua city, Sichuan Province	Renhe District, Panzhihua city, Sichuan Province	Gas production and supply industry		70	Establishment of investment
Dongfang Electric & Petrochemical Hydrogen Energy (Jiangxi) Co. LTD	0.00	Company Limited	Ji 'an City, Jiangxi Province	Ji 'an City, Jiangxi Province	Gas production and supply industry		51	Establishment of investment
Dongguo New Energy (Panzhihua) Co. LTD	0.00	Company Limited	Panzhihua City, Sichuan Province	Panzhihua City, Sichuan Province	Production and supply of electricity and heat		100.00	Establishment of investment
Dongguo New Energy (Yanbian) Co. LTD	0.00	Company Limited	Panzhihua City, Sichuan Province	Panzhihua City, Sichuan Province	Science and technology promotion and application services		100.00	Establishment of investment
Dongfang Electric Group International Cooperation Co. LTD	76,352.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	International Trade	100.00		Establishment of investment
Nam Mang 1 Power Co., LTD	17,588.02	Company Limited	Laos	Laos	Electric power		75	Establishment of investment
Dongfang Electric (Chengdu) Engineering Design Consulting Co. LTD	10,667.14	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Advisory Services		100.00	Establishment of investment
PT.DONGFANG ELECTRIC INDONESIA	4,054.17	Company Limited	Indonesia	Indonesia	Services		51	Establishment of investment
Dongfang Electric AZ Limited	133.21	Company Limited	Of Azerbaijan	Of Azerbaijan	Production		100.00	Establishment of investment
Eco-SUNFLOWER GREEN ENERGY	208.94	Company Limited	Uzbekistan	Uzbekistan	Production		100.00	Establishment of investment
Dongfang Electric Costa Rica Co. LTD	356.25	Company Limited	Costa Rica	Costa Rica	Production		100.00	Establishment of investment
Dongfang Electric (Chengdu) Innovation Technology Development Co. LTD	60,000.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Services	100.00		Establishment of investment
DongFang Electric Autocontrol Engineering Co.,Ltd	100,000.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing	42.8	57.1	Establishment of investment

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Hitachi (Chengdu) Electronic Control Equipment Co., Ltd.	7,098.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Production		51	Establishment of investment
Dongfang Electric Qineng (Shenzhen) Technology Co., LTD	5,000.00	Company Limited	Shenzhen, China	Shenzhen, China	General equipment manufacturing		80	Establishment of investment
Dongfang Electric Zhongneng Industrial Control Network Security Technology (Chengdu) Co., Ltd.	3,000.00	Other limited liability company	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Software and information technology services		66	Establishment of investment
Dongfang Electric (Sichuan) Supplies Co., Ltd.	32,393.96	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Circulation of goods	100.00		Establishment of investment
DEC Project Cargo Logistics Co.,Ltd.	3,181.87	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Transportation		100.00	Establishment of investment
Dongfang Zhiyun Logistics Technology (Tianjin) Co., LTD	0.00	Company Limited	Tianjin, China	Tianjin, China	Transportation		100.00	Establishment of investment
DONGFANG TURBINE CO.,LTD.	568,339.78	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Production	91.3		Establishment of investment
Shanghai Dongburn Green Movement Technology Service Co. LTD	2,150.00	Other limited liability company	Minhang District, Shanghai	Minhang District, Shanghai	Professional and technical services		65	Establishment of investment
Dongfang (Guangzhou) Heavy Machinery Co., LTD.	121,971.87	Other limited liability company	Guangzhou, Guangdong	Guangzhou, Guangdong	Production	48.17	13.34	Establishment of investment
Dongfang Electric (Wuhan) Nuclear Equipment Co., LTD. (hereinafter referred to as Dongfang Wuhan Nuclear Core)	43,066.00	Company Limited	Wuhan, Hubei Province	Wuhan, Hubei Province	Production	100.00		Establishment of investment
Dongfang Electric (India) Private Limited	12,938.35	Company Limited	Kolkata, India	Kolkata, India	Services	100.00		Establishment of investment
Dongfang Electric Corporation Finance Co. LTD	209,500.11	Other limited liability company	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Finance	95		Establishment of investment
Dongfang Electric Corporation Research Institute of Science and Technology Co., LTD.	36,706.65	Other limited liability company	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Technical services	91.95		Establishment of investment
Dongfang Electric (Fujian) Innovation Research Institute Co. LTD	10,000.00	Company Limited	Fuzhou, Fujian Province	Fuzhou, Fujian Province	Technical services		100.00	Establishment of investment

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
						direct	indirect	
Dongfang Electric Yangtze River Delta (Hangzhou) Innovation Research Institute Co. LTD	8,000.00	Company Limited	Hangzhou, Zhejiang Province	Hangzhou, Zhejiang Province	Research and experimental development		100.00	Establishment of investment
Dongfang Electric (Chengdu) Innovation Research Co., LTD	6,021.53	Company Limited	Shuangliu District, Chengdu city, Sichuan Province	Shuangliu District, Chengdu city, Sichuan Province	Professional and technical services		100.00	Establishment of investment
Dongfang Electric Jieneng Technology Chengdu Co., Ltd.	8,600.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Professional and technical services		100.00	Merger of enterprises under the same control
Dongfang Electric Fine Electronic Materials (Deyang) Co. LTD	8,000.00	Company Limited	Deyang, Sichuan	Deyang, Sichuan	Manufacturing of computers, communications and other electronic equipment		100.00	Establishment of investment

7.1.2 The parent company has less than half of the voting rights of the invested entity but can form the invested entity

Serial number	Name of company	Percentage of subscribed shares (%)	Voting rights enjoyed (%)	Registered capital (ten thousand yuan)	Order of rank	Reasons for inclusion in the scope of merger
1	Mengcheng Donghua New Energy Technology Co. LTD	40	40	1000	3	The subsidiaries of the Group directly hold 40% of the equity of Mengcheng Donghua New Energy Technology Co., LTD. According to the articles of association and the relevant unanimous action party agreement, although the Group holds only half of the voting rights, the Group has substantial control over it, so it is included in the scope of merger
2	Dongxia (Jiangsu) Smart Energy Co. LTD	46	46	2500	3	The subsidiaries of the Group directly hold 46% of the shares of Eastern Three Gorges (Jiangsu) Smart Energy Co., LTD., and its second and third largest shareholders hold 39% and 15% respectively. In accordance with the articles of association and the relevant unanimous action party agreement, although the Group holds less than half of the voting rights, the Group has substantial control over it, so it is included in the scope of merger.
3	Dongfang Electric Wind Power (Nanjing) Co. LTD	50	50	1000	3	The subsidiary of the Group directly holds 50% of the equity of Dongfang Electric Wind Power (Nanjing) Co., LTD. According to the articles of association and the relevant unanimous action party agreement, although the Group holds only half of the voting rights, the Group has substantial control over it, so it is included in the scope of merger.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Serial number	Name of company	Percentage of subscribed shares (%)	Voting rights enjoyed (%)	Registered capital (ten thousand yuan)	Order of rank	Reasons for inclusion in the scope of merger
4	Dongfang Electric & Petrochemical Hydrogen Energy (Liangshan) Co. LTD	50	60	3800	3	According to the articles of association, the board of directors of Dongguo Liangshan Hydrogen Energy is composed of 5 directors, 3 of whom are recommended by Dongfang Boiler, and Dongfang Boiler has the control right.

7.1.3 Important non-wholly owned subsidiaries

Name of subsidiary	Percentage of shares held by minority shareholders (%)	Profit and loss attributable to minority shareholders for the current period	Dividends declared to minority shareholders in the current period	Balance of minority shareholders' equity at the end of the period
Dongfang Electric Corporation Dongfang Boiler Co. LTD.	4.65	52,222,076.27	17,672,135.27	437,877,303.76
Dongfang Electric Autocontrol Engineering Co. LTD.	3.49	3,979,417.72	68,651.99	40,306,117.28
Dongfang Electric Corporation Finance Co. LTD.	5	13,321,347.14	8,147,065.32	193,113,135.36
Dongfang Turbine Co. LTD.	8.7	100,915,606.77	39,192,366.98	763,358,005.79
Dongfang Electric Machinery Co. LTD	8.14	78,918,380.18	31,661,771.55	610,655,256.86
Dongfang Electric Wind Power Co. LTD	23.82	85,713,642.97	0.00	372,601,860.20
Dongfang (Guangzhou) Heavy Machinery Co., LTD.	39.11	21,497,061.64	7,597,611.93	668,289,630.49

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

7.1.4 Main financial information of important non-wholly owned subsidiaries

Name of subsidiary	As at December 31, 2024					
	Total current assets	Non-current assets	Total assets	Total current liabilities	Non-current liabilities	Total liabilities
Dongfang boiler	26,545,708,158.18	4,401,655,496.93	30,947,363,655.11	19,648,142,443.13	1,254,738,251.56	20,902,880,694.69
Dongfang Autocontrol	3,779,248,781.08	1,076,214,470.58	4,855,463,251.66	3,119,532,918.51	199,459,565.77	3,318,992,484.28
Dongfang Finance	29,545,995,778.56	24,623,543,644.06	54,169,539,422.62	50,327,865,025.30	14,098,385.66	50,341,963,410.96
Dongfang Turbine	30,384,915,349.99	6,819,725,304.23	37,204,640,654.22	26,995,093,869.53	1,373,048,755.74	28,368,142,625.27
Dongfang Electric Machinery	20,821,630,933.74	4,717,069,173.12	25,538,700,106.86	16,032,691,054.10	1,971,357,364.20	18,004,048,418.30
Dongfang Wind Power	20,371,396,524.69	6,070,120,541.58	26,441,517,066.27	20,484,428,770.75	3,941,514,407.80	24,425,943,178.55
Dongfang heavy Machine	3,877,015,710.56	737,156,375.31	4,614,172,085.87	2,627,573,176.54	270,117,359.20	2,897,690,535.74

(continue)

Name of subsidiary	As at December 31, 2023					
	Total current assets	Non-current assets	Total assets	Total current liabilities	Non-current liabilities	Total liabilities
Dongfang boiler	24,502,735,622.42	3,639,974,726.26	28,142,710,348.68	16,939,606,428.77	1,869,457,006.44	18,809,063,435.21
Dongfang Autocontrol	2,804,795,588.68	826,220,715.83	3,631,016,304.51	2,412,319,498.62	77,578,811.85	2,489,898,310.47
Dongfang Finance	16,235,114,721.77	24,857,755,739.57	41,092,870,461.34	37,366,104,709.64	2,675,376.41	37,368,780,086.05
Dongfang Turbine	25,374,624,366.75	5,750,581,718.41	31,125,206,085.16	21,728,957,940.99	1,276,577,195.33	23,005,535,136.32
Dongfang Electric Machinery	19,476,069,263.98	4,160,405,838.22	23,636,475,102.20	15,014,673,344.77	1,692,340,261.95	16,707,013,606.72
Dongfang Wind Power	14,470,927,187.40	4,052,579,404.94	18,523,506,592.34	14,119,166,126.93	2,774,680,050.78	16,893,846,177.71
Dongfang heavy Machine	3,706,296,403.65	819,807,578.52	4,526,103,982.17	2,520,124,957.60	324,977,763.50	2,845,102,721.10

(continue)

Name of subsidiary	As at December 31, 2024			
	Total operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Dongfang boiler	16,803,653,786.89	1,049,007,101.63	1,049,007,101.63	2,154,295,698.33
Dongfang Autocontrol	4,507,713,783.77	146,545,918.60	146,545,918.60	-420,305,517.23
Dongfang Finance	1,138,890,198.85	266,426,942.81	266,426,942.81	12,201,410,112.37
Dongfang Turbine	16,866,371,211.76	1,159,439,847.51	1,159,814,056.89	3,886,271,975.40
Dongfang Electric Machinery	12,507,293,204.65	971,510,750.48	982,382,176.25	1,505,765,495.92

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of subsidiary	As at December 31, 2024			
	Total operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Dongfang Wind Power	13,725,098,996.37	366,654,524.88	366,654,524.88	849,955,610.42
Dongfang heavy Machine	2,031,046,650.97	54,965,639.58	54,965,639.58	196,134,837.66

(continue)

Name of subsidiary	As at December 31, 2023			
	Total operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Dongfang boiler	14,024,392,412.71	858,044,889.04	858,044,889.04	967,460,535.95
Dongfang Autocontrol	3,226,928,789.03	117,488,024.03	117,488,024.03	72,741,033.78
Dongfang Finance	1,184,382,021.30	271,568,844.07	251,463,362.38	-7,944,556,034.34
Dongfang Turbine	12,414,892,716.92	903,603,020.96	904,003,216.53	1,810,711,049.20
Dongfang Electric Machinery	11,001,930,675.73	780,611,426.85	651,883,561.87	772,706,279.10
Dongfang Wind Power	11,172,071,644.15	-494,636,165.34	-494,636,165.34	-272,838,036.54
Dongfang heavy Machine	1,805,134,858.96	32,902,230.26	32,902,230.26	72,067,398.14

7.2 Interests in joint venture arrangements or joint ventures

7.2.1 Important joint ventures or associated enterprises

Name of joint venture or associated enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Accounting treatment of investment in joint ventures or associated enterprises
				direct	indirect	
MHPS Dongfang Boiler Co., LTD.	Jiaxing, Zhejiang Province	Jiaxing, Zhejiang Province	Production		50	Equity method
Framatome Dongfang Reactor Coolant Pumps Co., LTD.	Deyang, Sichuan	Deyang, Sichuan	Production	50		Equity method
Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	Nansha, Guangzhou	Nansha, Guangzhou	Production		49	Equity method
Sichuan Dongshu New Material Co. LTD	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Manufacturing industry		47.54	Equity method
Mulei East New New Energy Co. LTD	Xinjiang Uygur Autonomous Region	Xinjiang Uygur Autonomous Region	production		49	Equity method
Henan Dongfang BOILER ChengFA Environmental Protection Equipment Co. LTD	Jiaozuo City, Henan Province	Jiaozuo City, Henan Province	Special equipment manufacturing industry		49	Equity method

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

7.2.2 Main financial information of important joint ventures

Items	As at December 31, 2024		As at December 31, 2023	
	MHPS Dongfang Boiler Co., LTD.	Framatome Dongfang Reactor Coolant Pumps Co., LTD.	MHPS Dongfang Boiler Co., LTD.	Framatome Dongfang Reactor Coolant Pumps Co., LTD.
Total current assets	1,475,517,222.36	1,024,479,321.92	1,326,414,794.08	1,077,209,974.81
Including: cash and cash equivalents	178,065,818.48	383,321,360.30	237,716,445.83	284,908,635.98
Non-current assets	190,477,467.32	145,368,593.08	206,222,878.86	73,951,456.31
Total assets	1,665,994,689.68	1,169,847,915.00	1,532,637,672.94	1,151,161,431.12
Total current liabilities	1,144,350,060.22	749,482,498.88	1,033,659,377.94	820,585,684.59
Non-current liabilities	55,320,668.16	135,700,070.06	60,665,768.76	48,911,931.94
Total liabilities	1,199,670,728.38	885,182,568.94	1,094,325,146.70	869,497,616.53
Minority shareholders' equity				
Attributable to shareholders' equity of the company	466,323,961.30	284,665,346.06	438,312,526.24	281,663,814.59
Share of net assets in proportion to shareholding	233,161,980.65	142,332,673.03	219,156,263.12	140,831,907.30
Matters of adjustment		667,330.01		68,663.24
- Goodwill				
-- Unrealized profit from internal trading				
-- Others		667,330.01		68,663.24
Book value of equity investment in joint venture	233,161,980.65	141,665,343.02	219,156,263.12	140,900,570.53
Fair value of equity investment of joint venture with public quotation				
Operating income	1,519,099,615.79	482,737,662.94	1,211,929,365.38	312,273,740.88
Financial expenses	2,800,979.74	1,516,378.51	8,459,809.93	-5,234,790.06
Income tax expense	54,151.16	7,164,795.40	5,107,993.20	7,262,441.76
Net profit	39,197,245.07	47,985,940.39	27,948,072.03	41,153,836.62
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	39,197,245.07	47,985,940.39	27,948,072.03	41,153,836.62
Dividends received from joint venture in the current period	5,938,965.31	23,228,197.70	4,105,912.80	99,937,552.98

