東方電氣股份有限公司
DONGFANG ELECTRIC CO., LTD.

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

(Stock Code: 1072)

ANNOUNCEMENT OF 2026 INTERIM RESULTS

RESULTS HIGHLIGHTS

Total operating revenue of the Group for the first half of 2026 amounted to RMB38,624 million, representing an increase of 1.24% as compared with the same period of the previous year;

Net profit of the Group attributable to shareholders of the parent company for the first half of 2026 amounted to RMB2,713 million, representing an increase of 42.07% as compared with the same period of the previous year;

Earnings per share of the Group in the first half of 2026 amounted to RMB0.78, as compared with RMB0.60 for the same period of the previous year;

New orders of the Group in the first half of 2026 amounted to RMB69,880 million; and

The Board does not recommend the payment of an interim dividend.

The board (the "**Board**") of directors (the "**Directors**") of Dongfang Electric Corporation Limited (the "**Company**") is pleased to announce the unaudited interim consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Period**" or "**Reporting Period**") prepared in accordance with the China Accounting Standards for Business Enterprises. The unaudited interim consolidated results have been reviewed by the audit and risk committee of the Company.

FINANCIAL INFORMATION

Consolidated Statement of Financial Position

30 June 2026

(Amounts are expressed in RMB unless otherwise stated)

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Current Assets:			
Cash and cash equivalents		**27,549,187,772.51**	22,679,594,590.64
Clearing provision		**–**	–
Funds for lending		**828,700,839.00**	1,016,528,514.62
Held-for-trading financial assets		**1,647,233,528.45**	1,832,489,719.73
Derivative financial assets		**–**	–
Notes receivable		**1,466,405,371.59**	1,664,057,411.81
Accounts receivable	2	**15,829,983,502.69**	15,193,794,901.36
Receivables financing		**1,617,538,472.37**	2,885,613,858.43
Prepayments		**6,016,012,765.15**	6,892,713,423.33
Insurance contract assets*		**–**	–
Reinsurance contract assets*		**–**	–
Other receivables		**405,838,913.54**	381,686,005.06
Financial assets purchased under resale agreements		**3,212,448,739.69**	3,104,422,602.73
Inventories		**27,740,217,508.24**	26,171,153,034.44
Including: Data resources		**–**	–
Contract assets		**17,492,139,693.58**	17,158,279,769.81
Assets held for sale		**–**	–
Non-current assets due within one year		**250,815,475.05**	547,277,984.79
Other current assets		**2,322,483,937.68**	2,156,070,817.67
Total Current Assets		**106,379,006,519.54**	101,683,682,634.42

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Non-current Assets:			
Loans and advances		**6,243,135,778.57**	6,320,594,750.28
Debt investments		**22,060,300,527.43**	26,277,752,083.33
Other debt investments		**–**	–
Long-term receivables		**98,998,405.99**	79,867,096.24
Long-term equity investments		**3,755,954,898.39**	3,623,462,354.53
Other investments in equity instruments		**493,182,723.82**	668,320,905.39
Other non-current financial assets		**–**	–
Investment properties		**215,226,452.64**	227,945,511.81
Fixed assets		**6,623,886,223.27**	6,465,434,037.71
Constructions in process		**1,435,778,782.35**	1,223,323,209.77
Productive biological assets		**–**	–
Oil and gas assets		**–**	–
Right-of-use assets		**567,584,122.07**	462,832,934.96
Intangible assets		**2,006,865,540.98**	2,010,611,803.27
Development expenditure		**1,681,635.25**	1,718,130.51
Goodwill		**–**	–
Long-term deferred expenses		**45,790,286.80**	50,817,013.80
Deferred tax assets		**3,890,731,805.08**	3,402,890,871.53
Other non-current assets		**10,410,894,799.53**	10,174,941,879.78
Total Non-current Assets		**57,850,011,982.17**	60,990,512,582.91
TOTAL ASSETS		**164,229,018,501.71**	162,674,195,217.33

Item	*Notes*	**30 June 2026** **(Unaudited)**	31 December 2025 (Audited)
Current Liabilities:			
Short-term loans		**1,718,217,357.91**	141,302,980.52
Loans from the central bank		**–**	–
Taking from banks and other financial institutions		**–**	–
Held-for-trading financial liabilities		**–**	–
Derivative financial liabilities		**69,286.77**	–
Notes payable		**10,049,014,565.26**	15,652,241,398.50
Accounts payable	3	**33,153,181,534.27**	28,010,087,988.08
Receipts in advance		**–**	–
Contract liabilities		**45,300,358,465.32**	47,228,255,816.57
Financial assets sold under repurchase agreements		**–**	–
Deposit taking and deposit in interbank market		**5,725,646,717.70**	5,695,108,815.54
Accounts payable to brokerage clients		**–**	–
Accounts payable to underwriters		**–**	–
Employee benefits payable		**790,086,111.35**	867,164,786.51
Taxes payable		**660,251,510.69**	875,320,541.33
Other payables		**3,433,399,508.35**	1,627,601,940.66
Fees and commissions payable		**–**	–
Liabilities held for sale		**–**	–
Non-current liabilities due within one year		**1,701,572,676.50**	899,617,517.45
Other current liabilities		**1,341,663,422.10**	1,326,771,641.90
Total Current Liabilities		**103,873,461,156.22**	102,323,473,427.06

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Non-current Liabilities:			
Insurance contract liabilities*		**–**	–
Reinsurance contract liabilities*		**–**	–
Long-term borrowings		**3,883,502,903.77**	4,541,776,479.47
Bonds payable		**–**	–
Including: Preferred shares		**–**	–
Perpetual capital securities		**–**	–
Lease liabilities		**425,933,906.01**	373,446,220.12
Long-term payables		**240,000.00**	240,000.00
Long-term accrued payroll		**1,017,334,749.62**	1,117,977,329.21
Provisions liabilities		**5,334,468,900.86**	5,447,381,154.09
Deferred income		**563,391,089.52**	552,581,298.41
Deferred tax liabilities		**157,054,495.86**	149,063,975.25
Other non-current liabilities		**–**	–
Total Non-current Liabilities		**11,381,926,045.64**	12,182,466,456.55
TOTAL LIABILITIES		**115,255,387,201.86**	114,505,939,883.61

