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龍源電力集團股份有限公司

CHINA LONGYUAN POWER GROUP CORPORATION LIMITED*

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

(Stock Code: 00916)

PREANNOUNCEMENT FOR 2022 ANNUAL RESULTS

This announcement is made by China Longyuan Power Group Corporation Limited* (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

I. ESTIMATED RESULTS FOR THE PERIOD

(I) Period for the results preannouncement: 1 January 2022 to 31 December 2022 (the "**Reporting Period**")

(II) Situation of results preannouncement for the period

☐ Turnaround from loss to profit ☐ Increase over the corresponding period of last year ☑ Decrease over the corresponding period of last year

Items	**The Reporting Period**	**The corresponding period of last year** **Before restatement adjustment**	 **After restatement adjustment**
Net profit attributable to the shareholders of the listed company	Profit: RMB4,454,280,000 to RMB5,196,650,000 Decreased by 30% to 40% as compared to the corresponding period of last year (after restatement adjustment)	Profit: RMB6,404,179,000	Profit: RMB7,423,791,900
Net profit deducting the non-recurring gains and losses	Profit: RMB5,190,330,000 to RMB5,839,130,000 Decreased by 10% to 20% as compared to the corresponding period of last year (after restatement adjustment)	Profit: RMB6,125,803,800	Profit: RMB6,487,914,300
Basic earnings per share	Profit: RMB0.5054 per share to RMB0.5941 per share	Profit: RMB0.7652 per share	Profit: RMB0.8921 per share

The reasons for the restatement adjustment to the corresponding period of last year are as follows, and the adjusted figures have not been audited by the accounting firm:

(1) In 2022, a business combination under the common control occurred to the Company. Accordance to the relevant provisions of Accounting Standards for Business Enterprises No. 20 – Business Combination, the Company retrospectively adjusted the figures in the statements for the corresponding period of last year, resulting in an increase of RMB657.50 million in net profit attributable to shareholders of the listed company for the year of 2021, which was included in non-recurring gains or losses;

(2) In accordance with the Interpretation of Accounting Standards for Business Enterprises No. 15, effective from 1 January 2022, the Company and its subsidiaries accounted for the revenue and costs related to the external sales of products or by-products produced before the fixed assets reached their intended useable states (hereinafter referred to as "**Trial Sales**") separately and recognized in profit or loss for the current period. The Company and its subsidiaries retrospectively adjusted the Trial Sales incurred in 2021 in accordance with the provisions of the Interpretation of Accounting Standards for Business Enterprises No. 15.

II. COMMUNICATION WITH THE ACCOUNTING FIRM

The results preannouncement has not been pre-audited by the accounting firm, and is preliminary estimation made by the Company. The Company has conducted preliminary communication with the accounting firm who provided audit service in respect of the annual report on major matters related to the results preannouncement, and there is no disagreement between us.

III. EXPLANATIONS FOR THE CHANGES IN RESULTS

The decrease in net profit attributable to the shareholders of the listed company in the results preannouncement as compared to the corresponding period of last year was mainly attributable to:

(I) The profits of the relevant subsidiaries or asset groups are expected to be declined for conducting the special programme of replacing smaller units of wind turbines with larger ones to remove old units for some of the Company's onshore wind power projects and the impact of the Russia-Ukraine conflict on the Company's projects in Ukraine, and there had already been indications of impairment. The Company conducted year-end impairment tests on the relevant assets in accordance with the provisions of Accounting Standards for Business Enterprises No. 8 – Impairment of Assets and related accounting policies, provided impairment losses for fixed assets, intangible assets and other related assets based on the preliminary results of the impairment tests;

(II) Due to the impact of wind resources, the average utilization hours of the Company's wind farms in 2022 decreased compared with the corresponding period of last year, and the increase in the Company's electricity sales and revenue lagged behind the increase in installed scales and costs, resulting in a decrease in the profitability of the Company's wind power segment compared with the corresponding period of last year.

IV. OTHER RELEVANT INFORMATION

Figures related to the results preannouncement is preliminary estimation made by the finance department of the Company in accordance with the PRC Accounting Standards for Business Enterprises, and have not been audited by the accounting firm, nor approved by the audit committee of the board of directors of the Company. The results of the Company for the year ended 31 December 2022 will be published before the end of March 2023 and may be different from the information disclosed in this announcement.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China Longyuan Power Group Corporation Limited*
Tang Jian
Chairman

Beijing, the PRC, 31 January 2023

As at the date of this announcement, the executive director of the Company is Mr. Tang Jian; the non-executive directors are Mr. Tian Shaolin, Mr. Tang Chaoxiong, Mr. Wang Yiguo and Mr. Ma Bingyan; and the independent non-executive directors are Mr. Michael Ngai Ming Tak, Mr. Gao Debu and Ms. Zhao Feng.

* *For identification purpose only*