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

7.2.3 Main financial information of important associated enterprises

Items	As at December 31, 2024					As at December 31, 2023		
	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	Sichuan Dongshu New Material Co. LTD	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co. LTD	Mulei East New New Energy Co. LTD	Deyang Guangda Dongqi New Material Co. LTD	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	Sichuan Dongshu New Material Co. LTD	Deyang Guangda Dongqi New Material Co. LTD
Total current assets	1,937,595,714.80	1,087,856,885.85	152,511,016.21	613,911,484.09	1,284,790,283.13	1,644,606,970.89	1,214,742,851.31	1,177,646,855.77
Non-current assets	500,601,154.86	435,030,688.93	14,120,750.14	2,237,948,137.87	569,156,914.88	304,908,844.27	406,978,206.87	597,099,740.90
Total assets	2,438,196,869.66	1,522,887,574.78	166,631,766.35	2,851,859,621.96	1,853,947,198.01	1,949,515,815.16	1,621,721,058.18	1,774,746,596.67
Total current liabilities	794,934,819.18	981,503,937.66	132,993,061.57	660,857,467.24	1,100,509,069.47	565,848,262.15	1,098,580,389.45	1,050,546,650.14
Non-current liabilities	8,648,977.61	126,675,358.33	4,061,815.62	1,310,856,937.51	151,571.09	12,564,820.86	3,347,623.51	47,380.30
Total liabilities	803,583,796.79	1,108,179,295.99	137,054,877.19	1,971,714,404.75	1,100,660,640.56	578,413,083.01	1,101,928,012.96	1,050,594,030.44
Minority shareholders' equity		157,719,091.04					157,289,662.71	
Attributable to shareholders' equity of the company	1,634,613,072.87	256,989,187.75	29,576,889.16	880,145,217.21	753,286,557.45	1,371,102,732.15	362,503,382.51	724,152,566.23
Share of net assets in proportion to shareholding	800,960,405.71	122,172,659.86	17,891,060.25	431,271,156.43	369,110,413.15	671,840,338.75	175,043,717.61	354,834,757.45
Matters of adjustment		1,805,166.39	-659.96	461,196,745.24	-7,710,664.95	-1,440,647.03		-79,151,739.74
- Goodwill								
-- Unrealized profit from internal trading						-1,440,647.03		-79,151,739.74
-- Others		1,805,166.39	-659.96	461,196,745.24	-7,710,664.95			

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024					As at December 31, 2023		
	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	Sichuan Dongshu New Material Co. LTD	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co. LTD	Mulei East New New Energy Co. LTD	Deyang Guangda Dongqi New Material Co. LTD	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	Sichuan Dongshu New Material Co. LTD	Deyang Guangda Dongqi New Material Co. LTD
Book value of equity investment in associated enterprises	800,960,405.71	123,977,826.25	17,890,400.29	892,467,901.67	361,399,748.20	670,399,691.72	175,043,717.61	275,683,017.71
The fair value of the equity investment of the associated enterprise with public quotation								
Total operating income	1,247,081,317.00	1,826,916,353.23	202,342,784.74		1,243,659,343.74	1,198,558,294.45	2,415,411,665.26	1,200,192,845.32
Net profit	358,625,134.74	-95,746,668.10	-3,018,442.18	145,217.21	51,090,773.05	315,962,094.07	24,726,502.97	31,040,507.52
Net profit from discontinued operations								
Other comprehensive income								
Total comprehensive income	358,625,134.74	-95,746,668.10	-3,018,442.18	145,217.21	51,090,773.05	315,962,094.07	24,726,502.97	31,040,507.52
Dividends received from associated enterprises in the current period	46,377,933.00	4,283,382.12			9,800,000.00		558,977.24	

7.3 Other
None.

8 Government subsidies

8.1 Basic information of government subsidies

Types of government subsidies	Amount incurred in the current period	The amount recorded in the current profit and loss	Remarks
Government subsidies included in deferred earnings	308,949,109.69	187,818,479.60	
Government subsidies included in other income	271,278,496.88	271,278,496.88	
Government subsidies included in non-operating income	2,159,900.00	2,159,900.00	
Government subsidies for writing down the book value of related assets			
Government subsidies to write down costs and expenses	4,406,900.00	4,406,900.00	Environmental governance subsidies
Total	586,794,406.57	465,663,776.48	

9 Risks associated with financial instruments

9.1 Various risks arising from financial instruments

The company's main financial instruments include monetary funds, equity investment, debt investment, loans, receivables, payables and transactional financial assets, transactional financial liabilities, purchase and resale of financial assets, loans and advances, etc. It faces risks of various financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk. The risks associated with these financial instruments and the risk management policies adopted by the Company to mitigate these risks are described below.

9.1.1 Credit risk

Credit risk refers to the risk that the Company will incur financial losses due to the failure of a counterparty to perform contractual obligations. Management has formulated appropriate credit policies and continuously monitors the exposure to credit risk.

The Company has adopted a policy of transacting only with creditworthy counterparties. In addition, the Company evaluates the customer's credit qualification and establishes the credit period based on the customer's financial position, the possibility of obtaining guarantees from third parties, credit history and other factors such as current market conditions. The Company continuously monitors the balance and recovery of notes receivable and accounts receivable. For customers with poor credit records, the Company will urge payment in writing, shorten the credit period or cancel the credit period, etc., to ensure that the Company will not face significant credit losses. In addition, the Company reviews the recovery of financial assets on each balance sheet date to ensure that sufficient provision for expected credit losses has been made for the relevant financial assets.

Other financial assets of the Company include monetary funds, receivables, other receivables and trading financial assets, etc. The credit risk of these financial assets is derived from the default of the counterparty, and the maximum credit risk exposure is the carrying amount of each financial asset in the balance sheet. The monetary funds held by the Company are mainly deposited in state-owned banks and other large and medium-sized commercial banks and other financial institutions. The management believes that these commercial banks have high reputation and asset status, there is no significant credit risk, and there will not be any significant loss caused by the default of the counterparty. It is the Company's policy to control the amount of deposits placed with each well-known financial institution based on its market reputation, scale of operation and financial background to limit the amount of credit risk to any individual financial institution. As part of the Company's credit risk asset management, the Company uses aging to assess impairment losses on accounts receivable and other receivables. The company's accounts receivable and other receivables involve a large number of customers, and the aging information can reflect the solvency and bad debt risk of these customers for accounts receivable and other receivables. The company calculates the historical actual bad debt rate during different account ages based on historical data, and takes into account the forecast of current and future economic conditions, such as national GDP growth

rate, total infrastructure investment and national monetary policy and other forward-looking information to adjust the expected loss rate. For long-term receivables, the Company comprehensively considers the settlement period, the payment period agreed in the contract, the financial status of the debtor and the economic situation of the industry in which the debtor operates, and makes a reasonable assessment of the expected credit losses after taking into account the forward-looking information mentioned above. As of December 31, 2024, the book balance of the relevant assets and the expected credit impairment loss are as follows:

Subjects of study	Balance of book value	Provision for impairment losses
Notes receivable	1,280,785,237.12	56,432,100.89
Receivables financing	1,927,567,077.40	
Accounts receivable	16,166,979,507.28	3,621,665,242.31
Other receivables	830,114,860.34	307,132,193.91
Purchase and resale of financial assets	2,666,820,136.99	
Investment in debt	19,927,035,247.24	141,750,000.00
Long-term receivables (including amounts due within one year)	489,681,619.05	226,422,981.20
Issue loans and advances	5,086,347,895.22	602,436,797.97
Total	48,375,331,580.64	4,955,839,316.28

9.1.2 Liquidity risk

Current risk is the risk that the Company will not be able to meet its financial obligations at the maturity date. The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet maturing obligations without incurring unacceptable losses or causing damage to corporate reputation. The Company regularly analyzes the structure and maturity of its liabilities to ensure adequate funds. The management of the Company monitors the use of bank loans and ensures compliance with loan agreements, and actively communicates with financial institutions to maintain adequate credit lines and reduce liquidity risks.

Due to the company's good bank credit and high credit rating, as of December 31, 2024, the loan line provided by the bank is sufficient to meet its own financing needs.

The financial assets and financial liabilities held by the Company are analyzed as follows according to the maturity of the undiscounted remaining contractual obligations:

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024					
	Immediate repayment	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total undiscounted contract amount
Financial assets						
Including: Monetary capital		26,855,949,069.93				26,855,949,069.93
Trading financial assets		1,697,971,178.52				1,697,971,178.52
Notes receivable		1,224,353,136.23				1,224,353,136.23
Accounts receivable		12,545,314,264.97				12,545,314,264.97
Accounts receivable financing		1,927,567,077.40				1,927,567,077.40
Other receivables		546,279,763.42				546,279,763.42
Purchase and resale of financial assets		2,666,820,136.99				2,666,820,136.99
Total amount of financial assets		47,464,254,627.46				47,464,254,627.46
Financial liabilities						
Including: short-term borrowing		75,080,000.00				75,080,000.00
Notes payable		15,635,278,628.07				15,635,278,628.07
Accounts payable		24,833,045,021.46				24,833,045,021.46
Deposit absorption and interbank deposit		2,260,595,201.96				2,260,595,201.96
Other payables		1,614,378,867.21				1,614,378,867.21
Non-current		331,405,083.18				331,405,083.18

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	As at December 31, 2024					
	Immediate repayment	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total undiscounted contract amount
liabilities due within one year						
Long-term borrowings			913,613,510.63	1,174,277,365.01	299,724,819.79	2,387,615,695.43
Lease liabilities			86,756,053.07	429,613,428.15		516,369,481.22
Total		42,489,187,599.92	1,000,369,563.70	1,603,890,793.16	299,724,819.79	45,393,172,776.57

9.1.3 Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

The company's interest rate risk arises from interest-bearing debt such as bank loans. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company determines the relative proportion of fixed and floating rate contracts based on prevailing market conditions. As of December 31, 2024, the Company's interest-bearing debt is mainly RMB denominated fixed interest rate contracts with a total amount of RMB 2,989,620,878.78

The company's risk of changes in the cash flow of financial instruments caused by changes in interest rates is mainly related to floating rate bank borrowings. It is the Company's policy to maintain a floating interest rate on these borrowings to eliminate the fair value risk of interest rate movements.

(2) Exchange rate risk

The company's exposure to foreign exchange risks is mainly related to US dollar, euro, Japanese yen and Indian Rupee, etc. Except for the purchase and sales of the Company and its major subsidiaries in US dollar, euro, Japanese yen and Indian Rupee, other major business activities of the Company are denominated and settled in RMB. As of December 31, 2024, the assets and liabilities of the Company are all in RMB, except for the US dollars and other foreign currencies of the assets and liabilities described in Note 5.71. The foreign exchange risks arising from the assets and liabilities of such foreign currency balances may have an impact on the Company's operating results. Note 5.71 for the foreign currency monetary assets and liabilities held by the Japanese company as of December 31, 2024.

(3) Other price risks

The Company sells power generation equipment at market prices and is therefore subject to such price fluctuations.

9.1.4 Sensitivity analysis

The Company uses sensitivity analysis techniques to analyze the possible impact of reasonable and possible changes in risk variables on current profits and losses or owners' equity. Since any risk variable rarely changes in isolation, and the correlation between variables will have a significant effect on the ultimate impact amount of a change in a risk variable, the following is carried out under the assumption that the change in each variable is independent.

(1) Sensitivity analysis of foreign exchange risk

Assumption of foreign exchange risk sensitivity analysis: all net investment hedging and cash flow hedging of overseas operations are highly effective. On the basis of the above assumptions, with other variables unchanged, the after-tax impact of possible reasonable changes in exchange rate on current profits and losses and equity is as follows:

Items	Changes in exchange rate	As at December 31, 2024		As at December 31, 2023	
		Impact on net profit	Impact on owners' equity	Impact on net profit	Impact on owners' equity
All foreign currencies	The RMB appreciated by 5% against foreign currencies	-79,995,783.00	-79,995,783.00	-93,953,597.86	-93,953,597.86
All foreign currencies	The renminbi depreciated by 5% against foreign	79,995,783.00	79,995,783.00	93,953,597.86	93,953,597.86

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Changes in exchange rate	As at December 31, 2024		As at December 31, 2023	
		Impact on net profit	Impact on owners' equity	Impact on net profit	Impact on owners' equity
	currencies				

(2) Sensitivity analysis of interest rate risk

The sensitivity analysis of interest rate risk is based on the following assumptions:

Changes in market interest rates affecting interest income or expense on variable rate financial instruments; For fixed interest rate financial instruments measured at fair value, changes in market interest rates only affect their interest income or expense; Calculate changes in the fair value of derivative financial instruments and other financial assets and liabilities using the discounted cash flow method at the market interest rate on the balance sheet date.

On the basis of the above assumptions, with other variables unchanged, the after-tax impact of possible reasonable changes in interest rates on current profits and losses and equity is as follows:

Items	Changes in interest rates	As at December 31, 2024		As at December 31, 2023	
		Impact on net profit	Impact on owners' equity	Impact on net profit	Impact on owners' equity
Floating rate borrowing	Increase by 1 %	-3,194,582.47	-3,194,582.47	-3,361,676.07	-3,361,676.07
Floating rate borrowing	Decrease by 1 %	3,194,582.47	3,194,582.47	3,361,676.07	3,361,676.07

10 Disclosure of fair value

The input values used in fair value measurement are divided into three levels:

The first level of input value is the unadjusted quotation in the active market for the same asset or liability available at the measurement date.

The second level input value is the directly or indirectly observable input value of the relevant asset or liability in addition to the first level input value.

The third level input value is the unobservable input value of the related asset or liability.

The level of the fair value measurement result is determined by the lowest level of the input value that is of great significance to the fair value measurement as a whole.

10.1 The fair value at the end of the period of the assets and liabilities measured at fair value

Items	Fair value at the end of the period			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
1. Financial assets measured at fair value and whose changes are recorded in current profits and losses	1,697,899,778.52		71,400.00	1,697,971,178.52
(1) Debt instrument investment	319,180,200.00			319,180,200.00
(2) Equity instrument investment	944,166,313.72		71,400.00	944,237,713.72

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Fair value at the end of the period			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
(3) Others	434,553,264.80			434,553,264.80
2.Receivables financing			1,927,567,077.40	1,927,567,077.40
3.Other equity instrument investment	430,638,292.92		113,956,067.40	544,594,360.32
Total	2,128,538,071.44		2,041,594,544.80	4,170,132,616.24

10.2 The basis for determining the market price of the first level of fair value measurement items

For financial instruments traded in active markets, the Company determines their fair value based on their active market quotations.

10.3 Continuous and non-continuous fair value measurement items at the second level, valuation techniques used and qualitative and quantitative information of important parameters

None.

10.4 Continuous and non-continuous fair value measurement items at the third level, valuation techniques used and qualitative and quantitative information of important parameters

The company's continuous and non-continuous tier 3 fair value measurement items are measured at cost, unless the cost measurement is unreliable. The Company's unlisted equity investments, due to the lack of active market quotations and recent comparable transactions, management believes that the cost reflects the current fair value.

The contract term of the receivables financing held by the Company is all ≤ 6 months, the credit risk has not increased significantly since the initial recognition, and there is no material difference between the fair value and the amortized cost.

11 Related parties and related transactions

11.1 Parent company of the Company

Name of parent company (ultimate holding company)	Place of incorporation	Nature of business	Registered capital	Shareholding of the parent Company in the Company (%)	Proportion of voting rights of the parent Company in the Company (%)
Dongfang Electric Corporation Co. LTD.	333 Shuhan Road, Jinniu District, Chengdu City, Sichuan Province, China	Generator and generator set manufacturing	504,696.02	55.79	55.79

Note: The above shareholding ratio is the shareholding ratio directly held by the parent company, and the shareholding ratio of 0.028% held by Dongfang Electric International Investment Co. LTD., a subsidiary of the parent company, has not been calculated on a consolidated basis.