Item	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Owners' Equity (or Shareholders' Equity):			
Share capital		**3,458,360,326.00**	3,458,360,326.00
Other equity instruments		**–**	–
Including: Preferred shares		**–**	–
Perpetual capital securities		**–**	–
Capital reserves		**15,129,227,948.52**	15,125,358,937.25
Less: Treasury shares		**–**	–
Other comprehensive income		**(93,943,454.88)**	(57,902,211.11)
Special reserves		**135,574,616.29**	128,261,532.94
Surplus reserves		**1,570,862,278.17**	1,568,081,202.33
General risk reserves		**–**	–
Retained profits	4	**25,917,747,128.43**	25,012,399,151.70
Total Owners' Equity Attributable to Equity Holders of the Parent Company		**46,117,828,842.53**	45,234,558,939.11
Non-controlling Shareholders' Equity		**2,855,802,457.32**	2,933,696,394.61
Total Owners' Equity		**48,973,631,299.85**	48,168,255,333.72
TOTAL LIABILITIES AND OWNERS' EQUITY		**164,229,018,501.71**	162,674,195,217.33

Consolidated Income Statement

For the six months ended January-June 2026
(Amounts are expressed in RMB unless otherwise stated)

Item	Notes	January-June 2026 (Unaudited)	January-June 2025 (Unaudited)
I. Total revenue	5	**38,624,191,006.09**	38,150,951,534.17
Including: Operating revenue		**38,122,958,912.16**	37,623,627,306.41
Interest income		**501,181,242.17**	527,283,936.51
Insurance revenue		**–**	–
Fee and commission income		**50,851.76**	40,291.25
II. Total operating costs		**35,618,908,057.45**	35,297,964,520.14
Including: Operating costs		**32,092,819,683.15**	31,805,881,127.97
Interest expenses		**16,724,608.20**	13,609,163.85
Fee and commission expenses		**1,172,907.08**	1,007,374.98
Insurance business costs		**–**	–
Tax and levies		**193,529,015.18**	217,510,346.38
Sales expenses		**332,564,498.99**	317,891,455.51
Administrative expenses		**1,440,309,576.17**	1,372,877,949.96
R&D expenses		**1,416,585,646.23**	1,569,565,190.21
Financial expenses		**125,202,122.45**	(378,088.72)
Including: Interest expenses		**50,185,740.97**	35,320,648.54
Interest income		**32,950,783.17**	49,956,678.60
Add: Other gains		**273,502,793.41**	249,603,044.12
Investment income (loss is indicated by "-")		**221,017,950.82**	141,074,666.85
Including: Income from investments in associates and joint ventures		**118,987,314.93**	66,300,239.79
Derecognition of gains on financial assets measured at amortized cost		**–**	–

Item	*Notes*	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
Foreign exchange gains (loss is indicated by "-")		**(12,709,321.15)**	993,753.02
Gains from net exposure hedges (loss is indicated by "-")		**–**	–
Gains from changes in fair values (loss is indicated by "-")		**108,548,981.94**	(75,264,776.76)
Credit impairment loss (loss is indicated by "-")		**(259,185,795.44)**	(209,707,686.94)
Impairment loss of assets (loss is indicated by "-")		**(289,233,861.05)**	(456,796,895.04)
Gains from disposal of assets (loss is indicated by "-")		**2,306,023.42**	3,496,944.88
III. Operating profit (loss is indicated by "-")		**3,049,529,720.59**	2,506,386,064.16
Add: Non-operating revenue		**30,540,450.87**	36,676,349.66
Less: Non-operating expenses		**36,412,909.88**	49,091,527.20
IV. Total profit (total loss is indicated by "-")		**3,043,657,261.58**	2,493,970,886.62
Less: Income tax expenses	6	**386,060,889.89**	433,127,075.60
V. Net profit (net loss is indicated by "-")		**2,657,596,371.69**	2,060,843,811.02
(I) By Operating Continuity		**–**	–
1. Profit from continuing operations (loss is indicated by "-")		**2,657,596,371.69**	2,060,843,811.02
2. Profit from discontinued operations (loss is indicated by "-")		**–**	–
(II) By Ownership		**–**	–
1. Net profits attributable to owners of the parent company (loss is indicated by "-")		**2,713,249,266.86**	1,909,795,846.06
2. Profit or loss attributable to non-controlling interest (loss is indicated by "-")		**(55,652,895.17)**	151,047,964.96

Item	*Notes*	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
VI. Other comprehensive income ("OCI") (net of tax)		**(17,363,356.63)**	(30,623,626.98)
OCI attributable to owners of the parent company (net of tax)		**(8,230,485.28)**	(27,164,869.31)
(I) OCI that will not be reclassified to profit and loss		**19,835,467.71**	(10,619,646.69)
1. Changes from re-measurement of defined benefit plans		**–**	–
2. OCI by equity method that will not be reclassified to profit and loss		**–**	–
3. Changes in fair value of investment in other equity instruments		**19,835,467.71**	(10,619,646.69)
4. Changes in fair value of the enterprise's credit risk		**–**	–
5. Financial changes of insurance contracts that will not be reclassified to profit or loss		**–**	–
6. Others		**–**	–
(II) OCI that will be reclassified to profit and loss		**(28,065,952.99)**	(16,545,222.62)
1. OCI by equity method that will be reclassified to profit and loss		**(818,786.07)**	–
2. Changes in fair value of other debt investment		**–**	–
3. The amount of financial assets reclassified into OCI		**–**	–
4. Credit impairment provisions for other debt investment		**–**	(1,347,742.88)
5. Cash flow hedges		**–**	–
6. Exchange differences from translation of financial statements		**(27,247,166.92)**	(15,197,479.74)
7. Financial changes of insurance contracts that will be reclassified to profit or loss		**–**	–
8. Financial changes of reinsurance contracts ceded that will be reclassified to profit or loss		**–**	–
9. Others		**–**	–
OCI attributable to non-controlling interest (net of tax)		**(9,132,871.35)**	(3,458,757.67)

Item	*Notes*	**January-June 2026 (Unaudited)**	January-June 2025 (Unaudited)
VII. Consolidated income		**2,640,233,015.06**	2,030,220,184.04
Consolidated income attributable to owners of the parent company		**2,705,018,781.58**	1,882,630,976.75
Consolidated income attributable to non-controlling interest		**(64,785,766.52)**	147,589,207.29
VIII. Earnings per share:			
(1) Basic earnings per share *(RMB/share)*	7	**0.78**	0.60
(2) Diluted earnings per share *(RMB/share)*	7	**0.78**	0.60

NOTES TO THE FINANCIAL INFORMATION

For the six months ended 30 June 2026
(Amounts are expressed in RMB unless otherwise stated)

