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哈尔滨电气股份有限公司

HARBIN ELECTRIC COMPANY LIMITED

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

(Stock Code: 1133)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Board**”) of Harbin Electric Company Limited (the “**Company**”) hereby announces audited operating results of the Company and its subsidiaries for the year ended 31 December 2024, which were prepared in accordance with the China Accounting Standards for Business Enterprises.

CONSOLIDATION BALANCE SHEET

Monetary unit: RMB YUAN

Items	Notes	December 31,2024	December 31,,2023
Current assets :			
Cash and bank		16,048,827,239.42	18,677,316,557.23
△ Settlement reserve			
△ Due from banks and other financial institutions			
☆ Transactional financial assets		2,000,000.00	603,149,819.44
Financial assets at fair value through profit and loss			
Derivative assets		—	
Notes receivable		1,176,243,029.41	975,331,805.68
Accounts receivable	2	5,154,322,130.03	7,161,224,594.18
☆ Receivables for financing		12,182,047.12	10,194,291.30
Prepayments		8,654,036,152.62	8,015,031,909.43
△ Premium receivable			
△ Reinsurance premium receivable			
△ Reinsurance reserve receivable			
Other receivables		1,127,949,613.15	1,333,103,510.85
Including:Dividend receivable		4,681,732.00	260,014.64
△ Buying back the sale of financial assets		585,000,000.00	1,755,000,000.00
Inventories		14,581,779,526.11	10,976,748,415.55
Including: raw materials		4,489,029,408.80	3,645,603,552.75
Merchandise inventories (finished goods)		149,992,863.30	137,250,395.45
☆ Contract assets	3	9,879,012,182.45	7,736,963,131.45
Held-for-sale assets		—	
Current portion of non-current assets		388,621,352.19	337,633,475.40
Other current assets		2,598,821,957.53	3,044,888,178.25
Total current assets		60,208,795,230.03	60,626,585,688.76

CONSOLIDATION BALANCE SHEET (CONTINUED)

Monetary unit: RMB YUAN

Items	Notes	December 31,2024	December 31,,2023
Non-current assets :			–
△ Loans and advances issued			–
☆ Debt investments			–
Available-for-sale financial assets			–
☆ Other debt investments		310,836,000.00	299,639,400.00
Held-to-maturity investments		–	–
Long-term receivables		440,694,572.78	554,310,723.29
Long-term equity investments		889,675,508.19	856,602,278.38
☆ Other equity instruments investments		702,075,378.54	677,013,691.76
☆ Other non-current financial assets		–	–
Investment property		211,509,903.78	161,372,063.62
Fixed assets		5,418,092,753.77	4,995,478,509.62
Including: Cost		15,109,394,207.01	14,373,767,739.57
Accumulated depreciation		9,607,214,427.55	9,330,672,843.67
Impairment		84,178,861.82	47,708,685.42
Construction in progress		1,273,841,923.69	652,740,245.51
Productive biological assets		–	–
Oil and gas assets		–	–
☆ The right-of-use assets		14,101,369.55	12,392,431.86
Intangible assets		959,594,909.77	937,852,963.06
Development disbursements		72,971,700.57	132,539,393.71
Goodwill		9,087,591.69	34,516,403.61
Long-term deferred expenses		17,175,078.23	4,444,917.10
Deferred tax assets		603,821,319.51	625,356,125.13
Other non-current assets		813,881,914.07	726,109,437.30
Including:authorised reserve material		–	–
Total non-current assets		11,737,359,924.14	10,670,368,583.95
Total assets		71,946,155,154.17	71,296,954,272.71