Description of the company's parent company:

Established on November 6, 1984, Dongfang Electric Corporation is an enterprise under the supervision of State-owned Assets Supervision and Administration Commission of the State Council. As of December 31, 2024, the registered capital of Dongfang Electric Corporation is 5.047 billion RMB, and Dongfang Electric Corporation holds 55.79% of the shares of the company.

11.2 Subsidiaries of the Company

For details of the company's subsidiaries, please refer to "7. Rights and Interests in Other Entities" in this note.

11.3 Joint ventures and associates of the Company

For the important joint ventures or associated enterprises of the company, please refer to "7. Rights and Interests in Other Entities" in this note.

The situation of other joint ventures or associated enterprises that have related party transactions with the Company in the current period, or have related party transactions with the Company in the previous period and form balances, is as follows:

Name of joint venture or associated enterprise	Relationship with the Company
Deyang Guangda Dongqi New Material Co., LTD.	Associated enterprise
Mitsubishi Heavy Industries Dongfang Gas Turbine Co.,LTD.	Associated enterprise
Leshan Dongle Dajian Lifting Co., LTD.	Associated enterprise
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD	Associated enterprise
Hunan Ping An Environmental protect Co., LTD.	Associated enterprise
Huadian Longkou Wind power Co., LTD.	Associated enterprise
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD.	Associated enterprise
Inner Mongolia Mengneng Wulan New Energy Co. LTD.	Associated enterprise
China United Heavy Gas Turbine Technology Co., LTD.	Associated enterprise
Dongfang Zhongheng (Chengdu) New Energy Technology Co., LTD.	Associated enterprise
Sichuan Dongneng Energy Co., LTD.	Associated enterprise
Mulei East New Energy Co., LTD.	Associated enterprise
Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	Associated enterprise
Sichuan Dongfang Development Clean Energy Co., LTD.	Associated enterprise
Sichuan Shuzhi Supply Chain Technology Co. LTD	Associated enterprise
Liangshan Fengguang New Energy Operator and Maintenance Co., LTD.	Associated enterprise
Framatome Dongfang Reactor Coolant Pumps Co., LTD.	Joint venture
MHPS Dongfang Boiler Co., LTD.	Joint venture

11.4 Other related parties

Names of other related parties	Relationship between other related parties and the Company
Dongfang Electric Investment Management Co. LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Dongshu New Materials Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Leshan Eban High-purity Material Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Names of other related parties	Relationship between other related parties and the Company
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Jiuquan Photovoltaic Technology	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric (Jiuquan) Integrated Smart Energy Technology Co., Ltd. (hereinafter referred to as Jiuquan Integrated Smart Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Quzhou Huijie New Energy Technology Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Quzhou Huihe New Energy Technology Co. LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Zhangbei County) Co. LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric International Investment Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Ecuador Co. LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Luquan Dongdian Solar Power Co., LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang FeiYUAN (Shandong) Electronic Material Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Group Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Holdings Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Oil & Gas Engineering Services Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua USA Inc	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua GOLDEN Coast Equipment Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Financial Leasing (Shanghai) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Huyi Financial Leasing (Shanghai) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Xinshun (Hong Kong) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Hanzheng Testing Technology Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Drilling Technology Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Energy Equipment Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua (China) Investment Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua Petroleum Equipment	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Offshore Oil and Gas Equipment (Jiangsu) Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Corporation Smart Solar Energy Co., LTD. (hereinafter referred to as Dongfang Solar Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Qinhuangdao HongJU Photovoltaic Power Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Qinhuangdao Juxing Photovoltaic Power Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Fuyang) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Qijing) Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Qingyuan) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Weihai) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Group Digital Technology Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Jingmen) Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Names of other related parties	Relationship between other related parties and the Company
Honghua Oil and Gas Engineering Technology Service Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua International Science and Trade	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua Electric Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua International Ukraine Co. LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric (Hulunbuir) New Energy Co. LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Chengdu DongFANG ELECTRIC TECHNOLOGY Industry Co. LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Dongfang Electric Group Emei Semiconductor Material Co. LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Dongfang Electric Group (Yixing) Maiji Solar Energy Technology Co., LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Shizuishan Tiande Photovoltaic Power Generation Co. LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Dongfang Electric (Neijiang) Hydrogen Energy Co., LTD.	Subsidiaries previously controlled
Shanghai Feat Ocean Engineering Co. LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Hong Kong Tyco Limited	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Dongfang Electric New Energy Equipment (Hangzhou) Co. LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Dongfang Electric (Tongliao) Wind Power Engineering Technology Co. LTD.	Subsidiaries previously controlled
Dongfang Electric (Jiuquan) New Energy Co. LTD.	Subsidiaries previously controlled
Zhonghe Desalination Engineering Co. LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Tuimada Oil & Gas Services LTD	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
China Western Power Industrial Co. LTD.	Investors with significant influence
Guangdong Yuedian Group Co. LTD.	Investors with significant influence

11.5 Related party transactions

11.5.1 Related-party transactions on purchase of goods, and receipt of services

Table of goods purchased/services received

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Parent company and ultimate controlling party			9,264,936.04
Dongfang Electric Corporation	Purchase of goods		4,767,620.29
Dongfang Electric Corporation	Accept labor and kinetic energy		4,497,315.75
Joint ventures and associated enterprises		2,958,980,338.72	2,169,378,932.52
Deyang Guangda Dongqi New Material Co., LTD	Purchase of goods	1,023,420,321.17	882,392,458.06
MHPS Dongfang Boiler Co., LTD.	Purchase of goods	1,685,756,649.30	1,014,891,637.40
Mitsubishi Heavy Industries Dongfang Gas Turbine Co.,LTD.	Purchase of goods	249,803,368.25	272,094,837.06
Other enterprises controlled by the same		780,687,745.01	759,660,186.13

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
parent company and ultimate controlling party			
Sichuan Dongshu New Materials Co., Ltd.	Purchase of goods	435,894,635.12	531,692,209.68
Sichuan Dongshu New Materials Co., Ltd.	Accept labor and kinetic energy	106,159.29	
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	Purchase of goods	488,657.28	
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	Accept labor and kinetic energy	62,777,708.87	40,905,720.78
Hanzheng Testing Technology Co., LTD	Purchase of goods	14,503,357.74	
Hanzheng Testing Technology Co., LTD	Accept labor and kinetic energy	5,241,769.37	3,041,073.18
Sichuan Honghua Petroleum Equipment	Purchase of goods	44,873,350.49	40,666,359.32
Sichuan Honghua Electric Co. LTD	Purchase of goods	125,695,704.16	124,112,128.61
Sichuan Honghua Electric Co. LTD	Accept labor and kinetic energy	52,019,983.11	
Honghua Marine	Purchase of goods	884,955.75	
Honghua Marine	Accept labor and kinetic energy	1,341,293.93	19,242,694.56
Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD	Purchase of goods	36,727,426.54	
Dongfang Electric Group Digital Technology Co. LTD	Purchase of goods	132,743.36	
Total		3,739,688,083.73	2,938,304,054.69

List of goods sold/services provided

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Parent company and ultimate controlling party		307,466.67	322,391.57
DongFang Electric Corporation	Provide labor services and kinetic energy	307,466.67	322,391.57
Joint ventures and associated enterprises		448,174,503.53	367,553,651.00
Framatome Dongfang Reactor Coolant Pumps Co., LTD.	Sale of goods	20,617,840.00	83,898,703.85
MHPS Dongfang Boiler Co., LTD.	Sale of goods	161,024,704.02	116,343,721.91
Deyang Guangda Dongqi New Material Co., LTD	Provide labor services and kinetic energy	33,270,896.32	24,220,628.08
Mitsubishi Heavy Industries Dongfang Gas Turbine Co.,LTD.	Sale of goods	226,363,967.91	69,823.01
Mitsubishi Heavy Industries Dongfang Gas Turbine Co.,LTD.	Provide labor services and kinetic energy	1,797,609.71	25,330,377.34
Hunan Ping An Environmental protect Co., LTD.	Sale of goods		31,578,130.19
Huadian Longkou Wind power Co., LTD.	Sale of goods	3,419,469.03	1,016,814.16
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD	Sale of goods	1,327,433.63	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD	Sale of goods		4,615,459.20
Inner Mongolia Mengneng Wulan New energy Co., LTD	Sale of goods		2,621,586.18
China United Heavy Gas Turbine Technology Co., LTD	Sale of goods	352,582.91	77,858,407.08
Other enterprises controlled by the same parent company and ultimate controlling party		1,099,855,326.15	1,212,166,474.68
Dongfang Electric Investment Management Co. LTD	Sale of goods		18,208.62
Dongfang Electric Corporation Smart Solar Energy Co., LTD. (hereinafter referred to as Dongfang Solar Energy)	Provide labor services and kinetic energy	1,414,292.87	10,672.92
Jiuquan Photovoltaic Technology	Sale of goods	7,497.26	27,643.37
Dongyao New Energy (Fuyang) Co., LTD	Sale of goods		166,990,762.29
Dongyao New Energy (Zhangbei County)	Provide labor services and kinetic energy	82,632,960.24	317,855,017.34
Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co.,Ltd. Co., LTD	Sale of goods	17,739,956.30	4,070,076.58
Quzhou Huihe New Energy Technology Co., LTD	Sale of goods		29,899,549.21
Qinhuangdao Juxing Photovoltaic Power Co., LTD	Sale of goods	555,135,539.73	141,668,513.09
Sichuan Dongshu New Materials Co., LTD	Sale of goods	1,592,920.35	240,510,669.07
Sichuan Dongshu New Materials Co., LTD	Provide labor services and kinetic energy	980,767.26	
Sichuan Honghua Electric Co. LTD	Sale of goods	32,440,263.84	4,826,972.74
Hanzheng Testing Technology Co., LTD		107,723.48	
Sichuan Honghua Petroleum Equipment	Sale of goods	161,738,793.51	171,064,758.37
Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD	Sale of goods	48,938.05	17,433,159.01
Honghua Marine	Sale of goods	244,912,829.72	20,375,294.55
Xinshun (Hong Kong) Co., LTD	Sale of goods		94,522,177.52
Sichuan Honghua International Science and Trade	Provide labor services and kinetic energy	1,102,843.54	2,893,000.00
Investors with significant influence		91,368.35	
Guangdong Yudian Group	Sale of goods	91,368.35	
Total		1,548,503,139.00	1,580,042,517.25

11.5.2 Income and expenses of related interest

(1) Related interest income

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Joint ventures and associated enterprises		3,155,660.38	4,976,583.33
MHPS Dongfang Boiler Co., LTD.	Interest income	3,155,660.38	4,976,583.33
Other enterprises controlled by the same parent company and ultimate controlling party		48,041,981.53	30,320,893.37

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Sichuan Dongshu New Materials Co., Ltd.	Interest income	9,961,468.58	13,709,581.30
Honghua (China) Investment Co., LTD.	Interest income	17,843,024.50	13,200,733.74
Sichuan Honghua Petroleum Equipment	Interest income	12,973,710.72	401,411.96
Honghua Marine Oil& Gas Equipment (Jiangsu) Co., LTD. (hereinafter referred to as Honghua Marine	Interest income	801,954.71	
Luquan Dongdian Solar Power Co., LTD.	Interest income	812,923.99	
Dongfang FeiYUAN (Shandong) Electronic Material Co., LTD.	Interest income	2,389,832.29	313,974.06
Jiuquan Photovoltaic Technology	Interest income	128,406.71	456,184.50
Quzhou Huijie New Energy Technology Co., LTD.	Interest income	3,130,660.03	2,239,007.81

(2) Related interest expense

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Parent company and ultimate controlling party		23,132,053.13	25,762,069.98
DongFang Electric Corporation	Interest expense	23,132,053.13	25,762,069.98
Other enterprises controlled by the same parent company and ultimate controlling party		2,527,562.72	2,049,639.60
Dongfang Feiyuan (Shandong) Electronic Material Co., LTD	Interest expense	12,910.81	3,722.67
Dongfang Electric Corporation Smart Solar Energy Co., LTD.	Interest expense	743,740.73	773,660.34
Dongfang Electric Investment Management Co. LTD	Interest expense	109,598.32	320,876.01
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	Interest expense	328,948.51	301,719.49
Jiuquan Photovoltaic Technology	Interest expense	3,859.64	21,467.84
Honghua Financial Leasing (Shanghai) Co., LTD	Interest expense	660,625.78	
Sichuan Dongshu New Materials Co., Ltd.	Interest expense	99,013.66	164,010.34
Dongfang Electric Leshan Eban High-purity Material Co., LTD.	Interest expense	111,455.92	75,973.56
Quzhou Huihe New Energy Technology Co. LTD	Interest expense	25,475.88	24,518.65
Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co.,Ltd.	Interest expense	98,946.35	125,875.79
Sichuan Honghua Electric Co. LTD	Interest expense	0.40	0.42
Honghua (China) Investment Co., LTD	Interest expense	5.42	0.22
Sichuan Honghua Petroleum Equipment	Interest expense	100,977.65	3,747.16
Honghua Marine Oil&Gas Equipment (Jiangsu)Co.,Ltd.(hereinafter referred to as Honghua Marine	Interest expense	2,419.57	0.22
Sichuan Honghua International Science and Trade	Interest expense	0.20	0.19
Dongyao New Energy (Zhangbei County)	Interest expense	101,071.92	233,009.21
Qinhuangdao Juxing Photovoltaic Power Co. LTD	Interest expense	34,578.99	1,057.49
Luquan Dongdian Solar Power Co., LTD	Interest expense	59,720.89	
Dongyao New Energy (Qujing) Co. LTD	Interest expense	5,036.54	
Honghua Huyi Financial Leasing (Shanghai) Co., LTD	Interest expense	4,356.34	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Content of related party transactions	Amount for the current period	Amount for the previous period
Qinhuangdao HongJU Photovoltaic Power Co. LTD	Interest expense	24,819.20	
Joint ventures and associated enterprises		1163.01	4,378.23
MHPS Dongfang Boiler Co., LTD.	Interest expense	1163.01	4,378.23

11.5.3 Related leasing
Company as the lessor:

Name of lessee	Types of leased assets	Rental income recognized in the current period	Lease income recognised in the previous period
Hanzheng Testing Technology Co., LTD	Equipment	31,182.16	
Dongfang Electric Corporation Co. LTD	Fixed assets houses, machinery and equipment	307,466.67	
Dongshu New Material	Fixed assets houses, machinery and equipment	400,295.76	472,517.80

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Our company acts as the lessee

Name of lessor	Types of leased assets	Amount for the current period					Amount for the previous period				
		Rental expenses for short-term leases and leases of low-value assets that simplify treatment	Variable lease payments not included in the measurement of lease liabilities	Pay the rent	Interest expenses incurred on lease liabilities	Increased use-right assets	Rental expenses for short-term leases and leases of low-value assets that simplify treatment	Variable lease payments not included in the measurement of lease liabilities	Pay the rent	Interest expenses incurred on lease liabilities	Increased use-right assets
DongFang Electric Corporation	Buildings, machinery and equipment	13,625,107.71		113,029,999.71	7,391,141.64	59,714,903.02	10,259,176.63		101,196,360.59	1,683,422.57	139,501,881.11

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

11.5.4 Related guarantee

Our company as the guarantor:

The guaranteed party	Amount guaranteed	Commencement date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	24,500,000.00	2016/9/22	Termination date of long-term Service Agreement	no
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD.	16,000,000.00	2016/1/19	2026/1/19	no
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD.	16,000,000.00	2016/6/29	2026/6/29	no
Inner Mongolia Mengneng Wulan New energy Co., LTD.	36,000,000.00	2016/10/27	2026/10/27	no
Total	92,500,000.00			