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company's financial statements have been prepared on a going concern basis, recognized and measured based on the actual transactions and matters incurred, and in accordance with the "Accounting Standards for Business Enterprises – Basic Standards" issued by the Ministry of Finance and the relevant specific accounting standards, Application Guidance for Accounting Standards for Business Enterprises, Interpretation of Accounting Standards for Business Enterprises and other relevant requirements (collectively, the "**Accounting Standards for Business Enterprises**"), and taking into account the disclosure requirements under Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 — General Provisions on Financial Reporting (Revised in 2014) issued by the China Securities Regulatory Commission, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

2. ACCOUNTS RECEIVABLE

Aging analysis of accounts receivable

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Within 1 year (inclusive)	**10,887,015,176.69**	11,180,787,048.80
1 to 2 years	**3,732,217,212.14**	3,183,756,121.65
2 to 3 years	**1,863,484,622.09**	1,462,207,374.07
3 to 4 years	**1,549,068,696.35**	1,395,603,521.61
4 to 5 years	**627,149,060.67**	631,251,693.86
Over 5 years	**1,382,628,412.79**	1,315,285,498.16
Sub-total	**20,041,563,180.73**	19,168,891,258.15
Less: Provision for bad debts	**4,211,579,678.04**	3,975,096,356.79
Total	**15,829,983,502.69**	15,193,794,901.36

Note: The Group conducted the aging analysis for accounts receivable based on the dates of relevant invoices and settlement statements.

3. ACCOUNTS PAYABLE

Accounts payable presented by aging based on the accounts date

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Within 1 year (inclusive)	**27,991,752,021.70**	23,672,337,436.88
1 to 2 years (inclusive)	**22,401,817,414.49**	1,798,792,334.81
2 to 3 years (inclusive)	**920,399,580.94**	995,343,944.25
Over 3 years	**1,839,212,517.14**	1,543,614,272.14
Total	**33,153,181,534.27**	28,010,087,988.08

Note: The Group conducted the aging analysis for accounts payable based on the dates of relevant invoices and settlement statements.

4. RETAINED PROFITS

Item	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Retained profits as at the end of last year before adjustment	**25,012,399,151.70**	22,690,605,142.05
Adjustment of the total retained profits at the beginning of the year (increase +, decrease -)	**–**	–
Retained profits at the beginning of the year after adjustment	**25,012,399,151.70**	22,690,605,142.05
Add: Net profits attributable to owners of the parent company for the Period	**2,713,249,266.86**	3,831,301,222.13
Other comprehensive income transferred to retained earnings	**25,029,682.65**	–
Less: Withdrawal of statutory surplus reserves	**–**	143,192,001.10
Withdrawal of discretionary surplus reserve	**–**	–
Withdrawal of general risk reserve	**–**	–
Dividend payable on ordinary shares	**1,832,930,972.78**	1,366,315,211.38
Ordinary shares dividends transferred to share capital	**–**	–
Others	**–**	–
Retained profits at the end of the Period	**25,917,747,128.43**	25,012,399,151.70

5. OPERATING REVENUE AND OPERATING COST

Item	For the six months ended 30 June 2026 (Unaudited) Revenue	Cost/Interest expenses/Fee and commission expenses	For the six months ended 30 June 2025 (Unaudited) Revenue	Cost/Interest expenses/Fee and commission expenses
Principal operations	**37,862,143,573.20**	**31,964,473,351.96**	37,356,037,058.24	31,761,317,378.63
Other operations	**260,815,338.96**	**128,346,331.19**	267,590,248.17	44,563,749.34
Interest income	**501,181,242.17**	**16,724,608.20**	527,283,936.51	13,609,163.85
Fee and commission income	**50,851.76**	**1,172,907.08**	40,291.25	1,007,374.98
Total	**38,624,191,006.09**	**32,110,717,198.43**	38,150,951,534.17	31,820,497,666.80

6. INCOME TAX EXPENSES

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Income tax expenses for current period	**868,283,658.04**	558,567,226.55
Deferred income tax expenses	**(482,222,768.15)**	(125,440,150.95)
Total	**386,060,889.89**	433,127,075.60

Except for five overseas subsidiaries of the Company, namely Dongfang Electric (India) Private Limited (東方電氣(印度)有限公司), Dongfang Electric (Indonesia) Private Limited (東方電氣(印尼)有限公司), Uzi Solar Energy Project Co., Ltd. (烏茲太陽能項目有限公司), Laos Nam Mang Power Company Limited (老撾南芒河電力有限公司) and Dongfang Electric Azerbaijan Private Limited (東方電氣阿塞拜疆有限公司), which are subject to corporate income tax as stipulated by their respective local laws, and certain subsidiaries enjoy a preferential tax rate of 15% and certain companies enjoy a preferential tax rate for small and micro businesses, the remaining subsidiaries are subject to corporate income tax at a rate of 25%.

7. EARNINGS PER SHARE

Basic earnings per share are computed by dividing the combined net profit attributable to the holders of ordinary shares of the parent company by the weighted average number of outstanding ordinary shares of the Company.

Basic earnings per share are calculated as follows:

Item	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
Combined net profit attributable to the holders of ordinary shares of the parent company	**2,713,249,266.86**	1,909,795,846.06
Weighted average number of outstanding ordinary shares of the Company *(Note)*	**3,458,360,326.00**	3,208,453,080.00
Basic earnings per share *(RMB per share) (Note)*	**0.78**	0.60
Including: Basic earnings per share from continuing operations *(RMB per share)*	**0.78**	0.60

Notes:

(1) Weighted average number of outstanding ordinary shares of the Company

= Share capital at the beginning of the year + Change in the number of shares in the period * months counted from the next month following the change to the end of the Reporting Period/the number of months during the Reporting Period

= 3,458,360,326.00

(2) Basic earnings per share

= Combined net profit attributable to the holders of ordinary shares of the parent company/ weighted average number of outstanding ordinary shares

8. SEGMENT REPORTING

The Company determines operation reportable segments on the basis of the internal organizational structure, management requirements and internal report system, and disclose such segment information.

The Company's management regularly evaluates the operating results of each reportable segment to make decisions about resources to be allocated to them and to assess their performance.

