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中國能源建設股份有限公司

CHINA ENERGY ENGINEERING CORPORATION LIMITED*

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

(Stock Code: 3996)

VOLUNTARY ANNOUNCEMENT

ANNOUNCEMENT ON GRID-CONNECTED POWER GENERATION IN FULL CAPACITY OF THE HUBEI YINGCHENG 300MW COMPRESSED AIR ENERGY STORAGE POWER STATION DEMONSTRATION PROJECT

This announcement is made by China Energy Engineering Corporation Limited (the “**Company**”) on a voluntary basis.

According to the strategic planning of the Company, by relying on the strong energy technology and standard-setting strength, system integration and technological innovation advantages, and full industrial chain and system solution capabilities, the Company has been focusing on new quality productivity forces, and actively building a source of original technology for new energy storage. In 2021, the Company independently researched and developed and proposed the “300MW Compressed Air Energy Storage System Solution”, and invested in the construction of the world’s first set of compressed air energy storage demonstration project with a single unit power of 300MW. At present, the project has achieved grid-connected power generation in full capacity and entered the stable commercial operation stage. The details are as follows:

I. BASIC INFORMATION OF THE PROJECT

The Hubei Yingcheng 300MW Compressed Air Energy Storage Power Station Demonstration Project (the “**Yingcheng Compressed Air Energy Storage Demonstration Project**” or “**the Project**”) is jointly invested by China Energy Digital Technology Group Co., Ltd. (中能建數字科技集團有限公司), a subsidiary of the Company, and State Grid Hubei Comprehensive Energy Service Co., Ltd. (國網湖北綜合能源服務有限公司). The Project commenced construction in July 2022 which involves the construction of a set of 300MW/1500MWh compressed air energy storage generator unit and supporting facilities. The operation period is 25 years. The maximum energy storage scale of the Project is 1,500MWh, with a maximum conversion efficiency of nearly 70%. The Project can store energy for 8 hours and release energy for 5 hours per day, with an average annual power generation of approximately 500 million kWh.

The Yingcheng Compressed Air Energy Storage Demonstration Project is the world's first unit (set) of 300MW non-supplementary-combustion compressed air energy storage project. By utilizing the abundant salt-cavern resources in Yingcheng, Hubei Province, the Yingcheng Compressed Air Energy Storage Demonstration Project has been built into the world's first all-green, non-supplementary-combustion and highly efficient 300MW compressed air energy storage project. The compressed air energy storage power station utilizes the electric energy during off-peak period of the power grid to drive the air compressor to compress air, and transports the high-pressure compressed air through pipelines to the salt caverns for storage. The compressed air is released from the salt caverns during the peak electricity consumption period of the power grid and transported through pipelines to the expander to drive the generator to generate electricity and transmit it to the power grid. The Project can greatly enhance the ability of the regional power grid to absorb new energy and facilitate the construction of new local power systems.

II. PROGRESS OF THE PROJECT

The Project is a landmark project and practice for the Company to achieve the dual carbon goals and the Project represents the Company's first achievement in establishing new energy system. The Project is a model for the integration and development of technological innovation and industrial innovation of the Company, and is the pure green compressed air energy storage project in operation, with the world's largest single unit capacity, highest conversion efficiency and longest power generation time. On 9 April 2024, the Yingcheng Compressed Air Energy Storage Demonstration Project achieved its first successful grid-connected trial operation. During the power generation process, all systems operated stably with excellent parameters, and the operating parameters were in line with the design and construction goals. As of 9 January 2025, the underground gas storage of the Yingcheng Compressed Air Energy Storage Demonstration Project has formed a gas storage volume of nearly 700,000 cubic meters, achieving full capacity operation of the compressor on the energy storage side and full power grid-connected power generation of 300MW on the energy release side.

At present, the Yingcheng Compressed Air Energy Storage Demonstration Project has been included in the national and provincial key demonstration projects such as the green and low-carbon advanced technology demonstration projects of the National Development and Reform Commission, the new energy storage pilot demonstration projects of the National Energy Administration and the new energy storage power station pilot demonstration projects of Hubei Province, and has been selected as one of the first batch of the list of projects of the application and expansion of the central enterprises' technology achievement projects of the State-owned Assets Supervision and Administration Commission of the State Council and one of the third batch of the list of first unit (set) of major technical equipment projects in the energy field of the National Energy Administration. The Project was recognized as one of the top ten technological innovation achievements in the energy industry in 2023 and has been included in the provincial key construction project library of Hubei Province. Furthermore, the Project has

achieved 100% localization of key core equipment and deep earth space utilization technology products, filled many international gaps and formed more than 200 patents, proprietary technologies and standard specifications.

In the future, the Company will continue to drive the technological innovation of compressed air energy storage towards higher efficiency, lower cost and larger scale, to better meet the needs of new power systems and achieve continuous leadership in the energy storage field.

III. RISK WARNING

The Yingcheng Compressed Air Energy Storage Demonstration Project is a new technology demonstration project, and there are some uncertainties in the operation process. Investors are advised to pay attention to the investment risks.

By order of the Board
CHINA ENERGY ENGINEERING CORPORATION LIMITED*
Song Hailiang
Chairman

Beijing, the PRC
9 January 2025

As at the date of this announcement, the executive directors of the Company are Mr. Song Hailiang and Mr. Ni Zhen; the non-executive directors are Mr. Liu Xueshi and Mr. Si Xinbo; and the independent non-executive directors are Mr. Cheng Niangao, Mr. Zhao Lixin, Dr. Ngai Wai Fung and Ms. Niu Xiangchun.

* *For identification purpose only*