11.5.5 Related party capital lending

Related parties	Amount borrowed	Date of commencement	Date of maturity
Pull in			
DongFang Electric Corporation	335,240,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	270,000,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	210,000,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	30,000,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	20,000,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	10,000,000.00	2024/6/13	2027/6/13
DongFang Electric Corporation	60,000,000.00	2024/6/14	2027/6/14
DongFang Electric Corporation	60,000,000.00	2024/6/14	2027/6/14
DongFang Electric Corporation	30,000,000.00	2024/6/14	2027/6/14
DongFang Electric Corporation	5,000,000.00	2024/11/29	2025/11/29
Total	1,030,240,000.00		
Take out			
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	10,000,000.00	2024/1/30	2025/1/30
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	20,000,000.00	2024/2/26	2025/2/26
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	30,000,000.00	2024/6/7	2025/6/7
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	15,000,000.00	2024/6/20	2025/6/20
Dongyao New Energy (Zhangbei County) Co. LTD	10,000,000.00	2024/6/28	2025/6/28
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	20,000,000.00	2024/6/28	2025/6/28
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	10,000,000.00	2024/8/28	2025/8/28
Dongfang Feiyuan (Shandong) Electronic	5,000,000.00	2024/8/28	2025/8/28

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Amount borrowed	Date of commencement	Date of maturity
Materials Co., Ltd.			
Dongfang FeiYUAN (Shandong) Electronic Material Co., LTD	20,000,000.00	2024/9/26	2025/9/26
MHPS Dongfang Boiler Co., LTD.	30,000,000.00	2024/2/5	2025/2/5
MHPS Dongfang Boiler Co., LTD.	50,000,000.00	2024/2/26	2025/2/26
Other enterprises controlled by the same parent company and ultimate controlling party	20,000,000.00	2024/2/29	2025/2/28
Honghua (China) Investment Co., LTD	395,000,000.00	2024/5/29	2026/3/13
Honghua (China) Investment Co., LTD	38,700,000.00	2024/10/30	2026/3/13
Honghua Financial Leasing (Shanghai) Co., LTD	14,000,000.00	2024/7/22	2025/7/22
Honghua Huyi Financial Leasing (Shanghai) Co., LTD	9,000,000.00	2024/7/22	2025/7/22
Xinshun (Hong Kong) Co., LTD	4,500,000.00	2024/7/22	2025/7/22
Honghua Marine Oil&Gas Equipment (Jiangsu)Co.,Ltd.(hereinafter referred to as Honghua Marine	2,500,000.00	2024/7/22	2025/7/22
Luquan Dongdian Solar Power Co., LTD	18,389,000.00	2024/8/30	2039/7/25
Luquan Dongdian Solar Power Co., LTD	43,515,214.00	2024/8/30	2039/7/25
Honghua (China) Investment Co., LTD	71,896,928.00	2024/8/30	2039/7/25
Luquan Dongdian Solar Power Co., LTD	49,500,000.00	2024/8/30	2039/7/25
Honghua Offshore Oil and Gas Equipment (Jiangsu) Co. LTD	34,167,477.60	2024/8/30	2039/7/25
Luquan Dongdian Solar Power Co., LTD	66,429,627.60	2024/8/30	2039/7/25
Quzhou Huihe New Energy Technology Co. LTD	5,000,000.00	2021/6/30	2036/6/30
Quzhou Huihe New Energy Technology Co. LTD	10,000,000.00	2021/6/30	2036/6/30
Dongfang Feiyuan (Shandong) Electronic Materials Co., LTD	35,000,000.00	2024/1/24	2025/1/24
Sichuan Dongshu New Materials Co., Ltd.	50,000,000.00	2024/3/15	2025/3/15
Sichuan Dongshu New Materials Co., Ltd.	40,000,000.00	2024/5/20	2025/5/20
Sichuan Dongshu New Materials Co., Ltd.	50,000,000.00	2024/6/6	2025/6/6
Sichuan Dongshu New Materials Co., Ltd.	45,000,000.00	2024/6/12	2025/6/12
Sichuan Dongshu New Materials Co., Ltd.	45,000,000.00	2024/6/13	2025/6/13
Sichuan Dongshu New Materials Co., Ltd.	35,000,000.00	2024/6/24	2025/6/24
Sichuan Dongshu New Materials Co., Ltd.	30,000,000.00	2024/6/25	2025/6/25
Sichuan Dongshu New Materials Co., Ltd.	15,000,000.00	2024/7/19	2025/7/19
Sichuan Dongshu New Materials Co., Ltd.	50,000,000.00	2024/12/30	2025/12/30
Sichuan Honghua Petroleum Equipment	50,000,000.00	2024/2/2	2025/2/2
Sichuan Honghua Petroleum Equipment	50,000,000.00	2024/2/4	2025/2/4
Sichuan Honghua Petroleum Equipment	32,000,000.00	2024/2/5	2025/2/5
Sichuan Honghua Petroleum Equipment	100,000,000.00	2024/12/13	2025/12/13
Sichuan Honghua Petroleum Equipment	60,000,000.00	2024/12/13	2025/12/13
Sichuan Honghua Petroleum Equipment	30,000,000.00	2024/12/31	2025/12/31

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Amount borrowed	Date of commencement	Date of maturity
Mulei East New Energy Co., Ltd.	35,483,441.00	2024/5/31	2039/4/21
Mulei East New Energy Co., Ltd.	13,186,898.75	2024/6/17	2039/4/21
Mulei East New Energy Co., Ltd.	51,063,182.60	2024/6/27	2039/4/21
Mulei East New Energy Co., Ltd.	56,822,127.44	2024/7/31	2039/4/21
Mulei East New Energy Co., Ltd.	6,249,280.92	2024/8/13	2039/4/21
Mulei East New Energy Co., Ltd.	13,200,061.32	2024/8/30	2039/4/21
Mulei East New Energy Co., Ltd.	10,808,042.94	2024/9/29	2039/4/21
Mulei East New Energy Co., Ltd.	15,631,638.04	2024/11/15	2039/4/21
Mulei East New Energy Co., Ltd.	30,792,408.59	2024/12/3	2039/4/21
Mulei East New Energy Co., Ltd.	29,319,767.04	2024/12/30	2039/4/21
Total	1,982,155,095.84		

11.5.6 Remuneration of key management personnel

Item	Amount for the current period	Amount for the previous period
Compensation of key management personnel	2,068,923.00	1,985,473.00

(1) Remuneration of directors and supervisors in 2024

Name of person	Job description	Director and supervisor robe gold	Salaries and subsidies	Performance pay	Retirement benefit scheme contributions	Total
Yu Peigen	Chairman of the Board					
Song Zhiyuan	Director (s)					
Sun Guojun	Director (s)					
Liu Zhiquan	Director and chief accountant					
Zhang Yanjun	Director and President					
Liu Dengqing	Independent Director	49,002.00				49,002.00
Huang Feng	Independent Director	113,004.00				113,004.00
Ma Yongqiang	Independent Director	13,334.00				13,334.00
Zeng Daorong	Independent Director	100,337.00				100,337.00
Chen Yu	Independent Director	58,669.00				58,669.00
Wang Zhiwen	Chairman of the Board of Supervisors		285,168.00	605,712.21	56,519.79	947,400.00
Hu Weidong	Supervisor					
Liang Shuo	Supervisor		245,172.00	494,169.73	47,835.27	787,177.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of person	Job description	Director and supervisor robe gold	Salaries and subsidies	Performance pay	Retirement benefit scheme contributions	Total
Total		334,346.00	530,340.00	1,099,881.94	104,355.06	2,068,923.00

(2) Remuneration of directors and supervisors in 2023

Name of person	Job description	Director and supervisor robe gold	Salaries and subsidies	Performance pay	Retirement benefit scheme contributions	Total
Yu Peigen	Chairman of the Board					
Song Zhiyuan	Director (s)					
Liu Zhiqian	Director and chief accountant					
Zhang Yanjun	Director, Senior Vice President					
Liu Dengqing	Independent Director	104,004.00				104,004.00
Peak of the Yellow	Independent Director	113,004.00				113,004.00
Wang Zhiwen	Chairman of the Board of Supervisors		282,276.00	577,479.74	53,742.26	913,498.00
Hu Weidong	Supervisor					
Liang Shuo	Supervisor		242,276.00	456,713.90	45,973.10	744,963.00
Zhang Jilie	Director, Senior Vice President					
Ma Yongqiang	Independent Director	110,004.00				110,004.00
Total		327,012.00	524,552.00	1,034,193.64	99,715.36	1,985,473.00

Note:

1. Liu Zhiqian, the former director of the company, resigned in April 2024. During the reporting period, Liu Zhiqian did not hold shares of the company or receive remuneration from the company.
2. Song Zhiyuan, the former director of the company, resigned in March 2025. During the reporting period, Song Zhiyuan did not hold shares of the company or receive remuneration from the company.
3. Liu Dengqing, the former independent director of the company, resigned from the position of independent director of the company in June 2024. During the reporting period, Liu Dengqing received a salary of RMB 49,900 (before tax).
4. Ma Yongqiang, the former independent director of the company, resigned as an independent director of the company in December 2023 and ceased to perform his duties as an independent director in February 2024. During the reporting period, Ma Yongqiang received a salary of RMB13,300 (before tax).
5. Zhang Jilie, the former director of the Company, resigned as a director in January 2024.
6. Zeng Daorong has served as an independent director of the Company since February 2024, Sun Guojun has served as a director of the Company since February 2024 and Yu Chen has served as an independent director of the Company since June 2024.
7. Yu Peigen, Chairman of the Board, Song Zhiyuan, Director, Zhang Yanjun, Director and Senior Vice President, and Hu Weidong, Supervisor did not receive remuneration from the Company in 2024 and the comparable periods.
8. During the current year and comparable periods, the Company has not paid any money to induce directors to join; Nor has any payment been made to compensate directors for their departure.

(3) The top five highest paid employees

This year, the five highest paid individuals include zero (previous year: zero) directors, and the remuneration of the remaining five (previous year: five) highest paid individuals is as follows. The salary and subsidy in 2024 include RMB 3,393,123.00 as incentive income for the 2020-2022 term:

Items	Amount for year 2024	Amount for year 2023
Salaries and subsidies	10,196,495.88	19,701,351.20
Retirement benefit scheme contributions	209,309.12	203,788.80
Total	10,405,805.00	19,905,140.00

Among the company's key management personnel (including directors), the remuneration in 2024 and 2023 exceeds HK \$100.00 million.

The number of highest paid individuals by pay group is as follows (by headcount) :

Items	For the year 2024	For the year 2023
Hk \$1 million to HK \$1.5 million	5	5
More than HK \$1.5 million	0	0
Total	5	5

11.6 Related party receivables and payables and other unsettled items

11.6.1 Absorb monetary funds from related parties

Related parties	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
Parent company and ultimate controlling party			1,319,619,302.66		95,460,338.18
DongFang Electric Corporation	RMB	1,234,716,285.46	1,234,716,285.46	11,801,560.02	11,801,560.02
DongFang Electric Corporation	USD	11,811,114.74	84,903,017.20	11,811,707.14	83,658,778.16
Joint ventures and associated enterprises			41,788,236.01		369,387.11
MHPS Dongfang Boiler Co., LTD.	RMB	225,550.12	225,550.12	369,387.11	369,387.11
Mulei East New Energy Co., Ltd.	RMB	180,483.40	180,483.40		
Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	RMB	41,382,202.49	41,382,202.49		
Other enterprises controlled by the same parent company and ultimate controlling party			796,469,367.43		381,699,281.60
Dongfang Electric Investment Management Co. LTD	RMB	4,791,078.88	4,791,078.88	52,236,165.71	52,236,165.71
Sichuan Dongshu New Materials Co., Ltd.	RMB	15,705,253.96	15,705,253.96	18,068,889.24	18,068,889.24

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	RMB	21,953,517.09	21,953,517.09	19,879,436.59	19,879,436.59
Dongfang Electric Leshan Eban High-purity Material Co., LTD.	RMB	28,035,425.68	28,035,425.68	21,735,743.21	21,735,743.21
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	RMB	59,988,385.33	59,988,385.33	48,327,527.12	48,327,527.12
Dongfang Electric Corporation Smart Solar Energy Co., LTD. (hereinafter referred to as Dongfang Solar Energy)	RMB	220,364,068.18	220,364,068.18	96,332,974.24	96,332,974.24
Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co.,Ltd.	RMB	2,979,270.97	2,979,270.97	3,719,627.47	3,719,627.47
Quzhou Huihe New Energy Technology Co. LTD	RMB	10,143,861.03	10,143,861.03	8,354,982.81	8,354,982.81
Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co.,Ltd.	RMB	63,793,168.13	63,793,168.13	49,154,822.01	49,154,822.01
Dongyao New Energy (Zhangbei County)	RMB	51,486,752.25	51,486,752.25	35,147,112.33	35,147,112.33
Honghua Oil and Gas Engineering Technology Service Co. LTD	RMB			1.00	1.00
Sichuan Honghua Electric Co. LTD	RMB	200.84	200.84	200.44	200.44
Sichuan Honghua Petroleum Equipment	RMB	10,073,198.55	10,073,198.55	996,224.94	996,224.94
Sichuan Honghua International Science and Trade	RMB	101.39	101.39	101.19	101.19
Honghua (China) Investment Co., LTD	RMB	455,798.78	455,798.78	100.24	100.24
Honghua Marine Oil& Gas Equipment (Jiangsu)Co.,Ltd.(hereinafter referred to as Honghua Marine	RMB	751,340.06	751,340.06	1,300,100.24	1,300,100.24
Dongyao New Energy (Fuyang) Co., LTD	RMB	20,599,828.29	20,599,828.29	20,108,000.00	20,108,000.00
Dongyao New Energy (Qujing) Co. LTD	RMB	3,988,324.83	3,988,324.83	2,800,000.00	2,800,000.00
Qinhuangdao Juxing Photovoltaic Power Co. LTD	RMB	42,755,382.85	42,755,382.85	4,533,497.76	4,533,497.76
Qinhuangdao HongJU Photovoltaic Power Co. LTD	RMB	163,438.68	163,438.68		
Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD	RMB	563,159.33	563,159.33		
Luquan Dongdian Solar Power Co., LTD	RMB	34,726,478.80	34,726,478.80		
Honghua Financial Leasing (Shanghai) Co., LTD	RMB	196,157,897.47	196,157,897.47		
Honghua Huyi Financial Leasing (Shanghai) Co., LTD	RMB	4,083,436.06	4,083,436.06		
Dongfang Electric Group Digital Technology Co. LTD	RMB	2,910,000.00	2,910,000.00		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Related parties	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
Subsidiaries previously under the control of the same parent company and ultimate controlling party		10.6	10.6	10.6	10.6
Emei Semiconductor Materials Research Institute	USD				
Dongfang Electric (Tongliao) Wind Power Engineering Technology Co., LTD.	RMB	10.6	10.6	10.6	10.6
Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation		24.07	74.32	24.07	70.91
Dongfang Maiji	RMB	1.13	1.13	1.13	1.13
Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	RMB	15.24	15.24	15.24	15.24
Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	Euro	7.7	57.95	7.7	54.54