Reportable segments for the first half of 2026

Item	Energy equipment/ manufacturing	Manufacturing services	Emerging business	Summary	Write-off	Total
Operating revenue	33,757,517,527.75	8,189,459,077.33	4,565,466,077.62	46,512,442,682.70	7,888,251,676.61	38,624,191,006.09
Including: External transaction income	29,446,397,691.27	6,271,256,142.63	2,906,537,172.19	38,624,191,006.09		38,624,191,006.09
Inter-segment transaction income	4,311,119,836.48	1,918,202,934.70	1,658,928,905.43	7,888,251,676.61		7,888,251,676.61
Operating cost	29,935,691,939.88	6,083,447,898.90	3,980,896,628.48	40,000,036,467.26	7,889,319,268.83	32,110,717,198.43
Cost written off	4,636,465,916.56	1,858,277,708.56	1,394,575,643.71	7,889,319,268.83		7,889,319,268.83
Expenses for the period				3,219,548,150.27	-95,113,693.57	3,314,661,843.84
Operating profit (loss)	4,147,171,667.95	2,046,085,952.29	320,216,187.42	6,513,473,807.66	3.463.944.087.07	3,049,529,720.59
Total assets				164,229,018,501.71		164,229,018,501.71
Including: Amount of substantial impairment loss on a single asset				-	-	-
Total liabilities				115,255.387.201.86		115,255,387,201.86
Supplemental information				-	-	-
Capital expenditure				-	-	-
Recognized impairment loss of the current period				-831,488,026.55	-283,068,370.06	-548,419,656.49
Including: Amortization of impairment of goodwill						
Depreciation and amortization expenses				642,262,860.29	-	642,262,860.29
Non-cash expenses other than impairment loss, depreciation and amortization				-	-	-

9. DIVIDENDS

The Company paid 2025 final dividend of RMB5.3 for every 10 shares (tax inclusive) totalling a cash distribution of RMB1,832,930,972.78 to its shareholders on 24 July 2026, with the approval of the 2025 annual general meeting held on 29 May 2026.

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

I. Information of the Industry in which the Company Operates and the Company's Principal Business during the Reporting Period

The Company belongs to the energy equipment manufacturing industry, primarily providing high-end equipment and related services for energy production and utilization, and is closely connected with energy development.

The Company has established an industrial landscape of "one core and two wings", with energy equipment manufacturing as the core and manufacturing services and emerging industries as growth drivers. It develops, designs, manufactures and sells advanced high-end energy equipment for coal power, hydropower, nuclear power, gas power and wind power, and carries out manufacturing services such as power station services, integrated energy, manufacturing digitalization and intelligence, supply chain and related services, and cultivates emerging industries such as energy storage and hydrogen energy, energy conservation, environmental protection and chemicals, industrial drives, power electronics and control, and solar energy. As one of the world's largest power generation equipment suppliers and general contractors for power station engineering, the Company's products and services are available in nearly 90 countries and regions around the world, and it possesses strong competitiveness and influence in the field of energy equipment.

The Company has established a comprehensive energy equipment research and development, design, manufacturing, testing and service system, and possesses the capability to develop and manufacture hydroelectric generating units of various power ratings, wind turbine generator systems, nuclear power generating units, coal-fired power generating units, gas turbine power generating units, solar power station equipment and others. The overall technology of its hydroelectric products ranks among the leading international levels, with its tubular, Francis, axial-flow, pumped storage and impulse turbine hydroelectric technologies reaching industry-leading standards; its wind power technology is at an advanced level domestically, with its 26 MW class offshore wind turbine generator systems reaching internationally leading standards; in the nuclear power sector, it holds the sole manufacturing licence for complete nuclear steam supply system equipment supply in China, and possesses complete design qualifications for nuclear Class 1/2/3 equipment and the complete supply capability for batch manufacturing of nuclear island main equipment and conventional island turbine generator units for nuclear power plants; its products including 1,000 MW class air-cooled units, 1,000 MW class double reheat units, large circulating fluidized bed boilers and heavy-duty gas turbines are in leading positions within the industry. The Company also possesses a complete industry chain for the concentrating solar power sector, encompassing the concentrating and heat collecting system, thermal storage and heat exchange system, conventional power generation system and control system, and is able to provide “CSP+”integrated solutions. It has the manufacturing capability for core equipment in the petrochemical sector, including chemical containers, drive turbines, canned pumps and pipeline compressors, the system solution capability for waste gas and waste water treatment, solid waste disposal and resource utilization, the research and development capability for power electronics and industrial automation, intelligent manufacturing-related equipment and system technologies, and the design and integration capability for energy storage, thereby establishing a hydrogen energy core equipment system with fully independent intellectual property rights, forming a product sequence primarily comprising water electrolysis hydrogen production and fuel cells, as well as integrated hydrogen energy application solutions. The principal business of the Company did not undergo any material change during the Reporting Period.

In the first half of 2026, China’s gross domestic product grew by 4.7% year-on-year, in line with the annual economic growth target. From January to June 2026, the cumulative electricity consumption of the whole society reached 5,099.9 billion kWh, representing a year-on-year increase of 5.3%. Power installation capacity continued to maintain a growth trend. As at the end of June, the cumulative installed power generation capacity nationwide reached 4.04 billion kW, representing a year-on-year increase of 10.8%, among which hydropower increased by 3.5% year-on-year, thermal power increased by 6.4% year-on-year, nuclear power increased by 8.6% year-on-year, wind power increased by 18.5% year-on-year, and solar power generation increased by 15.8% year-on-year. Overall, against the backdrop of building an energy powerhouse and constructing a new power system, the Company’s advantageous energy equipment products remain in a period of prosperity.

II. Discussion and Analysis of Operations

In the first half of 2026, the Company adhered to the general principle of pursuing progress while ensuring stability, fully, accurately and comprehensively implemented the new development philosophy, better served the national development strategy, continued to enhance core functions and improve core competitiveness, focused on improving quality and efficiency, promoting innovation and strengthening management, pursuing development and reinforcing Party building, fully achieved the expected targets, and promoted a good start to the “15th Five-Year Plan” with concrete actions and tangible results.

1. Industrial development. From January to June 2026, the Company recorded newly effective orders of RMB69.88 billion, representing a year-on-year increase of 6.71%, of which energy equipment manufacturing accounted for 69.46%, manufacturing services accounted for 20.71%, and emerging industries accounted for 9.82%. The "one core" achieved both quantitative and qualitative growth. The bid-winning prices for coal-fired power units and the gross profit margin for hydropower tenders both achieved year-on-year improvements. The market share of gas turbines maintained the No.1 position. The domestic market share of wind power entered the top four, and overseas achieved dual output of "technology licensing + product orders". The "two wings (兩翼)" achieved breakthroughs in multiple areas. In the manufacturing services segment, the Xiaolangdi renovation order for power station services set a record for the scale of hydropower renovation, the first pure-import 600MW "W"-type boiler renovation project was obtained, and integrated energy achieved a breakthrough in zero-carbon park integrated services. In the emerging industries segment, orders for scaled application of electrolytic water hydrogen production equipment were obtained, the first order for molten salt thermal energy storage system equipment integration business was secured, steam superchargers and natural gas compressors achieved breakthroughs in the domestic and overseas markets respectively, and the self-developed BMS and EMS systems successfully obtained orders for market-based application. The production capacity layout was optimized and enhanced. The core production capacity enhancement project for self-developed gas turbines officially commenced, and the first blade rolled off the production line at the Golmud wind power blade manufacturing base, the highest-altitude such base in the world.