CONSOLIDATION BALANCE SHEET (CONTINUED)*Monetary unit: RMB YUAN*

Items	Notes	December 31,2024	December 31,2023
Current liabilities :			
Short-term borrowings		4,481,698,651.76	3,285,133,158.88
△ Borrowings from central bank		—	—
△ Placement from banks and other financial institutions		—	—
☆ Transactional financial liabilities		—	—
Financial liabilities at fair value through profit and loss		—	—
Derivative liabilities		—	—
Notes payable		2,341,448,365.28	6,146,285,172.11
Accounts payable	4	16,569,328,453.81	16,202,261,315.59
Advances from customers		7,175,123.84	5,828,487.77
☆ Contract liabilities	3	26,481,644,744.09	23,127,922,261.64
△ Securities sold under agreement to repurchase			—
△ Deposits and placements from other financial institutions		727,588,443.98	1,149,795,320.33
△ Securities brokering		—	—
△ Securities underwriting		—	—
Employee benefits payable		962,479,143.31	803,131,335.59
Including: salary payable		589,206,620.00	435,130,258.92
Welfare benefits payable		3,290.00	—
Including: Employee bonus and welfare fund		—	—
Taxes and surcharges payable		626,360,758.54	522,750,044.00
Including: taxes payable excluding surcharges		603,090,416.40	495,440,387.78
Other payables		462,897,601.30	499,208,747.36
Including: Dividend payable		2,773,883.08	2,773,165.24
△ Fees and commissions payable		—	—
△ Reinsurance amounts payable		—	—
Held-for-sale liabilities			—
Current portion of non-current liabilities		381,970,747.45	1,114,672,500.76
Other current liabilities		149,804,765.63	12,381,749.42
Total current liabilities		<u>53,192,396,798.99</u>	<u>52,869,370,093.45</u>

CONSOLIDATION BALANCE SHEET (CONTINUED)*Monetary unit: RMB YUAN*

Items	Notes	December 31,2024	December 31,2023
Non-current liabilities :			
△ Reserve of insurance contract			
Long-term borrowings		810,487,077.31	1,747,981,728.52
Bonds payable		—	—
including : preferred stocks			
perpetual debts			
☆ Lease liabilities		8,944,355.89	11,007,012.24
Long-term payable		21,448,357.35	51,708,704.04
Long-term employee benefits payable		279,889,194.63	319,894,911.90
Provisions		1,165,215,245.78	1,436,167,546.71
Deferred income		175,116,522.09	179,966,632.50
Deferred tax liabilities		9,765,881.47	6,576,303.68
Other non-current liabilities		93,030,491.94	86,485,747.09
Including: authorized reserve fund		—	—
Total non-current liabilities		2,563,897,126.46	3,839,788,586.68
Total liabilities		55,756,293,925.45	56,709,158,680.13

CONSOLIDATION BALANCE SHEET (CONTINUED)*Monetary unit: RMB YUAN*

Items	Notes	December 31,2024	December 31,2023
Equity :		–	–
Paid-in capital		2,236,276,000.00	2,236,276,000.00
State-owned capital			
State-owned legal person's capital		1,560,705,000.00	1,560,705,000.00
Collectively owned capital			–
Private capital			–
Foreign capital		675,571,000.00	675,571,000.00
Less: payback capital		–	–
Paid-in capital -net value		2,236,276,000.00	2,236,276,000.00
Other equity instruments		–	–
Including: Preferred stock		–	–
Perpetual debt		–	–
Capital reserve		5,491,563,058.67	5,496,802,270.69
Less:treasury shares		–	–
Other comprehensive income		-102,281,657.96	-128,370,784.80
Including: Currency translation reserve		-4,130,932.99	-6,581,764.03
Specialized reserve		60,940,261.82	47,489,368.36
Surplus reserve		973,010,437.91	956,816,359.27
Including: statutory surplus reserve		906,826,526.70	898,564,197.51
Other surplus reserve		66,183,911.21	58,252,161.76
#Reserve fund			–
#Corporate development fund			–
#Return of investment			–
△ General risk reserve			–
Retained earnings	5	6,823,254,033.56	5,255,688,935.55
Equity attributable to parent company		15,482,762,134.00	13,864,702,149.07
Minority interests		707,099,094.72	723,093,443.51
Total owner's equity		16,189,861,228.72	14,587,795,592.58
Total liabilities and owner's equity		71,946,155,154.17	71,296,954,272.71

Legal representative : Chief Accounting Officer : Accounting agency head:

CONSOLIDATED INCOME STATEMENT

Monetary unit: RMB YUAN

Item	Notes	January to December 2024	January to December 2023
1. Revenue		38,721,429,041.12	29,250,349,896.53
Including: operating revenue	6	38,297,845,647.30	28,840,864,267.52
△ Interest income		423,570,762.13	409,448,104.81
△ Premium earned		—	—
△ Fees and commissions income		12,631.69	37,524.20
2. Total cost		37,429,998,368.70	29,414,396,382.95
Including: operating cost	6	33,500,763,087.86	2,583,755,161.51
△ Interest expenses		12,063,335.28	15,755,333.62
△ Fees and commissions expenses		146,921.37	200,036.62
△ Cash surrender amount		—	—
△ Net expenses of claim settlement		—	—
△ Net provisions for insurance reserves		—	—
△ Policy dividend expenses		—	—
△ Reinsurance expenses		—	—
Taxes and surcharges		221,795,309.12	195,880,694.39
Selling expenses		606,817,619.86	505,697,215.34
Administrative expenses		1,694,494,820.53	1,561,035,135.21
Research and development expenses		1,152,045,288.08	998,625,593.36
Financial expenses		241,871,986.60	299,650,762.90
Including: interest expenses		152,624,500.65	20,036,692.11
Interest income		22,888,024.66	28,172,075.43
Net exchange loss			
(“-” for net proceeds)		75,615,935.48	72,767,678.05
Other costs and expenses			—
Add: Other income		261,363,295.64	231,352,604.79
Investment income(“-” for loss)		62,215,191.49	262,098,236.48
Including: investment income from			
associates and joint ventures		4,245,360.79	53,259,974.55
☆ Income from derecognition of			
financial assets at amortised			
cost		—	—
△ Gain on foreign exchange (“-” for loss)		446,004.50	3,302.09
☆ Net exposure hedging returns (“-” for losses)		—	—
Gain from fair-value changes (“-” for loss)		10,000,000.00	3,149,819.44
☆ Credit losses (“-” for loss))		502,003,366.01	551,637,364.56
Impairment on assets (“-” for loss)		-105,445,308.73	-43,301,135.02
Proceeds from asset disposal (“-” for loss)		2,589,286.30	2,908,649.88

CONSOLIDATED INCOME STATEMENT (CONTINUED)

Monetary unit: RMB YUAN

Item	Notes	January to December 2024	January to December 2023
3. Operating profits (“-” for loss)		2,024,602,507.63	843,802,355.80
Add: non-operating income		40,150,815.22	90,831,415.41
Including: Government grants		242,982.85	5,495,376.15
Less: non-operating expenses		45,366,393.76	165,627,024.85
4. Profit before tax (“-” for loss)		2,019,386,929.09	769,006,746.36
Less: income tax	7	300,862,771.10	153,623,394.73
5. Net profit (“-” for net loss)		1,718,524,157.99	615,383,351.63
(1) By ownership			
Net profit attributable to parent company		1,685,571,289.41	574,760,038.85
Profit/loss attributable to minority share-holders		32,952,868.58	40,623,312.78
(2) By going concern basis			
Continuous operating profit and loss		1,718,524,157.99	631,737,479.00
Termination of the business profit and loss		–	-16,354,127.37
6. Other comprehensive income after tax		28,115,974.82	-173,536,642.24
Other comprehensive income after tax attributable to parent company		26,089,126.84	-178,135,832.37
(1) Comprehensive income not to be reclassified as profit or loss		8,707,643.77	-152,718,675.23
1. Remeasure the change in net liabilities or net assets of defined beneficiary plans		–	
2. Shares in other comprehensive income that the investee cannot reclassify into profit or loss under the equity method		–	
☆ 3. Net gain on equity instruments at fair value through other comprehensive income		8,707,643.77	-152,718,675.23
☆ 4. Fair value changes in enterprise’s own credit risk		–	
5. Others		–	