11.6.2 Receivable items

Name of project	Related parties	As at December 31, 2024		As at December 31, 2023	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
Accounts receivable		860,431,175.93	210,265,722.34	930,658,289.13	564,391,652.70
	Parent company and ultimate controlling party	5,040,000.00	1,008,000.00	5,040,000.00	1,008,000.00
	Dongfang Electric Corporation	5,040,000.00	1,008,000.00	5,040,000.00	1,008,000.00
	Joint ventures and associated enterprises	553,663,108.50	108,439,302.70	127,795,094.49	10,071,223.16
	MHPS Dongfang Boiler	94,936,963.00	7,935,744.53	68,761,977.45	6,351,300.86
	Dongfang Framatome	4,635,827.66	369,542.76	8,887,696.92	444,384.86
	Red mud well wind power	16,855,434.00	15,430,434.00		
	Sanshengtai Wind Power	26,263,252.00	24,301,252.00	2,180,000.00	109,000.00
	Longkou Wind Power	3,864,000.00	250,650.00	1,149,000.00	57,450.00
	China United Heavy Gas Turbine Technology Co., LTD			19,426,000.00	971,300.00
	Deyang Guangda Dongqi New Material Co., LTD	9,599,468.78	496,617.66	19,737,722.60	1,755,152.55
	Dongfang Mitsubishi	1,330,128.52	72,985.67	568,520.42	28,426.03
	Hunan Ping AN Environmental Protection Co. LTD	6,353,646.13	635,364.61	6,353,646.13	317,682.31
	Inner Mongolia Mengneng Wulan New energy Co., LTD	47,123,450.62	41,804,247.08	730,530.97	36,526.55
	Mulei East New New Energy Co. LTD	342,668,247.79	17,133,412.39		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024		As at December 31, 2023	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Henan Dongfang BOILER Chengfa Environmental Protection Equipment Co. LTD	32,690.00	9,052.00		
	Other enterprises controlled by the same parent company and ultimate controlling party	212,330,370.55	11,420,722.76	257,399,861.61	12,889,096.51
	Dongshu new material	519,517.26	25,975.86	2,411,957.18	120,597.86
	Dongfang Electric (Jiuquan) Photovoltaic Power Generation Technology Co. LTD	8,397.75	419.89		
	Quzhou Huihe New Energy	9,400,870.53	470,043.53	1,421,799.38	71,089.96
	Jiuquan Integrated Smart Energy	11,225,919.00	1,122,591.90	11,225,919.00	561,295.95
	Dongyao New Energy (Fuyang) Co., LTD	6,221,230.02	311,061.50	7,785,368.89	389,268.44
	Dongyao New Energy (Qijing) Co. LTD	3,747,982.00	374,775.27	86,999,520.00	4,349,976.00
	Dongyao New Energy (Zhangbei County) Co. LTD	3,588,050.22	179,402.51	48,309,511.79	2,415,475.59
	Dongfang Electric Group Smart Solar Energy Co. LTD	18,185.80	909.29		
	Qinhuangdao Juxing Photovoltaic Power Co. LTD	115,964,686.19	5,798,234.31	18,388,940.00	919,447.00
	Honghua Electric	23,165,857.07	1,213,824.96	1,999,828.19	118,502.11
	Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD	-	-	12,863,856.89	643,192.84
	Sichuan Honghua	35,662,395.71	1,783,119.79	65,993,160.29	3,300,250.76
	Sichuan Honghua International Science and Trade Co., LTD	209,440.00	10,472.00		
	Honghua Offshore Oil and Gas Equipment (Jiangsu) Co. LTD	2,597,839.00	129,891.95		
	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation	89,397,696.88	89,397,696.88	89,397,696.88	89,397,696.88
	Hangzhou New Energy	89,397,696.88	89,397,696.88	89,397,696.88	89,397,696.88
	Subsidiaries previously under the control of the same parent company and ultimate controlling party			451,025,636.15	451,025,636.15
	Dongfang Maiji			1,995,118.12	1,995,118.12
	Jiuquan New Energy			241,923,123.05	241,923,123.05
	Tongliao Wind Power			207,107,394.98	207,107,394.98
Notes receivable		122,575,861.30	121,737.42	16,507,526.58	590,376.33
	Joint ventures and associated enterprises	15,079,748.78	121,737.42	16,507,526.58	590,376.33
	MHPS Dongfang Boiler	12,645,000.00		16,507,526.58	590,376.33
	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	2,434,748.78	121,737.42		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024		As at December 31, 2023	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Other enterprises controlled by the same parent company and ultimate controlling party	107,496,112.52	-		
	Sichuan Honghua Petroleum Equipment Co. LTD	18,105,793.95			
	Honghua Offshore Oil and Gas Equipment (Jiangsu) Co. LTD	89,390,318.57			
Payment in advance		304,648,387.24	-	508,101,682.15	
	Joint ventures and associated enterprises	284,824,149.11		456,188,160.90	
	Dongfang Mitsubishi	284,824,149.11		452,198,160.90	
	Hunan Ping AN Environmental Protection Co. LTD			3,990,000.00	
	Other enterprises controlled by the same parent company and ultimate controlling party	19,824,238.13		51,913,521.25	
	Dongshu new material			26,632,516.50	
	Honghua Electric			8,901,690.87	
	Sichuan Honghua	16,926,238.13	-	16,288,813.88	
	Dongfang Electric Corporation (Chengdu) Sharing Service Co. LTD	102,000.00	-	90,500.00	
	Dongfang Electric Group Digital Technology Co. LTD	2,796,000.00	-		
Other receivables		7,385,704.01	3,435,386.76	2,920,364.18	2,848,897.96
	Parent company and ultimate controlling party	4,027,871.04	388,980.54		
	DongFang Electric Corporation	4,027,871.04	388,980.54		
	Joint ventures and associated enterprises	500,000.00	200,000.00	75,227.60	3,761.38
	Deyang Guangda Dongqi New Material Co., LTD			75,227.60	3,761.38
	Hunan Ping An Environmental protectCo., LTD.	500,000.00	200,000.00		
	Other enterprises controlled by the same parent company and ultimate controlling party	2,845,136.58	2,845,136.58	2,845,136.58	2,845,136.58
	Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	2,845,136.58	2,845,136.58	2,845,136.58	2,845,136.58
	Other enterprises controlled by the same parent company and ultimate controlling party	12,696.39	1,269.64		
	Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	12,696.39	1,269.64		
Contract assets		54,700,395.28	1,406,166.73	189,422,518.66	1,040,363.90
	Joint ventures and associated enterprises	24,464,829.89	1,243,809.87	14,790,881.99	844,926.83
	MHPS Dongfang Boiler Co., LTD.	7,904,231.30	824,783.13	2,951,461.74	252,955.82
	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD.	92,483.56	23,384.71		

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024		As at December 31, 2023	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Hunan Ping An Environmental protect Co., LTD.	3,956,420.25	395,642.03	3,956,420.25	197,821.01
	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.	12,511,694.78			
	China United Heavy Gas Turbine Technology Co., LTD			7,883,000.00	394,150.00
	Other enterprises controlled by the same parent company and ultimate controlling party	30,235,565.39	162,356.86	174,631,636.67	195,437.07
	Sichuan Honghua Petroleum Equipment	2,081,501.28		2,081,501.28	104,075.06
	Quzhou Huihe New Energy Technology Co. LTD	6,708,462.80		29,586,503.01	
	Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co., LTD.	4,755,052.17			
	Dongyao New Energy (Fuyang) Co., LTD	14,628,756.08		141,136,392.28	
	Sichuan Honghua Electric Co. LTD	2,061,793.06	162,356.86	1,827,240.10	91,362.01
Entrusted loans		395,326,514.45	395,326,514.45	395,326,514.45	395,326,514.45
	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation	395,326,514.45	395,326,514.45	395,326,514.45	395,326,514.45
	Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	395,326,514.45	395,326,514.45	395,326,514.45	395,326,514.45
Issue loans and advances		1,312,220,283.84	233,461,979.33	514,312,594.00	66,750,000.00
	Other enterprises controlled by the same parent company and ultimate controlling party	1,049,663,435.20	233,461,979.33	514,312,594.00	66,750,000.00
	Honghua (China) Investment Co., LTD	688,860,000.00	165,326,400.00	445,000,000.00	66,750,000.00
	Quzhou Huihe New Energy	76,905,188.00		69,312,594.00	
	Luquan Dongdian Solar Power Co., LTD	283,898,247.20	68,135,579.33		
	Joint ventures and associated enterprises	262,556,848.64			
	Mulei East New Energy Co., Ltd.	262,556,848.64			
Other current assets		480,000,000.00	115,200,000.00	923,000,000.00	41,874,700.00
	Joint ventures and associated enterprises			80,000,000.00	
	MHPS Dongfang Boiler Co., LTD.			80,000,000.00	
	Other enterprises controlled by the same parent company and ultimate controlling party	480,000,000.00	115,200,000.00	843,000,000.00	41,874,700.00
	Jiuquan Photovoltaic Technology	-		5,000,000.00	
	Sichuan Dongshu New Materials Co., Ltd.	210,000,000.00	50,400,000.00	260,000,000.00	
	Sichuan Honghua Petroleum Equipment	240,000,000.00	57,600,000.00	533,000,000.00	35,124,700.00
	Dongfang Feiyuan (Shandong) Electronic Materials Co., Ltd.	-		45,000,000.00	6,750,000.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024		As at December 31, 2023	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Honghua Marine Oil& Gas Equipment (Jiangsu) Co., LTD. (hereinafter referred to as Honghua Marine	30,000,000.00	7,200,000.00		
Discounted assets		119,196,050.62	27,231,953.19	7,299,797.00	
	Joint ventures and associated enterprises	5,729,579.00		7,299,797.00	
	Deyang general Dongqi	5,729,579.00		7,299,797.00	
	Other enterprises controlled by the same parent company and ultimate controlling party	113,466,471.62	27,231,953.19	-	
	Sichuan Honghua Petroleum Equipment	6,914,154.75	1,659,397.14		
	Honghua Marine Oil& Gas Equipment (Jiangsu)Co.,Ltd.(hereinafter referred to as Honghua Marine	106,552,316.87	25,572,556.05		

11.6.3 Items payable

Name of project	Related parties	As at December 31, 2024	As at December 31, 2023
Accounts payable		868,865,146.25	870,621,405.08
	Parent company and ultimate controlling party	926,500.00	4,627,296.00
	DongFang Electric Corporation	926,500.00	4,627,296.00
	Joint ventures and associated enterprises	683,038,088.71	654,923,958.27
	MHPS Dongfang Boiler Co., LTD.	159,192,328.80	485,711,248.18
	Framatome Dongfang Reactor Coolant Pumps Co., LTD.		4,130.00
	DongFang Mitsubishi	141,297,217.86	52,586,948.73
	Deyang Guangda Dongqi New Material Co., LTD	360,868,865.84	116,621,631.36
	Hunan Ping An Environmental protect Co., LTD.	5,212,446.90	
	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	16,467,229.31	
	Other enterprises controlled by the same parent company and ultimate controlling party	183,347,243.16	206,242,470.95
	Sichuan Dongshu New Materials Co., Ltd.	52,679,605.16	63,198,181.95
	Dongfang Electric Corporation Smart Solar Energy Co., LTD. (hereinafter referred to as Dongfang Solar Energy)	10,482,313.80	
	Dongfang Electric Group Digital Technology Co. LTD	150,000.00	
	Sichuan Honghua Electric Co. LTD	29,388,269.47	37,104,419.63
	Hanzheng Testing Technology Co., LTD	410,163.40	6,181,031.28
	Sichuan Honghua	82,082,228.42	92,515,946.32
	Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD.	113,000.00	148,400.00

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024	As at December 31, 2023
	Honghua Marine Oil&Gas Equipment (Jiangsu)Co.,Ltd.	3,818,710.91	5,703,493.77
	Gansu Hongteng Oil and Gas Equipment Manufacturing Co. LTD	4,222,952.00	1,390,998.00
	Subsidiaries under the same parent company and ultimate control and in bankruptcy liquidation		3,905,645.69
	Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.		3,905,645.69
	Subsidiaries previously under the control of the same parent company and ultimate controlling party	35,750.98	35,750.98
	Dongfang Maggie	35,750.98	35,750.98
	Investors with significant influence	1,517,563.40	886,283.19
	Huaxi Energy	1,517,563.40	886,283.19
Contract liability		400,707,701.14	469,785,729.51
	Joint ventures and associated enterprises	254,396,319.05	371,171,317.73
	Dongfang Mitsubishi	114,053,653.59	276,076,175.55
	Framatome Dongfang Reactor Coolant Pumps Co., LTD.	68,635,000.00	34,081,601.76
	MHPS Dongfang Boiler Co., LTD.	468,064.73	904,936.83
	Deyang Guangda Dongqi New Material Co., LTD	509,635.39	
	China United Heavy Gas Turbine Technology Co., LTD	70,609,965.34	60,108,603.59
	Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co., LTD	120,000.00	-
	Other enterprises controlled by the same parent company and ultimate controlling party	146,311,382.09	98,614,411.78
	Quzhou Huihe New Energy Technology Co. LTD		3,790,451.33
	Dongfang Electric (Jiuquan)Integrated Smart Energy Technology Co.,Ltd.		12,984,904.13
	Dongyao New Energy (Qijing) Co. LTD		48,500,000.00
	Dongyao New Energy (Zhangbei County)	5,169,823.42	32,857,190.10
	Qinhuangdao Juxing Photovoltaic Power Co. LTD	113,567,760.16	
	Sichuan Dongshu New Materials Co., Ltd.		477,876.11
	Dongfang Electric Leshan Eban High-purity Material Co., LTD.	490,310.00	
	Sichuan Honghua	95,084.93	3,990.11
	Honghua Financial Leasing (Shanghai) Co., LTD	26,988,403.58	
Other payables		382,767,086.38	219,727,038.68
	Parent company and ultimate controlling party	382,527,094.71	204,163,316.92
	DongFang Electric Corporation	382,527,094.71	204,163,316.92
	Joint ventures and associated enterprises		11,624,321.76

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Name of project	Related parties	As at December 31, 2024	As at December 31, 2023
	Framatome Dongfang Reactor Coolant Pumps Co., LTD.		390,114.67
	Mitsubishi Heavy Industries Dongfang Gas Turbine Co., LTD.		11,234,207.09
	Other enterprises controlled by the same parent company and ultimate controlling party		3,812,160.00
	Sichuan Dongshu New Materials Co., Ltd.	-	3,812,160.00
	Subsidiaries in the state of bankruptcy and liquidation	127,240.00	127,240.00
	Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD.	127,240.00	127,240.00
	Investors with significant influence	112,751.67	
	Huaxi Energy	112,751.67	
Lease liabilities		50,359,093.09	69,750,940.55
	Parent company and ultimate controlling party	50,359,093.09	69,750,940.55
	DongFang Electric Corporation	50,359,093.09	69,750,940.55
Non-current liabilities due within one year		225,031,311.06	236,067,657.35
	Parent company and ultimate controlling party	225,031,311.06	236,067,657.35
	DongFang Electric Corporation	225,031,311.06	236,067,657.35
Long-term borrowings		1,357,248,500.00	840,808,500.00
	Parent company and ultimate controlling party	1,357,248,500.00	840,808,500.00
	DongFang Electric Corporation	1,357,248,500.00	840,808,500.00

12 Share-based payment

12.1 General information of share-based payment

Total amount of equity instruments granted by the company in the current period	None
Total amount of all equity instruments of the company that have lapsed in the current period	1,034,340
The range of exercise prices of stock options issued by the company at the end of the period and the remaining term of the contract	None
The range of exercise prices of other equity instruments issued by the company at the end of the period and the remaining contract term	None

12.2 Equity-settled share-based payments

12.2.1 Validity period, restriction period and rescission arrangement:

(1)The valid period of this incentive plan is from the day when the registration of the restricted stocks granted for the first time is completed to the date when the sales restrictions, purchase or cancellation on all the restricted stocks granted to incentive objects are lifted, with a maximum of 72 months.

(2)The periods of restricted sales granted in this incentive plan are respectively 24 months, 36 months or 48 months from the date when the registration of the restricted stocks

corresponding to the granted part is completed. The restricted stocks granted by incentive objects under this incentive plan shall not be transferred, used to guarantee or repay for debts before the sales restrictions are lifted.

After the period of restricted sales expires, the Company handles the lifting of restricted sales for the incentive objects eligible for lifting the restricted sales. Restricted stocks held by the incentive objects not eligible for lifting the restricted sales will be repurchased and cancelled by the Company.

(3) The time of lifting restricted sales of the restricted stocks granted for the first time and reserved for grant under the incentive plan and the time of lifting restricted sales in various periods are shown in the table below:

Lift the restriction period	Lift the restriction time	Lift the restriction ratio
The first and reserved first release period	From the first trading day after 24 months from the date of completion of registration of the corresponding portion of restricted shares to the last trading day within 36 months from the date of completion of registration of the corresponding portion of restricted shares	1/3
The first and reserved second	From the first trading day after 36 months from the date of completion of registration of the corresponding portion of restricted shares to the last trading day within 48 months from the date of completion of registration of the corresponding portion of restricted shares	1/3
Lift the restriction period	From the first trading day after 48 months from the date of completion of registration of the corresponding portion of restricted shares to the last trading day within 60 months from the date of completion of registration of the corresponding portion of restricted shares	1/3

The Company will repurchase and cancel the restricted stocks in principles stipulated in the incentive plans, provided that the restricted sales for restricted stocks cannot be lifted within the above-mentioned agreed period. The restricted stocks obtained by incentive objects, are restricted for sales together with the shares obtained from conversion of capital reserves into share capital, stock dividends or stock split, may not be sold in the secondary market or transferred otherwise. The unlocking period of such shares is the same as that of restricted stocks. If the company repurchases restricted stocks that have not been lifted, the stocks will be repurchased and cancelled together.