2. Technological innovation. Significant progress has been made in tackling key core technologies. We have solidly advanced the research and development of major hydropower engineering equipment, with the Zala 500MW impulse turbine completing the valve test, stator hoisting and runner machining. The G50 self-developed gas turbine has completed the first round of optimization design, with cumulative operation exceeding 15,000 hours. The construction of innovation platforms has proceeded in an orderly manner. Approval has been obtained for the establishment of the Tibet Plateau Green Power Equipment and Intelligent Operation and Maintenance Key Laboratory and the Fujian Marine Energy Engineering Research Centre, and the Group's intelligent entity development platform has been put into application. Collaborative innovation has been effectively promoted. Four new tasks under the Central Enterprise Advanced Power Equipment Innovation Consortium have been added, a new-generation coal power pilot scheme has been formulated in collaboration with the Huairou Laboratory, the first batch of collaborative projects under the Tsinghua Joint Innovation Research Institute has been initiated, and support has been provided for Deyang City to be selected as a national pilot city for emerging technology

transformation in the manufacturing industry. Innovation outcomes have continued to emerge. The world's first 630℃ national power demonstration project Unit 1 has been officially put into operation, the first "Hualong One (華龍一號)" nuclear power unit in the Guangdong-Hong Kong-Macao Greater Bay Area and the Yangtze River Delta region has commenced commercial operation, the first 550MW F-class gas turbine project in China has achieved full-capacity commercial operation, the first domestically developed grid-connected stabilizer for new energy has been officially put into operation, the megawatt-level natural gas co-firing with ammonia and coal co-firing with hydrogen combustion technology has achieved successful pilot testing, two intelligent manufacturing system solutions projects under the "list-based leadership" initiative have passed the first batch of acceptance by the Ministry of Industry and Information Technology, and the "full-chain collaborative intelligent entity application for key components of high-end energy equipment" has been selected as a typical case of artificial intelligence application in 2025 by the Ministry of Industry and Information Technology.

3. Reform and management. In response to issues such as the commercialization of scientific and technological achievements, eight reform pilot projects were implemented through the "open competition" mechanism, with bold exploration. In light of the characteristics of different strategic emerging industries, the first batch of special support policies was formulated on an "industry-by-industry basis" to effectively promote the development of strategic emerging industries. The reform results have been recognized. In the 2025 special assessment of the "Science Reform Action (科改行動)" and "Double Hundred Action (雙百行動)" conducted by the State-owned Assets Supervision and Administration Commission of the State Council, our subsidiaries Dongfang Electric Machinery, Dongfang Turbine, Dongfang Boiler and Dongfang Wind Power achieved excellent results of "three benchmarks and one excellent (三標杆、一優良)", ranking among the top 30% of central enterprises. The lean management system has been advanced in depth. A three-year lean management action was launched, covering various modules such as lean marketing, lean R&D and lean quality, with "strengthening foundations, enhancing capabilities and setting benchmarks (強基、提升、樹標)" as the key measures to address operational bottlenecks and pain points. Benchmark carriers were firmly grasped, and with the goal of building a "premium group", a benchmark factory evaluation system that is "quantifiable, comparable and replicable" was established with Dongfang Electric Machinery, Dongfang Turbine and Dongfang Boiler as pilots. The integration of informatization and industrialization was accelerated, with Dongfang Heavy Machinery as a pilot to explore and form an "eight-step promotion method" for digital-intelligent integration, and manufacturing enterprises were organized to conduct on-site benchmarking and mutual learning. Quality management was further promoted, and the

building of a quality management talent team was strengthened.

4. Risk prevention and control. Adhering to the stringent tone and standards, we have advanced the rectification of issues in the "eleven aspects"of investor supervision, formulated an overall plan for the development of a look-through supervision system, solidly promoted the comprehensive investigation and remediation of quality hazards, and safeguarded the bottom line of production safety with the "ten hard measures", thereby making our standards, management and supervision more rigorous. We have advanced the resolution of high-risk projects. We have improved the compliance pre-review mechanism for sensitive businesses, systematically reviewed the contractual risks of key overseas projects, strengthened the governance of loss-making contracts, and achieved "zero new" loss-making contracts.

III. Analysis of Core Competitiveness during the Reporting Period

As one of the significant R&D and manufacturing groups for energy equipment and the mega enterprises for project contracting, the Company proactively linked up and served national strategies of building energy and manufacturing powerhouses, based on the development, design, manufacture, sales and services of high-end energy equipment, by continuously improving the industrial pattern of "the core area and the two wings (一核兩翼)" and fostering company values of "rigor, precision, practicality, and efficiency (嚴細實快)". The Company has the advantages of outstanding technological innovation capability with diverse and completed industrial layout, advanced manufacturing and service capability, remarkable market expansion capability, and deep cultural and brand accumulation.

IV. Principal Business during the Reporting Period

During the Reporting Period, the Company recorded a total operating revenue of RMB38,624 million, representing an increase of 1.24% as compared with the same period of the previous year; net profit attributable to the shareholders of the Company of RMB2,713 million, representing an increase of 42.07% as compared with the same period of the previous year; net profit attributable to the shareholders of the Company after non-recurring profit or loss of RMB2,366 million, representing an increase of 30.96% as compared with the same period of the previous year; and earnings per share of RMB0.78, representing an increase of 30% as compared with the same period of the previous year.

(I) Analysis of Principal Business

1. Analysis of changes in certain items in the financial statements

Unit: Yuan Currency: RMB

Item	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)	**Change** *(%)*
Operating revenue	**38,122,958,912.16**	37,623,627,306.41	1.33
Cost of sales	**32,092,819,683.15**	31,805,881,127.97	0.90
Sales expenses	**332,564,498.99**	317,891,455.51	4.62
Administrative expenses	**1,440,309,576.17**	1,372,877,949.96	4.91
Financial expenses	**125,202,122.45**	(378,088.72)	N/A
R&D expenses	**1,416,585,646.23**	1,569,565,190.21	-9.75
Net cash flow from operating activities	**(1,722,168,649.61)**	(556,466,428.94)	N/A
Net cash flows from investing activities	**3,825,727,808.01**	(876,502,843.53)	N/A
Net cash flows from financing activities	**3,486,760,133.66**	5,221,093,225.62	-33.22
Investment income	**221,017,950.82**	141,074,666.85	56.67
Gains from changes in fair values	**108,548,981.94**	(75,264,776.76)	N/A
Credit impairment loss (loss is represented by “-”)	**(259,185,795.44)**	(209,707,686.94)	N/A
Impairment loss of assets (loss is represented by “-”)	**(289,233,861.05)**	(456,796,895.04)	N/A

(1) Explanation of changes in financial expenses: Financial expenses for the current period increased by RMB126 million year-on-year, primarily due to changes in foreign exchange rates, which resulted in a year-on-year increase in net exchange losses.