CONSOLIDATED INCOME STATEMENT (CONTINUED)*Monetary unit: RMB YUAN*

Item	Notes	January to December 2024	January to December 2023
(2) Other comprehensive income to be reclassified as profit or loss		17,381,483.07	-25,417,157.14
1. Share of other comprehensive income of an associate		—	
2. Net gain on debt instruments at fair value through other comprehensive income		10,188,906.00	2,171,169.00
☆ 3. Gain or loss from fair value changes of available-for-sale financial assets			
4. The amount of financial assets reclassified into other comprehensive income			
☆ 5. Gain or loss from reclassification of held-to-maturity investments as available-for-sale financial assets			
6. Other debt investment credit impairment provision		10,304,779.15	44,331,753.37
7. Cash flow hedging reserve		-5,563,033.12	-68,052,988.15
8. Currency translation reserve		2,450,831.04	-3,867,091.36
9. Other profit or loss to be reclassified		—	
Other comprehensive income after tax attributable to minority share-holders		2,026,847.98	4,599,190.13
7. Total comprehensive income		1,746,640,132.81	441,846,709.39
Total comprehensive income attributable to parent company		1,711,660,416.25	396,624,206.48
Total consolidated income attributable to minority share-holders		34,979,716.56	45,222,502.91
8. Earnings per share:			
Basic earnings per share	8	0.75	0.31
Diluted earnings per share	8	0.75	0.31

Legal representative : Chief Accounting Officer : Accounting agency head:

CONSOLIDATED STATEMENT OF CASH FLOWS

Monetary unit: RMB YUAN

Item	Notes	January to December 2024	January to December 2023
1. Cash flows from operating activities:			
Cash received from sales and services		44,891,302,645.70	39,887,533,756.72
△ Net increase in deposits and placements from financial institutions		-422,206,876.35	510,152,132.40
△ Net increase in due to central banks		—	—
△ Net increase in placement from financial institutions		—	—
△ Cash received from premiums of original insurance contracts			—
△ Net amount of reinsurance business			—
△ Net increase in insured's deposits and investments		—	—
△ Net increase in disposal of financial assets at fair value through profit and loss		—	—
△ Cash received from interests, fees and commissions		423,583,292.89	296,867,012.64
△ Net increase of placement from banks and other financial institutions		—	—
△ Net cash received from agent sales of securities			
△ Net increase in repurchasing		1,200,000,000.00	-600,000,000.00
Taxes and surcharges refunds		255,334,801.05	161,639,194.50
Other cash receipts related to operating activities		2,047,396,975.01	1,648,565,774.61
Total cash inflows from operating activities		48,395,410,838.30	41,904,757,870.87

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)*Monetary unit: RMB YUAN*

Item	<i>Notes</i>	January to December 2024	January to December 2023
Cash paid for goods and services		41,378,298,999.66	31,189,623,929.69
△ Net increase in loans and advances		–	-518,889,051.05
△ Net increase in deposits with central banks and other financial institutions		-392,525,402.03	2,771,953,496.64
△ Cash paid for claim settlements on original insurance contracts			–
△ Net increase of due from banks and other financial institutions			–
△ Cash paid for interest, fees and commissions		12,283,968.56	11,367,222.29
△ Cash paid for policy dividends			–
Cash paid to and for employees		2,969,881,912.00	2,619,079,320.43
Taxes and surcharges cash payments		1,384,269,124.48	1,420,323,792.14
Other cash payments related to operating activities		3,285,171,110.78	2,127,096,645.92
Total cash outflows from operating activities		48,637,379,713.45	39,620,555,356.06
Net cash flows from operating activities		-241,968,875.15	2,284,202,514.81

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Monetary unit: RMB YUAN

Item	Notes	January to December 2024	January to December 2023
2. Cash flows from investing activities:			
Cash received from withdraw of investments		1,264,170,472.58	1,750,644,843.75
Cash received from investment income		24,848,296.10	28,514,768.84
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		11,520,913.68	8,995,530.76
Net cash received from disposal of subsidiaries and other business units		-1,759,925.39	20,368.02
Other cash receipts related to investing activities		3,948,146.52	23,481,613.50
Total cash inflows from investing activities		1,302,727,903.49	1,811,657,124.87
Cash paid for fixed assets, intangible assets and other long-term assets		1,684,092,754.16	1,090,422,015.22
Cash payments for investments		664,622,385.56	2,072,671,969.74
△ Net increase in pledged loans			–
Net cash paid for acquiring subsidiaries and other business units			95,260,751.50
Other cash payments related to investing activities		26,000,000.00	261,845,172.88
Total cash outflows from investing activities		2,374,715,139.72	3,520,199,909.34
Net cash flows from investing activities		-1,071,987,236.23	-1,708,542,784.47