(4) The incentive objects entitled to unlock restricted stocks, when trying to unlock and sell the restricted stocks granted to them, shall not only meet the relevant requirements consistent with the granting conditions, but also meet the following conditions:

1) Company-level performance appraisal requirements

The restricted stocks granted for the first time by this incentive plan will be subject to annual performance assessment and the restriction on sale will be lifted in the 3 fiscal years from 2020 to 2022. The assessment will be conducted once in each fiscal year to achieve the company's performance assessment target as the incentive object to be lifted.

Lift the restriction period	Performance appraisal objectives
The first lifting restriction period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2020 shall not be less than 10% and not lower than the average performance of the industry; (2) the return on net assets in 2020 shall not be less than 4% and not lower than the average performance of the industry; (3) the ΔEVA in 2020 shall be positive.
The second lifting period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2021 shall not be less than 10% and not lower than the average performance of the industry; (2) In 2021, the return on equity shall not be less than 4.5% and not lower than the average performance of the industry; (3) ΔEVA is positive in 2021.
The third lifting period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2022 shall not be less than 10% and not lower than the average performance of the industry; (2) Return on equity in 2022 shall not be less than 5% and not less than the average performance of the industry; (3) ΔEVA is positive in 2022.

The reserved part will be sold in 2020, and the annual performance assessment targets of the reserved part are shown in the following table:

Lift the restriction period	Performance appraisal objectives
The first lifting restriction period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2021 shall not be less than 10% and not lower than the average performance of the industry; (2) In 2021, the return on equity shall not be less than 4.5% and not lower than the average performance of the industry; (3) ΔEVA is positive in 2021.
The second lifting period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2022 shall not be less than 10% and not lower than the average performance of the industry; (2) Return on equity in 2022 shall not be less than 5% and not less than the average performance of the industry; (3) ΔEVA is positive in 2022.
The third lifting period	(1) Based on the net profit in 2018, the compound growth rate of net profit in 2023 shall not be less than 10% and not lower than the average performance of the industry; (2) The return on equity in 2023 shall not be less than 5.5% and not lower than the average performance of the industry; (3) Positive ΔEVA in 2023.

Note:

- ① The above-mentioned "net profit" indicators refer to the net profit attributable to shareholders of listed companies; "Return on net assets" refers to weighted average return on net assets.
- ② During the validity period of the equity incentive plan, if the company has additional issuance, share allotment and other matters that lead to changes in net assets, the amount of changes in net assets caused by the matters and the corresponding income amount generated will be excluded during the assessment (if the corresponding income amount cannot be accurately calculated, it can be calculated and determined by multiplying the actual financing amount after deducting the financing cost by the interest rate of the national debt in the same period).

The incentive cost generated by this incentive plan will be charged in the administrative expenses. If the company's performance appraisal target for a certain period of lifting the restricted sale of restricted stocks has not been achieved, all restricted stocks of the incentive object in the current period cannot be lifted, and the company will repurchase and cancel it according to this incentive plan at the lower of the grant price and the stock market price at the time of repurchase (the average trading price of the company's underlying stocks one trading day before the announcement of the resolution of the board of directors considering repurchase).

2) Personal performance appraisal requires that during the validity period of this incentive plan, the personal performance appraisal of all incentive objects shall be based on the current performance of the company.

2.The sale restriction will be unlocked this year

(1) On December 8, 2021, the company held the seventh session of the 10th session of the board of directors and the fourth session of the 10th session of the board of supervisors, and deliberated and passed the "Motion on the First Grant of the First Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions". After deliberation, the first tranche of the Company's 2019 A-share Restricted Stock Incentive Plan has been granted, and the Company has agreed to handle the relevant lifting of restricted shares for 759 eligible incentive recipients. The number of restricted shares released from sale is 9,082,232, and the listing and circulation date of this release is January 10, 2022.

(2) On October 27, 2022, the company held the eleventh meeting of the 10th session of the board of supervisors, and deliberated and passed the "Motion on the Achievement of the First Phase of the Reserved Grant of the 2019 A-share Restricted Stock Incentive Plan". On October 28, 2022, the company held the 17th meeting of the 10th session of the board of directors and deliberated and passed the "Motion on the Achievement of the First Phase of the Reserved Grant of the 2019 A-share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions". After deliberation, the first phase of the Company's 2019 A-share Restricted Stock Incentive Plan (hereinafter referred to as the "Incentive Plan") has been achieved, and the Company agrees to uniformly handle the lifting of the restriction for the 25 incentive recipients who meet the conditions for unlocking. The number of restricted shares released is 298,998, and the listing and circulation date of the released restricted shares is November 28, 2022.

(3) On December 27, 2022, Dongfang Electric held the 12th meeting of the 10th Board of Supervisors to review and approve the Proposal on the Achievement of lifting the Conditions for the First grant of the second phase of the 2019 A-Share Restricted Stock Incentive Plan and other proposals. On December 28, 2022, the company held the 21st meeting of the 10th Board of Directors to review and approve the Proposal on the achievement of lifting the conditions for the first grant of the second phase of the 2019 A-share Restricted Stock Incentive Plan and other proposals. After review, the conditions for rescission of the second phase of the Company's 2019 A-share restricted Stock Incentive Plan (hereinafter referred to as the "Incentive Plan") for the first time have been achieved, and the Company agrees to handle relevant rescission of restricted stock for 744 incentive objects that meet the rescission conditions. The number of restricted shares to be released from the sale restriction is 8,852,565 shares, and the listing and circulation date of the restricted shares to be released from the sale restriction is January 9, 2023.

(4) On 27 October 2023, Dongfang Electric held the 18th meeting of the 10th session of the Board of Supervisors; On October 30, 2023, the company held the 31st meeting of the 10th Board of Directors, and both meetings deliberated and approved the Proposal on the Achievement of lifting the Conditions for the second phase of the 2019 A-share Restricted Stock Incentive Plan Reserved Grant. After deliberation, the conditions for rescission of the second phase of the Company's 2019 A-share restricted Stock Incentive Plan (hereinafter referred to as the "Incentive Plan") have been achieved, and the Company agrees to uniformly handle the rescission of the restriction for the 24 incentive objects that meet the unlocking conditions. The number of restricted shares to be released from the sale restriction is 292,333, and the listing and circulation date of the restricted shares to be released from the sale restriction is November 27, 2023.

(5) On January 4, 2024, Dongfang Electric held the 20th meeting of the 10th session of the Board of Supervisors; On January 5, 2024, the company held the 33rd meeting of the 10th Board of Directors, and both meetings deliberated and approved the Proposal on the Achievement of lifting the Conditions for the third phase of the first grant of the 2019 A-share Restricted Stock Incentive Plan. After review, the conditions for rescission of the third phase of the Company's 2019 A-share restricted Stock Incentive Plan (hereinafter referred to as the "Incentive Plan") have been achieved for the first time, and the Company agrees to handle the rescission of the restriction for 673 incentive objects that meet the unlocking conditions. The number of shares to be released from the restriction is 7,877,563 shares, and the listing and circulation date of the shares to be released from the restriction will be January 16, 2024.

(6) On October 28, 2024, Dongfang Electric held the third meeting of the eleventh session of the Board of Supervisors; On October 30, 2024, the company held the fourth meeting of the 11th Board of Directors, and both meetings deliberated and approved the Proposal on the Achievement of lifting the Conditions for the Third phase of the 2019 A-share Restricted Stock Incentive Plan Reserved Grant. After deliberation, the conditions for rescission of the third phase of the reserved grant of the Company's 2019 A-share restricted Stock Incentive Plan (hereinafter referred to as the "Incentive Plan") have been achieved, and the Company agrees to handle the rescission of the restriction for 23 incentive objects that meet the unlocking conditions. The number of shares to be released from the sale restriction is 275,001 shares, and the listing and circulation date of the shares to be released from the sale restriction is November 25, 2024.

12.3 Cash-settled share-based payment

None.

12.4 Adjustment to and termination of share-based payment

None.

12.5 Others

None.

13 Commitments and contingencies

13.1 Important commitments

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

13.1.1 Significant commitments existing on the balance sheet date

(1) The Company's capex commitment as of December 31, 2024

Capital expenditure commitments signed but not recognized in the financial statements:

Items	As at December 31, 2024	As at December 31, 2023
Basic infrastructure	351,715,076.10	127,910,382.79
Equipment and equipment	773,582,030.76	512,955,116.84
Total	1,125,297,106.86	640,865,499.63

As of December 31, 2024, the company has a total of RMB1,125,297,106.86 of agreed major foreign investment expenditures that have been signed but not paid, the details are as follows:

Unit of commitment	Name of investment project	Contract investment amount	The amount of investment paid	Unpaid investment	Estimated investment period
The Company and its subsidiaries	Basic infrastructure	881,418,469.17	529,703,393.07	351,715,076.10	Year 2025- Year 2027
The Company and its subsidiaries	Equipment and equipment	1,341,062,868.16	567,480,837.40	773,582,030.76	Year 2025- Year 2027
	Total	2,222,481,337.33	1,097,184,230.47	1,125,297,106.86	

(2) Lease contracts signed and being or to be performed and their financial impact

As of December 31, 2024, the company's minimum future rent payable for the following periods under the irrevocable operating lease as the lessee is summarized as follows:

Items	As at December 31, 2024	As at December 31, 2023
Within 1 years	60,651,269.73	4,560,721.23
The second year	38,590,461.60	2,182,236.92
Third year	34,960,355.62	1,968,461.60
The fourth year	33,861,250.00	937,605.62
The fifth year	33,391,250.00	
More than five years	185,036,575.52	

13.1.2 The company shall also explain that it has no commitments that need to be disclosed

None.

13.1.3 Others

None.

13.2 Contingencies

13.2.1 Important Contingent Events on the Balance Sheet Date

(1) Contingencies arising from the provision of external debt guarantees and their financial implications

As of December 31, 2024, The guarantee provided by the company for related parties is as follows:

Name of the guaranteed entity	Matters of guarantee	Amount of money	Term of office
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DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Dongfang Mitsubishi	Performance guarantee	24,500,000.00	Termination date of long-term Service Agreement
Red mud well wind power	Guarantee of credit	16,000,000.00	2026/1/19
Sanshengtai Wind Power	Guarantee of credit	16,000,000.00	2026/6/29
Wulan New Energy	Guarantee of credit	36,000,000.00	2026/10/27
Total		92,500,000.00	

Description: Dongfang Mitsubishi and CNOOC Zhuhai Gas Power Generation Co., LTD., Zhongshan Jiaming Power Co., LTD., CNOOC Fujian Gas Power Generation Co., LTD., and Guangdong Huizhou Gas Power Generation Co., LTD. (collectively referred to as the "Owners") intend to enter into the Long-term Management Agreement for M701F Gas Turbine Components, Component Maintenance and Technical Consulting Services (the "Gas Turbine Long-term Service Agreement"), which burns The long-term Service Agreement involves 12 units. The owner requires the parent company of Oriental Mitsubishi (Mitsubishi Hitachi Electric Power System Co., Ltd. and our company) to sign the Parent Company Guarantee Agreement to guarantee the performance of the agreement. The total amount of guarantee for this long-term service agreement is RMB50 million, and the company will provide RMB24.5 million of guarantee according to the proportion of equity held by Oriental Mitsubishi. Period of Guarantee: After the expiration or termination of the Gas Turbine Long-term Service Agreement, the guarantee liability shall have full effect to the extent that the Seller's obligations or liabilities under the contract continue until the Seller's obligations and liabilities under or in connection with the contract (including but not limited to guarantee obligations) have been performed without defect.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(2) Issue letters of guarantee and letters of credit

Outstanding letter of guarantee:

As of December 31, 2024, the status of letters of guarantee issued by the Company:

Name of company	Type of business	Type of currency	Balance at 31 December 2024 (equivalent to RMB)
The company	Letter of guarantee	RMB	3,878,753,435.71
The company	Letter of guarantee	USD	2,145,910.00
The company	Letter of guarantee	Euro	565,000.00
Dongfang boiler	Letter of guarantee	RMB	4,444,345,376.44
Dongfang boiler	Letter of guarantee	USD	9,875,711.46
Dongfang Electric Machine	Letter of guarantee	USD	542,253,808.21
Dongfang Electric Machine	Letter of guarantee	RMB	5,338,120,965.18
Dongfang International	Letter of guarantee	RMB	1,940,302,763.08
Dongfang International	Letter of guarantee	USD	2,725,328,335.91
Dongfang International	Letter of guarantee	Euro	325,185,326.01
Dongfang International	Letter of guarantee	Vietnamese dong	1,836,969.18
Dongfang Turbine	Letter of guarantee	RMB	5,275,377,970.99
Dongfang Turbine	Letter of guarantee	Euro	7,553,360.25
Dongfang Wind Power	Letter of guarantee	RMB	3,770,149,516.21
Dongfang Autocontrol	Letter of guarantee	RMB	180,868,740.99
Sichuan Products	Letter of guarantee	RMB	39,580,946.11
Dongfang heavy Machinery	Letter of guarantee	RMB	818,187,697.99
Dongfang heavy Machinery	Letter of guarantee	Euro	253,646.19
Dongfang Wuhan Nuclear Core	Letter of guarantee	RMB	190,012,008.19
Institute of Science	Letter of guarantee	RMB	10,515,746.28
Chengdu Innovation	Letter of guarantee	RMB	30,408,516.46

Unsettled letters of credit:

As of December 31, 2024, the status of irrevocable letters of credit issued by the Company:

Name of company	Type of business	Type of currency	Balance at 31 December 2024 (equivalent to RMB)
Dongfang boiler	Letter of credit	USD	211,336,632.59
Dongfang boiler	Letter of credit	Euro	38,225,291.02
Dongfang Electric Machine	Letter of credit	USD	30,658,317.90
Dongfang Electric Machine	Letter of credit	Japanese yen	42,137,218.53
Dongfang Electric Machine	Letter of credit	Euro	34,700,611.38
Dongfang Electric Machine	Letter of credit	Swiss franc	1,992,147.09
Dongfang International	Letter of credit	USD	10,816,758.42
Dongfang International	Letter of credit	Euro	1,353,263,284.62
Dongfang Turbine	Letter of credit	USD	57,499,058.75
Dongfang Turbine	Letter of credit	Japanese yen	1,803,213,742.72
Dongfang Turbine	Letter of credit	Euro	329,220,284.01

13.2.2 Others

None.

14 Events after the balance sheet date

14.1 Important non-adjustment matters

In accordance with the approval of the 26th Meeting of the 10th Board of Directors, the 36th meeting of the 10th Board of Directors, and the 6th meeting of the 11th Board of Directors of Dongfang Electric Corporation, the approval of Dongfang Electric Group, and the deliberation of the third extraordinary general Meeting of shareholders in 2023 and the second extraordinary general meeting of shareholders in 2024 of Dongfang Electric Corporation, And with the approval of the China Securities Regulatory Commission's Document No. (2024)1610, "Approval on Agreeing to the Registration of Dongfang Electric Corporation's Issuance of Shares to Specific Objects", Dongfang Electric issued 272,878,203 ordinary shares (A shares) to specific objects. As of April 7, 2025, all the raised funds have been fully remitted to the designated account.

14.2 profits Distribution

Proposed distribution of profits or dividends	1,366,315,211.38	1,365,457,169.87
Profits or dividends declared after consideration and approval	1,366,315,211.38	1,365,457,169.87

The Company held the eleventh ninth meeting of the Board of Directors on April 29, 2025, reviewed and approved the profit distribution plan for 2024, and distributed cash dividends of RMB1,366,315,211.38 based on the total share capital of the company of 3,390,360,326 shares when the board of directors was held on April 29, 2025. Cash dividend per share of RMB0.403 (before tax). The proposal still needs to be submitted to the 2024 annual general meeting for approval.