(2) Explanation of changes in R&D expenses: R&D expenses for the current period decreased by 9.75% year on year, primarily due to the year-on-year decrease in material costs for R&D projects during the current period.

(3) Explanation of changes in net cash flows generated from operating activities: The net cash flows generated from operating activities decreased by RMB1,166 million year on year, primarily due to the impact of the wind power industry and seasonality, resulting in net cash outflows from operating activities of the wind power business.

(4) Explanation of changes in net cash flows generated from investing activities: Net cash flows generated from investing activities increased by RMB4,702 million year on year. First, the payment for equity acquisition was made in the corresponding period of last year, and no such item occurred in the current year; second, the withdrawal of interbank certificates of deposit placed by the Group's finance company during the current period resulted in a year-on-year increase in net inflows from investing activities of RMB1,729 million.

(5) Explanation of changes in net cash flows generated from financing activities: The net cash flows generated from financing activities decreased by RMB1,734 million year on year, primarily because the Company received proceeds from fund raising of RMB4,116 million in the corresponding period of the previous year, while no such event occurred in the current year.

(6) Explanation of changes in investment income: Investment income for the current period increased by RMB80 million year on year, primarily due to the year-on-year increase in investment income recognized from associates.

(7) Explanation of changes in fair value gains: The fair value gains for the current period increased by RMB184 million year on year, primarily due to the increase in the fair value of the shares held.

(8) Explanation of changes in credit impairment losses: The credit impairment losses recognized during the period increased by RMB49 million year on year, primarily due to the increase in the balance of receivables and the aging roll-forward, resulting in an increase in impairment losses recognized based on the aging portfolio.

(9) Explanation of changes in asset impairment losses: The asset impairment losses recognized during the current period decreased by RMB168 million year on year, primarily because the increase in the balance of contract assets was lower than that of the corresponding period of the previous year, and the impairment amount recognized based on aging decreased year on year.

2. *Analysis of operations by industry, product or region*

1. Total operating revenue by industry and product

By product	Revenue	Cost	Gross profit margin	Year-on- year increase/ decrease in revenue	Year-on- year increase/ decrease in cost	Year-on-year increase/ decrease in gross profit margin
	RMB	*RMB*	*(%)*	*(%)*	*(%)*	*(%)*
		Operations by industry				
Energy equipment and manufacturing	29,446,397,691.27	25,299,226,023.32	14.08	3.96	3.59	Increased by 0.31 percentage point
Manufacturing services	6,271,256,142.63	4,225,170,190.34	32.63	-11.86	-18.42	Increased by 5.42 percentage points
Emerging business	2,906,537,172.19	2,586,320,984.77	11.02	7.18	1.58	Decreased by 7.18 percentage points

1. Revenue from energy equipment manufacturing business rose by 3.96% year-on-year during the Period, mainly due to the year-on-year growth in businesses including coal power, gas power and hydropower.

2. Revenue from manufacturing services business decreased by 11.86% year-on-year during the Period, mainly due to the year-on-year decline in engineering business.

3. Revenue from emerging business increased by 7.18% year-on-year during the Period, primarily due to the year-on-year growth in energy saving and environmental protection, new type energy storage, hydrogen energy and other businesses. The gross profit margin of emerging industries fell by 7.18 percentage points year-on-year during the Period, mainly due to the market competition and a year-on-year decline in the gross profit margins for industrial drive and other projects.

2. Total operating revenue by region

Unit: RMB

Region	Total operating revenue	Year-on-year increase/decrease in total operating revenue
Domestic	36,102,942,442.00	0.50
Overseas	2,521,248,564.09	13.17
Total	38,624,191,006.09	1.24

(II) Analysis on Assets and Liabilities

1. Assets and liabilities

Unit: Yuan

Item	Amount at the end of the period	Percentage of the amount in total assets (%)	Amount at the end of last year	Percentage of the amount in total assets (%)	Change in balance as at the end of the current period as compared with balance as at the end of last year (%)	Explanation
Cash and cash equivalents	**27,549,187,772.51**	**16.77**	22,679,594,590.64	13.94	21.47	See other notes
Accounts receivable financing	**1,617,538,472.37**	**0.98**	2,885,613,858.43	1.77	-43.94	See other notes
Non-current assets due within one year	**250,815,475.05**	**0.15**	547,277,984.79	0.34	-54.17	See other notes
Long-term receivables	**98,998,405.99**	**0.06**	79,867,096.24	0.05	23.95	See other notes

Item	Amount at the end of the period	Percentage of the amount in total assets (%)	Amount at the end of last year	Percentage of the amount in total assets (%)	Change in balance as at the end of the current period as compared with balance as at the end of last year (%)	Explanation
Other investments in equity instruments	**493,182,723.82**	**0.30**	668,320,905.39	0.41	-26.21	See other notes
Right-of-use assets	**567,584,122.07**	**0.35**	462,832,934.96	0.28	22.63	See other notes
Short-term borrowings	**1,718,217,357.91**	**1.05**	141,302,980.52	0.09	1,115.98	See other notes
Notes payable	**10,049,014,565.26**	**6.12**	15,652,241,398.50	9.62	-35.80	See other notes
Taxes and charges payable	**660,251,510.69**	**0.40**	875,320,541.33	0.54	-24.57	See other notes
Other payables	**3,433,399,508.35**	**2.09**	1,627,601,940.66	1.00	110.95	See other notes
Non-current liabilities due within one year	**1,701,572,676.50**	**1.04**	899,617,517.45	0.55	89.14	See other notes

Other Notes

(1) Explanation of changes in cash and cash equivalents: Cash and cash equivalents at the end of the period increased by 21.47% as compared with the beginning of the year, primarily due to the recovery of negotiable certificates of deposit of the Group's finance company and the net cash inflow from investing activities.

(2) Explanation of changes in receivables financing: Receivables financing at the end of the period decreased by 43.94% as compared with the beginning of the year, primarily due to a decrease in the amount settled by bills receivable, resulting in a decrease in bills on hand.