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Monetary unit: RMB YUAN

Item	Notes	January to December 2024	January to December 2023
3. Cash flows from financing activities:			
Cash received from investments by others			1,714,666,520.00
Including: cash received by subsidiaries from minority shareholders' investments			—
Cash received from borrowings		1,133,331,746.42	2,161,647,038.55
Other cash receipts related to other financing activities		225,373,422.74	574,980,550.00
Total cash inflows from financing activities		1,358,705,169.16	4,451,294,108.55
Cash repayments for debts		1,861,286,924.58	3,684,700,015.64
Cash payments for distribution of dividends, profit and interest expenses		276,340,703.60	226,831,302.94
Including: dividends or profit paid by subsidiaries to minority shareholders		—	1,500,000.00
Other cash payments related to financing activities		24,510,938.07	17,884,358.43
Total cash outflows from financing activities		2,162,138,566.25	3,929,415,677.01
Net cash flows from financing activities		-803,433,397.09	521,878,431.54
4. Effect of foreign exchange rate changes on cash and cash equivalents		-73,089,228.57	-9,860,239.46
5. Net increase in cash and cash equivalents		-2,190,478,737.04	1,087,677,922.42
Add: beginning balance of cash and cash equivalents		17,364,232,108.35	16,276,554,185.93
6. Ending balance of cash and cash equivalents		15,173,753,371.31	17,364,232,108.35

Legal representative : Chief Accounting Officer : Accounting agency head:

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Monetary unit: RMB YUAN

Item	January to December 2024									
	Equity attributable to owners of the parent company									
	Other equity instruments					Other				
	Paid-in capital	Preferred stock	Perpetual bonds	Others	Capital reserve	Less: treasury shares	comprehensive income	Specialized reserve	Surplus reserve	△ General risk provision
1. Ending balance of last year	2,236,276,000.00	-	-	-	5,496,802,270.69	-	-128,370,784.80	47,489,368.36	956,816,359.27	-
Add: increase/decrease due to changes in accounting policies										
Increase/decrease due to corrections of errors in Prior Period										
Others										
2. Beginning balance of current year	2,236,276,000.00	-	-	-	5,496,802,270.69	-	-128,370,784.80	47,489,368.36	956,816,359.27	-
3. Increase/decrease for current year " " for decrease										
(1) Total comprehensive income										
(2) Owner's contributions and withdrawals of capital										
1. Common stock contributed by owners										
2. Capital contributed by other equity instruments holders										
3. Share-based payment recorded in owner's equity										
4. Others										
(3) Accrual and utilization of specialized reserve										
1. Accrual of specialized reserve										
2. Utilization of specialized reserve										
(4) Profits distribution										
1. Appropriation of surplus reserve										
Including: statutory surplus reserve										
Discretionary surplus reserve										
Reserve fund										
Corporate development fund										
Return of investment										
2. Accrual of general risk reserve										
3. Distribution to owner/shareholder										
4. Others										
(5) Transfer within owner's equity										
1. Capital reserve transferred to paid-in capital										
2. Surplus reserve transferred to paid-in capital										
3. Recover of loss by surplus reserve										
4. Defined benefit plan changes carried forward to retained earnings										
5. Other comprehensive income carried forward to retained earnings										
6. Others										
4. Ending balance of current year	2,236,276,000.00	-	-	-	5,491,563,658.67	-	-102,281,657.96	60,940,261.82	975,010,437.91	-