14.3 Notes to other post-balance sheet events

None.

15 Other important matters

15.1 Correction of accounting errors in the previous period

None.

15.2 Replacement of assets

1. Exchange of non-monetary assets

The Company and Sichuan New Energy Power Co., LTD. (hereinafter referred to as "Sichuan Energy Power") signed the Asset Purchase Agreement between Sichuan New Energy Power Co., LTD and Dongfang Electric Co., LTD on Sichuan Energy Investment Wind Power Co., LTD. (hereinafter referred to as the "Purchase Agreement") on January 19, 2023. It is agreed that Sichuan Energy Power will acquire 20% equity of Sichuan Energy Investment Wind Power Co., LTD. (hereinafter referred to as the underlying assets) held by Dongfang Electric by issuing shares to Dongfang Electric. On September 6, 2023, China Securities Regulatory Commission (CSRC) approved Sichuan Energy Power to issue shares to the Company and Chengdu Mingyong Investment Co., Ltd. to purchase certain underlying equity including the above underlying assets.

The company has obtained the consideration of the underlying asset, namely Chuaneng Power stock, in April 2024 and recorded it into the financial asset measured at fair value and its change into the current profit and loss of the financial asset.

2. Replacement of other assets
None.

15.3 Annuity plan

The company is in accordance with the State-owned Assets Supervision and Administration Commission of the State Council's Reply on the Trial Implementation of Enterprise Annuity System by China Dongfang Electric Group Corporation (State-owned Assets Distribution [2007] No. 1201), the Letter on the Filing of Enterprise Annuity Plan of 11 Units including China Aerospace Science and Industry Corporation Limited (State-owned Assets Office Examination Score [2019] No. 65), and the Ministry of Human Resources and Social Security In the Letter of The General Office of the State Council on the Filing of Enterprise Annuity Plans of 17 Units including China Taiping Insurance Group Co., LTD. (Letter [2018] No. 334 of the Department of Human Resources and Social Security), according to the method of joint payment by enterprises and employees, annuity expenses shall be listed in the costs and expenses of the current year every year, and the annuity shall be withdrawn and paid to the escrow account of the entrusted property of the enterprise annuity fund every year. Dongfang Electric Group Corporation entrusts China Life Endowment Insurance Co., Ltd. for operation and management.

15.4 Terminating the operation

Not involved.

15.5 Division information

15.5.1 Determination basis and accounting policies of reporting divisions

The company determines its operating divisions based on its internal organizational structure, management requirements and internal reporting system. An operating segment of the Company refers to a component that simultaneously satisfies the following conditions:

- (1) The component is able to generate income and incur expenses in daily activities;
- (2) The management can regularly evaluate the operating results of the component to decide to allocate resources to it and evaluate its performance;
- (3) Able to obtain the financial position, operating results, cash flow and other relevant accounting information of the component.

The Company determines a reporting segment on the basis of an operating segment, and an operating segment that meets one of the following conditions is identified as a reporting segment:

- (1) The segment revenue of the operating segment accounts for 10% or more of the total revenue of all segments;
- (2) The absolute segment profit (loss) of the segment accounts for 10% or more of the greater of the total profit of all profitable segments or the total loss of all loss-making segments.

If the ratio of the total amount of foreign transaction income of the operating segment of the reportable segment to the consolidated total revenue determined in accordance with the above accounting policies does not reach 75%, the number of reportable segments shall be increased, and other operating segments not treated as reportable segments shall be included in the scope of the reportable segment according to the following provisions until the proportion reaches 75%:

- (1) Identify the operating segment that the management considers useful for the users of accounting information to disclose the information of the operating segment as the reporting segment;
- (2) Combine the operating segment with one or more other operating segments that have similar economic characteristics and meet the conditions for the combination of operating segments as a reporting segment.

The transfer price between segments shall be determined with reference to the market price, and the assets and related expenses jointly used with each segment shall be distributed among different segments in proportion to the revenue.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

15.5.2 Report financial information of the division

Items	Renewable energy equipment	Clean and efficient energy equipment	Engineering and supply chain business	Modern manufacturing service industry	Emerging growth industries	Summary	Offset against	Total
Total operating income	17,443,292,372.69	36,740,916,339.79	7,841,029,077.93	8,860,087,605.38	15,086,322,761.88	85,971,648,157.67	16,276,512,434.20	69,695,135,723.47
Including: income from foreign transactions	16,602,968,594.74	28,358,197,064.75	6,019,136,023.50	7,564,406,473.18	11,150,427,567.30	69,695,135,723.47		69,695,135,723.47
Revenue from inter-segment transactions	840,323,777.95	8,382,719,275.04	1,821,893,054.43	1,295,681,132.20	3,935,895,194.58	16,276,512,434.20		16,276,512,434.20
Operating costs	16,920,357,103.69	32,224,313,420.50	7,259,525,109.97	5,427,776,468.60	13,472,437,941.67	75,304,410,044.43	16,402,154,001.12	58,902,256,043.31
Offset of costs	942,656,665.65	8,616,514,537.06	1,788,303,720.69	1,525,424,682.11	3,529,254,395.61	16,402,154,001.12		16,402,154,001.12
Expenses for the period						7,060,135,260.38	-338,840,377.20	7,398,975,637.58
Operating profit (loss)	625,268,156.70	4,750,398,181.31	547,914,634.22	3,662,054,686.69	1,207,244,021.24	10,792,879,680.16	6,905,426,605.30	3,887,453,074.86
Total assets						142,009,284,851.87		142,009,284,851.87
Including: the amount of a single asset with significant impairment loss								
Total liabilities						98,867,036,719.24		98,867,036,719.24
Additional Information								
Capital expenditure								
Impairment losses recognised in the current period						-1,212,117,895.90	81,929,440.94	-1,294,047,336.84

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Renewable energy equipment	Clean and efficient energy equipment	Engineering and supply chain business	Modern manufacturing service industry	Emerging growth industries	Summary	Offset against	Total
Among them: goodwill impairment apportionment								
Depreciation and amortization expense						1,116,180,252.13		1,116,180,252.13
Non-cash expenses other than impairment losses, depreciation and amortization								

15.6 Other important matters that have an impact on investors' decisions

None

15.7 Others

None

16 Notes to major items in the company's financial statements

16.1 Accounts receivable

16.1.1 Aging of accounts receivable

Age of account	As at December 31, 2024	As at December 31, 2023
Within 1 year (inclusive)	515,587,506.50	844,871,467.09
1-2 years (including 2 years)	165,780,489.47	230,977,123.63
2 to 3 years (including 3 years)	219,493,933.10	106,629,377.40
More than 3 years		
3 to 4 years (including 4 years)	38,144,608.89	152,247,223.73
4-5 years (including 5 years)	79,866,335.96	123,275,700.49
More than 5 years	66,014,747.63	70,822,191.75
Sub-total	1,084,887,621.55	1,528,823,084.09
Less: Provision for bad debts	284,340,269.75	280,026,092.70
Total	800,547,351.80	1,248,796,991.39

Note: Accounts receivable are recorded mainly on the date of business occurrence.

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

16.1.2 Accounts receivable shall be classified and disclosed according to the bad debt provision method

Category	As at December 31, 2024					As at December 31, 2023				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts shall be made separately	80,924,526.00	7.46	80,924,526.00	100.00						
Provision for bad debts shall be made according to the combination of credit risk characteristics	1,003,963,095.55	92.54	203,415,743.75	20.26	800,547,351.80	1,528,823,084.09	100	280,026,092.70	18.32	1,248,796,991.39
Including:										
Combination of aging analysis method	1,003,963,095.55	92.54	203,415,743.75	20.26	800,547,351.80	1,528,823,084.09	100	280,026,092.70	18.32	1,248,796,991.39
Total	1,084,887,621.55	100.00	284,340,269.75		800,547,351.80	1,528,823,084.09	100	280,026,092.70		1,248,796,991.39

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Significant accounts receivable for which provision for bad debts is made on a single basis:

Name of Company	As at December 31, 2024			Basis of withdrawal
	Accounts receivable	Provision for bad debts	Withdrawal ratio (%)	
Entity 1	15,355,434.00	15,355,434.00	100.00	The customer has serious financial difficulties and is less likely to recover in the short term
Entity 2	24,083,252.00	24,083,252.00	100.00	The customer has serious financial difficulties and is less likely to recover in the short term
Entity 3	41,485,840.00	41,485,840.00	100.00	The customer has serious financial difficulties and is less likely to recover in the short term
Total	80,924,526.00	80,924,526.00		

Provision for bad debts according to the combination of credit risk characteristics:

Aging analysis combination

Age of account	As at December 31, 2024		
	Accounts receivable	Provision for bad debts	Withdrawal ratio (%)
Within 1 year (inclusive)	434,662,980.5	21,733,149.01	5.00
1-2 years (including 2 years)	165,780,489.47	16,578,048.95	10.00
2 to 3 years (including 3 years)	219,493,933.10	43,898,786.62	20.00
3 to 4 years (including 4 years)	38,144,608.89	15,257,843.55	40.00
4-5 years (including 5 years)	79,866,335.96	39,933,167.99	50.00
More than 5 years	66,014,747.63	66,014,747.63	100.00
Total	1,003,963,095.55	203,415,743.75	

16.1.3 Provisions for bad debts drawn, reversed or recovered in the current period

category	As at December 31, 2023	Change amount for the current period				As at December 31, 2024
		Provision	Take back or turn back	Resale or write-off	Other changes	
Provision for doubtful accounts receivable	280,026,092.70	4,314,177.05				284,340,269.75
Total	280,026,092.70	4,314,177.05				284,340,269.75

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

16.1.4 The top five ending balances of accounts receivable and contract assets collected by the debtor

Name of debtor	Balance of book value	Percentage of total accounts receivable (%)	Provision for bad debts
Entity 1	63,879,957.50	5.89	3,193,997.88
Entity 2	66,459,827.57	6.13	13,291,965.51
Entity 3	158,382,159.87	14.60	28,457,388.54
Entity 4	103,524,000.00	9.54	5,176,200.00
Entity 5	50,080,000.00	4.62	2,504,000.00
Total	442,325,944.94		52,623,551.93

16.2 Other receivables

Items	Balance at end of the period	Balance at the beginning of the period
Interest receivable		
Dividends receivable	23,297,096.99	18,374,034.21
Other receivables	17,621,082.56	22,266,634.20
Total	40,918,179.55	40,640,668.41

16.2.1 Dividends receivable

(1) Details of dividends receivable

Project (or invested entity)	Balance at end of the period	Balance at the beginning of the period
(1) Huadian Longkou Wind Power Company Limited	13,210,670.09	8,287,607.31
(2) Inner Mongolia Energy Power Hongnijing Wind Power Co., LTD	10,086,426.90	10,086,426.90
(3) Inner Mongolia Mengneng Sanshengtai Wind Power Co., LTD	3,460,131.28	3,460,131.28
(4) Inner Mongolia Gumengneng Wulan New Energy Co., LTD	3,828,807.76	3,828,807.76
Subtotal of	30,586,036.03	25,662,973.25
Less: Provision for bad debts	7,288,939.04	7,288,939.04
Total	23,297,096.99	18,374,034.21

(2) Significant dividends receivable with an account age of more than one year

Project (or invested entity)	Balance at end of the period	Reasons for non-recovery	Whether impairment occurs and the basis for judgment
Huadian Longkou Wind Power Company Limited	3,582,372.24	The investee has financial difficulties	No
Inner Mongolia Energy Power Hongnijing Wind Power Co., LTD	10,086,426.90	The investee has financial difficulties	No

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Project (or invested entity)	Balance at end of the period	Reasons for non-recovery	Whether impairment occurs and the basis for judgment
Inner Mongolia Gumengneng Sanshengtai Wind Power Co. LTD	3,460,131.28	The investee has financial difficulties	Yes, the investee is in financial difficulty
Inner Mongolia Mengneng Wulan New Energy Co. LTD	3,828,807.76	The investee has financial difficulties	Yes, the investee is in financial difficulty
Total	20,957,738.18		

16.2.2 Other receivables

(1) Disclosure by account age

Age of account	As at December 31, 2024	As at December 31, 2023
Within 1 year (inclusive)	3,882,075.26	6,168,507.29
1-2 years (including 2 years)	3,099,873.66	6,517,199.57
2 to 3 years (including 3 years)	5,152,511.24	5,139,586.28
More than 3 years		
3 to 4 years (including 4 years)	4,794,406.28	8,487,144.05
4-5 years (including 5 years)	8,289,144.05	2,674,234.45
More than 5 years	5,245,853.21	2,366,145.27
Sub-total	30,463,863.70	31,352,816.91
Less: Provision for bad debts	12,842,781.14	9,086,182.71
Total	17,621,082.56	22,266,634.20

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(2) Disclosure shall be classified according to the method of bad debt provision

Category	As at December 31, 2024					As at December 31, 2023				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts shall be made separately										
Provision for bad debts shall be made according to the combination of credit risk characteristics	30,463,863.70	100.00	12,842,781.14	42.16	17,621,082.56	31,352,816.91	100.00	9,086,182.71	28.98	22,266,634.20
Including:										
Combination of aging analysis method	30,463,863.70	100.00	12,842,781.14	42.16	17,621,082.56	31,352,816.91	100.00	9,086,182.71	28.98	22,266,634.20
Total	30,463,863.70	100.00	12,842,781.14		17,621,082.56	31,352,816.91	100.00	9,086,182.71		22,266,634.20

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(3) Provision for bad debts

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31,2023	9,086,182.71			9,086,182.71
In 2022, balance as at December 31,2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in 2024	3,756,598.43			3,756,598.43
Reversal in 2024				
Write-off in 2024				
Charge-off in 2024				
Other changes				
Balance as at December 31,2024	12,842,781.14			12,842,781.14

Changes in the book balance of other receivables are as follows

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31,2023	31,352,816.91			31,352,816.91
In 2022, balance as at December 31,2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Increase in 2024	-888,953.21			-888,953.21
2024 Termination confirmation				
Other changes				
Balance as at December 31,2024	30,463,863.70			30,463,863.70

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(4) Other receivables in the top five of the ending balance collected by the debtor

Name of company	Nature of funds	As at December 31, 2024	Age of account	Proportion to total closing balance of other receivables (%)	Ending balance of provision for bad debts
Entity 1	Payment in advance	3,367,946.64	2 to 5 years	11.06	2,580,598.29
Entity 2	Payment in advance	5,708,187.30	2 to 5 years	18.74	2,743,258.03
Entity 3	Payment in advance	1,409,000.00	3 to 4 years	4.63	563,600.00
Entity 4	Payment in advance	840,242.00	Within 1 year	2.76	42,012.10
Entity 5	Cash for use	15,459,463.57	1 to 5 years	50.75	5,922,925.73
Total		26,784,839.51			11,852,394.15

16.3 Long-term equity investments

Items	As at December 31, 2023			As at December 31, 2022		
	Balance of book value	Provision for impairment losses	Carrying amount	Balance of book value	Provision for impairment losses	Carrying amount
Investment in subsidiaries	22,744,397,838.33		22,744,397,838.33	22,530,195,038.33		22,530,195,038.33
Investment in joint ventures and joint ventures	477,772,561.89	40,845,971.47	436,926,590.42	512,529,440.52	40,845,971.47	471,683,469.05
Total	23,222,170,400.22	40,845,971.47	23,181,324,428.75	23,042,724,478.85	40,845,971.47	23,001,878,507.38