(3) Explanation of changes in non-current assets due within one year: As at the end of the period, non-current assets due within one year decreased by 54.17% as compared with the beginning of the year, primarily attributable to the recovery of loans due within one year by the finance company.

(4) Explanation of changes in long-term receivables: Long-term receivables at the end of the period increased by 23.95% compared with the beginning of the year, primarily due to the increase in installment sales of goods during the year.

(5) Explanation of changes in other equity instrument investments: As at the end of the period, other equity instrument investments decreased by 26.21% as compared with the beginning of the year, primarily due to the partial disposal of shares held.

(6) Explanation of changes in right-of-use assets: As at the end of the period, right-of-use assets increased by 22.63% as compared with the beginning of the year, primarily due to an increase in leased factory premises.

(7) Explanation of changes in short-term borrowings: Short-term borrowings at the end of the period increased by RMB1,577 million as compared with the beginning of the year, primarily due to new working capital loans obtained during the year.

(8) Explanation of changes in bills payable: Bills payable at the end of the period decreased by 35.80% as compared with the beginning of the year, primarily due to the maturity and settlement of bills and a decrease in the proportion of settlement by bills.

(9) Explanation of changes in taxes payable: Taxes payable at the end of the period decreased by 24.57% as compared with the beginning of the year, primarily due to a decrease in income tax payable as compared with the beginning of the year.

(10) Explanation of changes in other payables: Other payables at the end of the period increased by RMB1,805 million compared with the beginning of the year, primarily due to the accrued dividends payable which had not yet been paid as at the end of June.

(11) Explanation of changes in non-current liabilities due within one year: As at the end of the period, non-current liabilities due within one year increased by 89.14% as compared with the beginning of the year, primarily attributable to the increase in reclassification of long-term borrowings due within one year.

2. Gearing ratio

Item	**Amount at the end of the Period**	Amount at the beginning of the year	**Year-on- year increase/ decrease** *(percentage point)*
Gearing ratio *(%)*	**70.18**	70.39	**-0.21**

Note: Gearing ratio = total liabilities/total assets × 100%

The gearing ratio of the Group was 70.18% at the end of the Period, representing a decrease of 0.21 percentage point as compared with the beginning of the year. The risk relating to the asset structure of the Company is in a controllable state.

3. Bank borrowings

As of 30 June 2026, the Group had financial institution (bank) borrowings of RMB1,738 million due within one year and financial institution (bank) borrowings of RMB2,954 million due beyond one year. The Company's borrowings are mainly denominated in RMB. In particular, financial institution (bank) borrowings of RMB1,738 million were fixed-rate borrowings, and floating rate borrowings from financial institution mainly represent loans with floating interest rates based on LPR. The Group has maintained a favorable credit rating with banks and a sound financing capacity.

4. Cash and cash equivalents

As at 30 June 2026, the cash and cash equivalents in RMB and US dollars held by the Group accounted for 92.46% and 5.04% of the Group's cash and cash equivalents, respectively.

5. Exchange risk management

With the increasing scale of the international operations of the Group, foreign exchange rate risk has become a more important element that affects the Company's operating results. With a view to effectively reduce the impact of fluctuations in foreign currency exchange rates on the Company's financial position and operating results, the Company prudently adopts exchange rate hedging instruments including forward exchange settlement for hedging purpose to limit the risks arising from exchange rate fluctuations.

6. *Pledge of assets*

As at 30 June 2026, the Group had pledged bank borrowings of approximately RMB256 million (31 December 2025: RMB291 million), which were related to borrowings from financial institutions by franchise rights of the Company. As at 30 June 2026, net franchise rights values amounted to RMB404 million (31 December 2025: RMB430 million). As at the end of the Period, this part of borrowings was not yet due and repayable. Additionally, there existed a pledged loan of RMB2,433 million which was secured by the company's electricity collection rights.

(III) Possible Risks

1. *Risks Relating to International Operations*

Risk Description: Currently, global geopolitical conflicts and major-power competition continue to intensify, and the momentum of global economic growth is weakening. Meanwhile, global competition in the green industry is becoming increasingly fierce, technological iteration is accelerating, price competition in new energy sectors such as wind, solar and energy storage is intensifying, and the Company is facing increasing uncertainties and challenges in exploring the international market.

Control measures: (1) Deepen regionalized operations and cross-border industrial chain layout, cultivate momentum for internationalized operations, optimize coordination and synergy mechanisms for international business and overseas presence and deployment, promote industrial synergy, strengthen international brand promotion, expand space for external cooperation, and continuously enhance the Company's competitiveness in the international market. (2) Dynamically review country-specific policies, strengthen identification, assessment and response to overseas compliance risks, proactively apply international rules in overseas business marketing, transaction model design and other foreign-related business activities, enhance the ability to utilize and shape international rules, and uphold the bottom line of overseas compliance operations.

2. Policy Risks

Risk Description: As the scale of the Company's strategic emerging industries continues to grow, given the high dependence of strategic emerging industries on government industrial support policies, if the tracking and analysis of such policies is not sufficiently precise or the Company's ability to translate policies into practical application is inadequate, the Company's ability to respond agilely to market changes may be affected to a certain extent.

Control Measures: (1) Strengthen communication with local governments to secure more favorable policies, deepen research on the development trends, technology pathways and business models of strategic emerging industries, and dynamically optimize and adjust development strategies and management approaches in a targeted manner, so as to rapidly secure bulk orders amid intense market competition and promote high-quality industrial development. (2) In light of changes in the industry landscape of new industries, implement the requirements of special action plans for specific industries in a targeted manner, highlight key priorities, address shortcomings, and continue to support enterprises in certain key industries in market expansion, product promotion and industry cultivation.

3. Business Transformation Risks

Risk Description: As the Company undertakes investments in the course of its business transformation, given the prevalence of unstable and uncertain factors in the external environment, heightened volatility in the capital markets, coupled with the long cycle for the commercialization of new technologies, uncertainties in commercialization, and the fact that such investments are in a transitional incubation period, there is a possibility that the investment objectives may not be achieved as anticipated and that investment returns may fall short of expectations.

Control measures: (1) Continue to strengthen investment risk prevention, strictly control the entry threshold for new projects, and make every effort to supervise subsidiaries to conduct investment in a standardized and effective manner, carry out tracking, supervision and guidance on investment activities such as key enterprises and key (major) investment projects, and implement risk prevention and control throughout the entire investment process. (2) For subsidiaries that fail to realize their industrial functions, promptly carry out closure and liquidation or transfer and exit to control or reduce risks and revitalize existing industrial resources.