Minority interests 723,093,443.51 14,587,795,592.58

Subtotal 723,093,443.51 14,587,795,592.58

Retained earnings 5,255,688,935.55 13,864,702,149.07

Subtotal 5,255,688,935.55 13,864,702,149.07

Minority interests 15,994,348.79 1,602,065,636.14

Subtotal 15,994,348.79 1,602,065,636.14

Retained earnings 1,507,565,098.01 1,618,059,984.93

Subtotal 1,507,565,098.01 1,618,059,984.93

Minority interests 34,979,716.56 1,746,640,132.81

Subtotal 34,979,716.56 1,746,640,132.81

Retained earnings 1,685,571,289.41 1,711,660,416.25

Subtotal 1,685,571,289.41 1,711,660,416.25

Minority interests -4,247,708.89 -9,486,920.91

Subtotal -4,247,708.89 -9,486,920.91

Retained earnings -11,800,619.40 -101,812,112.76

Subtotal -11,800,619.40 -101,812,112.76

Minority interests -48,242,739.16 -150,054,851.92

Subtotal -48,242,739.16 -150,054,851.92

Retained earnings -16,194,078.64 -16,194,078.64

Subtotal -16,194,078.64 -16,194,078.64

Minority interests -8,262,329.19 -

Subtotal -8,262,329.19 -

Retained earnings -7,931,749.45 -

Subtotal -7,931,749.45 -

Minority interests -

Subtotal -

Retained earnings -116,286,352.00 -116,286,352.00

Subtotal -116,286,352.00 -116,286,352.00

Minority interests -33,167,759.92 -150,054,111.92

Subtotal -33,167,759.92 -150,054,111.92

Retained earnings 14,474,239.24 14,474,239.24

Subtotal 14,474,239.24 14,474,239.24

Minority interests -14,474,979.24 -740.00

Subtotal -14,474,979.24 -740.00

Retained earnings -

Subtotal -

Minority interests -

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CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY (CONTINUED)

Monetary unit: RMB YUAN

January to December 2023													
Item	Equity attributable to owners of the parent company												
	Other equity instruments				Less:treasury shares	Other comprehensive income	Specialized reserve	Surplus reserve	△ General risk provision	Retained earnings	Subtotal	Minority interests	Total owner's equity
	Paid-in capital	Preferred stock	Perpetual bonds	Others									
1. Ending balance of last year	1,706,523,000.00				4,338,736,992.12	49,765,047.57	45,479,801.06	888,849,702.10		4,698,595,292.71	11,727,949,835.56	645,912,117.38	12,373,861,952.94
Add: increase/decrease due to changes in accounting policies													
Increase/decrease due to corrections of errors in Prior Period													
Others													
2. Beginning balance of current year	1,706,523,000.00	-			4,338,736,992.12	49,765,047.57	45,479,801.06	888,849,702.10	-	4,698,595,292.71	11,727,949,835.56	645,912,117.38	12,373,861,952.94
3. Increase/decrease for current year ^{1,2} for decrease													
(1) Total comprehensive income	529,753,000.00	-			1,158,065,278.57	-178,135,832.37	2,009,567.30	67,966,657.17	-	557,093,642.84	2,136,752,313.51	77,181,326.13	2,213,933,639.64
(2) Owner's contributions and withdrawals of capital	529,753,000.00				1,158,065,278.57	-178,135,832.37				574,760,038.85	396,624,206.48	45,222,502.91	441,846,709.39
1. Common stock contributed by owners	529,753,000.00	-			1,158,065,278.57						1,687,818,278.57	48,964,391.42	1,736,782,669.99
2. Capital contributed by other equity instruments holders					1,165,516,254.42						1,095,269,254.42	48,964,391.42	1,744,233,645.84
3. Share-based payment recorded in owner's equity													
4. Others					-7,450,975.85								
(3) Accrual and utilization of specialized reserve													
1. Accrual of specialized reserve							2,009,567.30				-7,450,975.85		-7,450,975.85
2. Utilization of specialized reserve							27,938,752.21				2,009,567.30	385,886.97	2,395,454.27
(4) Profits distribution							-25,929,184.91				27,938,752.21	3,098,119.20	31,036,871.41
1. Appropriation of surplus reserve	-	-						67,966,657.17		-17,666,396.01	-25,929,184.91	-2,712,232.23	-28,641,417.14
Including: statutory surplus reserve	-	-						116,514,492.99		-116,514,492.99	50,300,261.16	-17,391,455.17	32,908,805.99
Discretionary surplus reserve								58,262,331.23					
Reserve fund								58,252,161.76					
Corporate development fund													
Return of investment													
2. Accrual of general risk reserve													
3. Distribution to owner/shareholder													
4. Others													
(5) Transfer within owner's equity													
1. Capital reserve transferred to paid-in capital										-10,239,138.00	-10,239,138.00	-17,391,455.17	-27,630,593.17
2. Surplus reserve transferred to paid-in capital										109,087,234.98	60,539,399.16		60,539,399.16
3. Recover of loss by surplus reserve													
4. Defined benefit plan changes carried forward to retained earnings													
5. Other comprehensive income carried forward to retained earnings													
6. Others													
4. Ending balance of current year	2,236,276,000.00	-			5,496,802,270.69	-128,370,794.80	47,489,368.36	956,816,359.27	-	5,255,688,935.55	13,864,702,149.07	723,093,443.51	14,587,795,592.58