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

16.3.1 Invest in subsidiaries

Invested entity	Balance at the beginning of the period	Opening balance of impairment provision	Changes in current period				Balance at end of the period	Ending balance of impairment provision
			Additional investment	Reduce investment	Provision for impairment in the current period	Other		
Dongfang Electric Corporation Dongfang Boiler Co., LTD.	5,192,395,417.83						5,192,395,417.83	
DONGFANG TURBINE Co., LTD.	6,010,766,999.71						6,010,766,999.71	
Dongfang Electric Machinery Company Limited	3,164,000,000.00						3,164,000,000.00	
Dongfang Electric (India) Pte LTD	129,504,712.22						129,504,712.22	
Dongfang Electric (Wuhan) Nuclear Equipment Co., LTD. (hereinafter referred to as Dongfang Wuhan Nuclear Core)	390,660,000.00		40,000,000.00				430,660,000.00	
Dongfang (Guangzhou) Heavy Machinery Co., LTD.	589,459,392.37						589,459,392.37	
Dongfang Electric Wind Power Co., LTD.	1,007,437,000.00						1,007,437,000.00	
Dongfang Electric Group International Cooperation Co., LTD.	1,409,966,967.29						1,409,966,967.29	
Dongfang Electric Corporation Finance Co., LTD.	2,867,031,546.59						2,867,031,546.59	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Invested entity	Balance at the beginning of the period	Opening balance of impairment provision	Changes in current period				Balance at end of the period	Ending balance of impairment provision
			Additional investment	Reduce investment	Provision for impairment in the current period	Other		
Dongfang Electric (Sichuan) Supplies Co., LTD.	409,061,568.69						409,061,568.69	
Sichuan Dongfang Electric automatic control Engineering Co., LTD	394,083,121.44		101,617,800.00				495,700,921.44	
Dongfang Electric Science and Technology Research Institute Co. LTD	365,828,312.19		27,585,000.00				393,413,312.19	
Dongfang Electric (Chengdu) Innovation Technology Development Co., LTD.	600,000,000.00						600,000,000.00	
Dongfang Electric (Chengdu) Engineering Design Consulting Co. LTD			45,000,000.00				45,000,000.00	
Total	22,530,195,038.33		214,202,800.00				22,744,397,838.33	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

16.3.2 Investments in associates and joint ventures

Invested entity	Balance at the beginning of the period	Opening balance of impairment provision	Changes in current period								Balance at end of the period	Ending balance of impairment provision
			Additional investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Declare cash dividends or profits	Provision for impairment	Other		
1. Joint venture												
Framatome Dongfang Reactor Coolant Pumps Co., LTD.	140,900,570.53				23,992,970.19			23,228,197.70			141,665,343.02	
Subtotal of	140,900,570.53				23,992,970.19			23,228,197.70			141,665,343.02	
2. Joint ventures												
Sichuan Energy Investment Wind Power Development Co., LTD.												
Huadian Longkou Wind power Co., LTD.	87,360,992.51				9,665,683.96			9,628,297.85			87,398,378.62	
China United Heavy Gas Turbine Technology Co., LTD	131,425,776.76				115,795.22						131,541,571.98	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Invested entity	Balance at the beginning of the period	Opening balance of impairment provision	Changes in current period								Balance at end of the period	Ending balance of impairment provision
			Additional investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Declare cash dividends or profits	Provision for impairment	Other		
Inner Mongolia Energy Power Generation Red Mud Well Wind Power Co., LTD.	23,802,516.64				-2,719,647.08						21,082,869.56	
Inner Mongolia Mengneng Sansheng Tai Wind Power Co., LTD.	13,725,971.47	13,725,971.47									13,725,971.47	13,725,971.47
Inner Mongolia Mengneng Wulan New energy Co., LTD.	30,227,367.34	27,120,000.00			-3,107,367.34						27,120,000.00	27,120,000.00
Dongfang Electric Hydrogen Energy	85,086,245.27				-29,847,818.03						55,238,427.24	
Subtotal of	371,628,869.99	40,845,971.47			-25,893,353.27			9,628,297.85			336,107,218.87	40,845,971.47
Total	512,529,440.52				-1,900,383.08			32,856,495.55			477,772,561.89	40,845,971.47

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

16.4 Operating income and operating costs

1.4.1 Operating income and operating cost

Items	Amount for the current period		Amount for the previous period	
	Income	The cost	Income	The cost
Principal Business Operations	7,083,156,919.80	6,855,193,937.50	14,406,784,956.94	13,760,982,833.00
Other businesses	1,036,998.46	1,113,360.27	2,243,086.43	1,565,738.05
Total	7,084,193,918.26	6,856,307,297.77	14,409,028,043.37	13,762,548,571.05

16.5 Investment income

Items	Amount for the current period	Amount for the previous period
Long-term equity investment income calculated by cost method	1,476,919,409.47	969,482,373.10
Long-term equity investment income calculated by equity method	-1,900,383.08	126,849,244.84
Investment income from disposal of long-term equity investments		370,285,303.34
Investment income of a trading financial asset during the holding period	14,118,582.92	82,239.00
Investment income from the disposal of trading financial assets	-2,103.35	
Investment income arising from debt restructuring		
Others	3,108,768.31	
Total	1,492,244,274.27	1,466,699,160.28

16.6 Statement of cash flows

16.6.1 Adjust net profit to cash flow from operating activities

Items	Amount for the year	Amount for the previous year
Reconciliation of net profit to cash flows from operating activities:		
Net profit	877,563,823.05	1,308,482,494.47
Add: Impairment losses on assets	-21,498,810.18	151,665,958.37
Credit impairment losses	8,481,171.17	-73,960,277.92
Depreciation of fixed assets, depletion of oil and gas properties and depreciation of productive biological assets	9,295,270.17	9,612,752.64
Amortization of use-right assets	75,222,031.37	67,034,227.03
Amortization of intangible assets	22,746,043.44	21,453,301.18
Amortization of long-term deferred expenses		
Loss on disposal of fixed assets, intangible assets and other long-term assets (gain is represented by "-" sign)	-7,877,241.29	
Loss on scrapping of fixed assets (income is represented by "-" sign)	22,763.19	34,319.65
Loss from changes in fair value (gain is represented by "-" sign)	223,440,434.07	-471,602.00
Financial expenses (income is represented by "-" sign)	14,540,641.15	6,663,133.72
Investment loss (income is represented by "-" sign)	-1,492,244,274.27	-1,466,699,160.28

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount for the year	Amount for the previous year
Decrease in deferred income tax assets (increase is marked with "-")	19,514,154.53	27,203,958.72
Increase in deferred income tax liabilities (decrease is represented by "-" sign)		59,100,846.50
Decrease in inventories (increase is marked with "-")	214,170,685.69	-30,245,672.41
Decrease in operating receivables (increase is marked with "-")	2,883,758,634.99	1,916,356,297.12
Increase in operating payables (decrease is represented by "-" sign)	-2,695,242,392.08	-3,617,848,029.12
Others		
Net cash flows from operating activities	131,892,935.00	-1,621,617,452.33
② Significant investment and financing activities that do not involve cash receipts and expenditures:		
Conversion of debt to capital		
Convertible corporate bonds maturing within one year		
Financing leases fixed assets		
③ Net change in cash and cash equivalents:		
Year-end balance of cash	5,978,621,835.59	6,172,320,271.62
Minus: cash balance at the beginning of the year	6,172,320,271.62	8,293,786,594.85
Add: year-end balance of cash equivalents		
Less: Balance of cash equivalents at the beginning of the year		
Net increase in cash and cash equivalents	-193,698,436.03	-2,121,466,323.23

16.6.2 Composition of cash and cash equivalents

Items	As at December 31, 2024	As at December 31, 2023
I .Cash	5,978,621,835.59	6,172,320,271.62
Including: Cash on hand	44,695.43	112,864.18
A bank deposit readily available for payment	5,961,997,696.02	6,171,173,911.73
Other monetary funds readily available for payment	16,579,444.14	1,033,495.71
Funds deposited with the central bank that can be used for payments		
Deposit interbank funds		
Interbank lending		
II .Cash equivalents		
Including: bond investments maturing within three months		
III.Balance of cash and cash equivalents at the end of the period	5,978,621,835.59	6,172,320,271.62

17 Supplementary information

17.1 Statement of non-recurring profit and loss for the current period

Items	Amount of money	Description
Gains and losses on disposal of illiquid assets, including	494,718,824.49	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount of money	Description
the write-off portion of the provision for asset impairment		
Government grants included in the profit or loss of the current period, except those closely related to the normal business operation of the Company, in accordance with the provisions of national policies, enjoyed in accordance with the determined standards and having a continuous impact on the profit or loss of the Company	272,660,619.10	
In addition to the effective hedging business related to the normal operation of the company, the fair value change gains and losses arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	-222,815,806.67	
Capital occupation fees charged to non-financial enterprises included in current profits and losses		
Profit or loss on investment or management of assets entrusted to others		
Gains and losses from external entrusted loans		
Loss of assets caused by force majeure factors, such as natural disasters		
Reversal of provision for impairment of receivables separately tested for impairment	318,383,963.90	
The investment cost of an enterprise acquiring a subsidiary, an associated enterprise or a joint venture is less than the income generated by the fair value of the identifiable net assets of the invested entity at the time of acquiring the investment		
The current net profit or loss of a subsidiary arising from a business combination under the same control from the beginning of the period to the combination date		
Gains and losses on exchange of non-monetary assets		
Debt restructuring gains and losses	68,357,655.00	
A one-time expense incurred by an enterprise due to the relevant business activities no longer continuing, such as the expenditure of settling employees		
One-time impact on current profit and loss due to adjustment of laws and regulations such as taxation and accounting		
Share payment expenses recognized in a lump sum due to cancellation or modification of equity incentive plans		
For cash-settled share-based payments, gains and losses arising from changes in the fair value of Employee benefit payable after the vesting date		
Gains and losses arising from changes in fair value of investment real estate measured using the fair value model for subsequent measurement		
Gains arising from transactions at significantly unfair prices		
Profit or loss arising from contingencies unrelated to the normal operation of the Company's business		
Income from custodian fees obtained from entrusted operations		
Other non-operating income and expenses other than the above items	-3,209,015.10	
Other profit or loss items that meet the definition of non-recurring profit or loss	461,218,546.04	

DONGFANG ELECTRIC CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Items	Amount of money	Description
Sub-total	1,389,314,786.76	
Income tax impact	165,952,796.68	
Impact of minority shareholders' equity (after tax)	281,708,291.17	
Total	941,653,698.91	

17.2 Return on net assets and earnings per share

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share (RMB)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to common shareholders of the Company	7.71	0.94	0.94
Net profit attributable to common shareholders of the company after deducting non-recurring gains and losses	5.22	0.64	0.64

Dongfang Electric Corporation Limited

(Official Seal)

April /29/2025



营业执照

(副本)

统一社会信用代码

91310101568093764U

证照编号: 01000000202502140072



扫描经营主体身份码, 了解更多登记、备案、许可、监管信息, 体验更多应用服务。

出资额 人民币15900.0000万元整

成立日期 2011年01月24日

主要经营场所 上海市黄浦区南京东路61号四楼



名称 立信会计师事务所 (特殊普通合伙)

类型 特殊普通合伙企业

执行事务合伙人 朱建弟, 杨志国

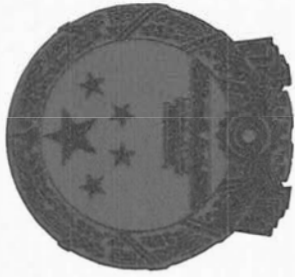
经营范围

审查企业会计报表, 出具审计报告; 验证企业资本, 出具验资报告; 办理企业合并、分立、清算事宜中的审计业务, 出具有关报告; 基本建设年度财务决算审计; 代理记账; 会计咨询、税务咨询、管理咨询、会计培训; 信息系统领域的技术服务; 法律、法规、法规规定的项目, 经相关部门批准后方可开展经营活动。

登记机关



2025年02月14日



会计师事务所

执业证书



名称：立信会计师事务所(特殊普通合伙)

首席合伙人：朱建弟

主任会计师：

经营场所：上海市黄浦区南京东路61号四楼

组织形式：特殊普通合伙制

执业证书编号：310000006

批准执业文号：沪财会〔2000〕26号（转制批文 沪财会〔2010〕82号）

批准执业日期：2000年6月13日（转制日期 2010年12月31日）

证书编号 0001247

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- 2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。
- 3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。
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发证机关：

二〇一八年六月一日

中华人民共和国财政部制

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不能作为他用。



姓名 张军书
Full name
性别 男
Sex
出生日期 1971年3月20日
Date of birth
工作单位 中蓝特会计师事务所
Working unit
身份证号码 220104710320031
Identity card No.



年度检验登记
Annual Renewal Registration

继续有效一年。
another year after



姓名: 张军书
证书编号: 100001022752



年度检验登记
Annual Renewal Registration

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北京注册会计师协会
2007年度任职资格审查合格

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No. of Certificate
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Authorized Institute of CPAs
发证日期: 2000年8月9日
Date of Issuance

2000年8月9日
fy /m /d

注册会计师工作单位变更事项登记
Registration of a Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

中蓝特
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs
2007年12月5日

同意调入
Agree the holder to be transferred to

中蓝特
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs
2007年12月5日

注册会计师工作单位变更事项登记
Registration of a Change of Working Unit by a CPA

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中蓝特
CPAs

转出协会盖章
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2006年6月21日

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中蓝特
CPAs

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Stamp of the transfer-in Institute of CPAs
2006年6月21日

注册会计师工作单位变更事项登记
Registration of a Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

中蓝特
CPAs

转出协会盖章
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2007年11月20日

同意调入
Agree the holder to be transferred to

中蓝特
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs
2007年11月20日

注册会计师工作单位变更事项登记
Registration of a Change of Working Unit by a CPA

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二、本证书仅限本人使用，不得转借。
三、注册会计师停止执业满两年，应持本证书向原执业机构申请注销。
四、本证书如遗失，应立即向原执业机构声明作废旧，并申请补发。

- NOTES
1. When practising, the CPA shall show the client this certificate when necessary.
2. This certificate shall be exclusively used by the holder. No transfer or alteration shall be allowed.
3. The CPA shall return the certificate to the competent Institute of CPAs when the CPA stops conducting statutory business.
4. In case of loss, the CPA shall report to the competent Institute of CPAs immediately, and no through the procedure of issuing statement of loss and announcement of loss should be made.



姓 名	张文纲
Full name	
性 别	男
Sex	
出 生 日 期	1977-02-17
Date of birth	
工 作 单 位	涉县水利会计师事务所有限责任公司
Working unit	
身 份 证 号 码	132132197702173512
Identity card No.	

年度检验登记
Annual Renewal Registration

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日
P/

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

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 事务所
 CPAI
 转出协会盖章
 Stamp of the transfer-out Institute of CPA
 2012年3月19日

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CPAS
注册会计师事务所
转所专用章
转入协会盖章
Stamp of the transfer in Institute of CPA
* 2013 11 月 28 日

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

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Stamp of the transfer-out Institute of CPA

同意调入
Agree the holder to be transferred to


 * 转入协会盖章
 Stamp of the transfer in Institute of CPA
 2008 年 6 月 5 日

注册会计师工作单位变更事项登记

同意调查

Stamp of the Treasury and Insurance of CPAs
2001年 12月12日

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CPAs
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2014年 12月 12日
年 月 日

制表: 中天恒德信 2015.9.24
收入: 瑞华 2015.9.24
注意: 事项

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六、本证书如遗失，应立即向主管注册会计师协会报告，并登报声明作废，办理补发手续。

2020.7.26

1. When practising, the CPA shall show the client this certificate when necessary.
2. This certificate shall be exclusively used by the ~~CPA~~ **CPA** to transfer practitioner shall be allowed.
3. If CPA shall return the certificate to the competent authority **when the CPA stops conducting** **starting from** **2020.7.26**
4. If the CPA shall report to the competent authority **within 10 days** and go through the procedure **of CPA** **for making an announcement of loss on the newspaper.**

CPA 注册会计师全国统一考试
BICPA
ICPA 2017
2004117 200443073
记
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2017 合格，继续有效一年。
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姓名: 张文明
证书编号: 130001662048

年度检验登记
Annual Renewal Registration

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证书编号: 130001662048
No. of Certificate

批准注册协会: 河北省注册会计师协会
Authorized Institute of CPAs

发证日期: 2008 年 6 月 18 日
Date of Issuance

年度檢驗

2013