(IV) Material Events

There are no events that have significant impacts on the Company and its subsidiaries since the end of the Reporting Period.

(V) Prospect for the Second Half of 2026

In the second half of 2026, the Company will reinforce its confidence in development, maintain strategic resolve and uphold value-driven rationality. It will firmly embrace the business philosophies of "staying focused on core businesses and primary responsibilities, strictly controlling risk boundaries and committing to lean operations" and "businesses shall deliver value, scale shall generate benefits and profits shall be backed by cash flows". Concentrating on its core business of energy equipment manufacturing, the Company will further implement the premium-quality strategy, strive to translate positive factors from all fronts into tangible development outcomes, fully accomplish all annual targets and tasks with high quality, and ensure a sound start for the 15th Five-Year Plan period.

V. OTHER EVENTS

1. Capital Structure

As of 30 June 2026, the total share capital of the Company amounted to RMB3,458,360,326, divided into 3,050,360,326 A shares with a nominal value of RMB1.00 per share and 408,000,000 H shares with a nominal value of RMB1.00 per share. The capital structure of the Company is as follows:

	As at 30 June 2026		As at 30 June 2025	
Class of shares	**Number of shares**	**% of total number of share capital issued**	Number of shares	% of total number of share capital issued
A share	**3,050,360,326**	**88.20%**	3,050,360,326	89.97%
H share	**408,000,000**	**11.80%**	340,000,000	10.91%
Total	**3,458,360,326**	**100%**	3,390,360,326	100%

2. *Purchase, Sales or Redemption of Listed Securities of the Company*

During the Reporting Period, none of the Company or its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sales of treasury shares (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited)). As of the end of the Reporting Period, the Company did not hold any treasury shares.

3. *Major Acquisition and Disposal of Subsidiaries and Associates*

There were no major acquisition and disposal of subsidiaries and associates during the six months ended 30 June 2026.

4. *Guarantee to External Parties and Performance thereof*

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 amounting to RMB68 million. The guarantees shall be valid from the effective date of the equity pledge agreement until all debts under the financial leasing contract being repaid. As at 30 June 2026, such debts had been fully repaid, and formalities for deregistration of the equity pledge registration are in progress.

DEC Dongfang Turbine Co., Ltd., a controlling subsidiary of the Company, provided guarantee in an amount of RMB24.5 million for its associated company Mitsubishi Heavy Industries Dongfang Gas Turbine (Guangzhou) Co., Ltd., which 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.

At the end of the Reporting Period, the aggregate guarantee of the Company amounted to RMB24.5 million, representing 0.05% of the net assets of the Company.

5. *Material Litigation and Arbitration*

During the six months ended 30 June 2026 and up to the date of this announcement, the Company has not been involved in any material litigation and arbitration. As far as the Directors are aware, the Company does not have any material litigation or claims pending or threatening to the Company.

6. Employees and Remuneration Policy

1. Number of employees

As of 30 June 2026, the total number of employees of the Company was 18,741.

2. Remuneration of employees

As of 30 June 2026, the total amount of remuneration paid to the employees during the Reporting Period was RMB1,558.3401 million.

3. Remuneration Policy

During the Reporting Period, the Company continued to improve the mechanism for determining the total payroll, coordinated business performance assessment targets, growth rates and benefit contributions, and rationally regulated corporate salary levels. It continued to optimise and adjust the income distribution structure, scientifically fine-tune remuneration strategies, and guide corporate income distribution to tilt towards core technical positions as well as front-line posts involving arduous, dirty, hazardous and strenuous work. The Company further strengthened company-wide performance management, realised cascaded decomposition of corporate strategies and organisational performance, and enhanced the Company's management efficiency and standards. It kept refining various special incentive policies, scaled up incentives for strategic emerging industries and key fields, rolled out ongoing medium- and long-term incentives, steadily expanded the number of participants covered by such incentives, with priority given to scientific and technological talents and highly-skilled talents.

4. Training Plan

During the Reporting Period, closely aligned with the strategic goal of building a "Premium-quality Group" and centring on the core requirements for talent team development, the Company focused on two major areas: enhancing political-theory training and strengthening capacity for driving development. It compiled and issued a unified annual training plan, formulated teaching implementation plans, and promoted the orderly roll-out of various training programmes. Specialised training covering technology, products, services and management was delivered at different tiers, across different fields and by specific themes. Guided by the ethos of "superb technology, exquisite products, thoughtful services and lean management", the training improved the capabilities of cadres and employees to pursue high-quality development and prevent and mitigate risks. Partnering with higher-education institutions including Tsinghua University and Sichuan University, the Company ran key training programmes such as training for top-tier young scientific-technological talents, training for middle-aged and young leading personnel, and special training courses for enterprise supervisors of engineering masters and doctoral candidates. These initiatives effectively improved the quality of talent cultivation and provided talent support for the Company's high-quality development. Meanwhile, the Company pressed ahead with the development of its online training platform and online training courses, diversified training modalities, strengthened training base development and built high-quality training programmes, so as to continuously advance the scientification, institutionalisation and standardisation of training practices.

7. Corporate Governance Code

The Company has fully complied with all applicable code provisions of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited during the Period.

8. Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Having made specific enquiries to all Directors, the Company confirms that, for the period ended 30 June 2026, the Directors of the Company had complied with the provisions regarding the securities transactions by directors as set out in the Model Code.

9. Audit and Risk Committee

The Board has set up an audit and risk committee comprising one non-executive Director, being Mr. Zhang Shaofeng, and three independent non-executive Directors, being Mr. Huang Feng, Mr. Zeng Daorong and Ms. Chen Yu. The audit and risk committee has reviewed and passed the interim results of the Group for the six months ended 30 June 2026, and agreed with the accounting treatment method adopted by the Company.

10. Information Disclosure

This announcement will be available on the websites of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) and the Company (http://dfem.wsfg.hk). The interim report for the six months ended 30 June 2026, which contains all information required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, will be published on the above websites and will be dispatched to H shareholders of the Company in the manner in which H shareholders have selected to receive Corporate Communications.

This announcement is prepared in both Chinese and English by the Company. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

By Order of the Board
Dongfang Electric Corporation Limited
Feng Yong
Joint Company Secretary

Chengdu, Sichuan Province, the PRC
25 August 2026

As at the date of this announcement, the directors of the Company are as follows:

Non-executive Directors:	*Mr. Luo Qianyi (Chairman) and Mr. Zhang Shaofeng*
Directors:	*Mr. Zhang Yanjun and Mr. Sun Guojun*
Independent non-executive Directors:	*Mr. Huang Feng, Mr. Zeng Daorong and Ms. Chen Yu*