Legal representative :

Chief Accounting Officer :

Accounting agency head:

2024 ANNUAL PERFORMANCE ANNOUNCEMENT

(Except for special notes, the units of amount are RMB)

I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

Based on going concern and actual transactions and events, the Company prepared financial statements in accordance with the basic and specific standards of the Accounting Standards for Business Enterprises, the Application Guidance for Accounting Standard for Business Enterprises, interpretations of the Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as “CAS”), and the disclosure requirements in the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reporting issued by the China Securities Regulatory Commission.

2. Going concern

The company has continuous operation capability for at least 12 months from the end of the reporting period, and has no major issues affecting its ability to continue to operate. Therefore, the financial statements are prepared on the basis of the going concern assumption.

3. Change in accounting policy

The MOF issued the “Accounting Standards for Business Enterprises Interpretation No.18” (Cai Kuai [2024] No.24) on 6 December 2024, which adjusts the accounting treatment for estimated liabilities arising from warranty-type quality assurances under contingent events. Specifically, the debit entries shall now be recorded under “cost of sales” and “other operating costs” instead of “selling expenses”. This interpretation became effective immediately upon issuance, with early adoption permitted for companies in years subsequent to the year of issuance. For enterprises applying the interpretation for the first time, if assurance-type warranties were previously recognized in accounts such as “selling expenses”, retrospective adjustments shall be made in accordance with accounting policy changes. This accounting policy adjustment does not have a material impact on the Company’s financial position, operating results, or cash flows.

The key impacts of the Company's implementation of this provision from 2024 are set out below:

Income statement item	2024		
	Before change	Aggregate impacted amounts	After change
Cost of sales	33,176,177,669.30	175,518,755.59	33,351,696,424.89
Other operating costs	149,066,662.97		149,066,662.97
Selling expenses	782,336,375.45	-175,518,755.59	606,817,619.86
Total	<u>34,107,580,707.72</u>	<u></u>	<u>34,107,580,707.72</u>

Income statement item	2023		
	Before change	Aggregate impacted amounts	After change
Cost of sales	25,579,215,460.36	116,468,372.30	25,695,683,832.66
Other operating costs	141,867,778.85		141,867,778.85
Selling expenses	622,165,587.64	-116,468,372.30	505,697,215.34
Total	<u>26,343,248,826.85</u>	<u></u>	<u>26,343,248,826.85</u>

II. ACCOUNTS RECEIVABLE

Items	Closing balance	Opening balance
Accounts receivable	9,098,443,292.73	11,518,620,310.81
Less: bad-debt provision	<u>3,944,121,162.70</u>	<u>4,357,395,716.63</u>
Net accounts receivable	<u>5,154,322,130.03</u>	<u>7,161,224,594.18</u>

Accounts receivable accruing bad debt provision by applying aging analysis

Age	Closing balance Amount	Opening balance Amount
Within one year	3,392,145,513.63	4,637,559,991.28
One to two years	824,955,800.70	1,429,098,158.23
Two to three years	523,822,342.89	642,014,309.63
Over three years	413,398,472.81	452,552,135.04
Net amount	<u>5,154,322,130.03</u>	<u>7,161,22,594.18</u>

The credit period given to customers is different, generally depending on the financial strength of individual customers. For the effective management of the credit risk associated with accounts receivable, the Group regularly assesses the customer's credit.

III. CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets

Opening balance	8,937,497,821.11
Increase in this period	4,653,947,176.58
Converted in to accounts receivable in this period	2,527,636,236.18
Closing balance	11,063,808,761.51
Contract asset impairment provision	1,184,796,579.06
Net closing balance	9,879,012,182.45
Including: listed as contract assets	9,879,012,182.45
listed as other non-current assets	

Contract liabilities

Opening balance	23,127,922,261.64
Increase in this period	19,880,284,928.54
Interest adjustment	
The income confirmed in the current period includes the income in the balance at the beginning of the year.	16,526,562,446.09
Closing balance	26,481,644,744.09
Including: listed as contract liabilities	26,481,644,744.09
listed as other non-current liabilities	

IV. ACCOUNTS PAYABLE

Items	Closing balance	Opening balance
Within one year	13,256,645,526.69	9,958,348,393.50
One to two years	1,277,035,318.60	4,510,840,294.16
Two to three years	798,966,792.55	836,619,752.62
Over three years	1,236,680,815.97	896,452,875.31
Total	<u>16,569,328,453.81</u>	<u>16,202,261,315.59</u>

V. UNDISTRIBUTED PROFIT

Items	Current period
Balance before adjustment at the end of preceding period	5,255,688,935.55
Adjust the total undistributed profit at the beginning of the year(increase +, decrease -)	
Opening balance after adjustment	5,255,688,935.55
Add: Net profit attributable to owners of the parent company	1,685,571,289.41
Other increase	
Less: Appropriation of statutory surplus reserve	8,262,329.19
Appropriation of discretionary surplus reserve	7,931,749.45
Appropriation of general risk reserve	
Dividends payable on ordinary shares	116,286,352.00
Dividends on ordinary share converted to share capital	
Others	<u>14,474,239.24</u>
Closing balance	<u>6,823,254,033.56</u>

VI. OPERATING INCOME AND OPERATING COST

Items	Amount of this period		Amount of the previous period	
	Income	Cost	Income	Cost
Main business	38,068,454,022.01	33,351,696,424.89	28,630,794,435.60	25,695,683,832.66
Other business	<u>229,391,625.29</u>	<u>149,066,662.97</u>	<u>210,069,831.92</u>	<u>141,867,778.85</u>
Total	<u>38,297,845,647.30</u>	<u>33,500,763,087.86</u>	<u>28,840,864,267.52</u>	<u>25,837,551,611.51</u>

VII. INCOME TAX EXPENSE

Items	Current period	Previous period
Current income tax calculated based on tax law and related regulations	263,590,609.74	106,987,827.70
Adjustment to deferred income tax	37,272,161.36	46,569,442.45
Others		66,124.58
Total	300,862,771.10	153,623,394.73

VIII. EARNINGS PER SHARE

(1) Basic Earnings Per share

Items	Current period	Previous period
Consolidated net profit attributable to ordinary shareholders of the parent company	1,685,571,289.41	574,760,038.85
Consolidated net profit attributable to ordinary shareholders of the parent company (After deducting non-recurring gains and losses)	1,404,260,086.34	286,948,379.01
The weighted average number of ordinary shares issued by the parent company	2,236,276,000.00	1,838,961,250.00
basic eps (<i>Yuan per share</i>)	0.754	0.313
basic eps (<i>Yuan per share</i>) (After deducting non-recurring gains and losses)	0.628	0.156

Common stock weighted average calculation:

Items	No.	Current period	Previous period
Number of ordinary shares outstanding at the beginning of the year	1	2,236,276,000.00	1,706,523,000.00
Issuance of new shares or debt to convert shares and other increase in the number of shares (II)	2		529,753,000.00
Increase the cumulative number of shares (II) from the next month to the end of the year	3		3
Number of months in the reporting period	4	12	12
Weighted average number of common shares issued outside	5=1+2*3/12	2,236,276,000.00	1,838,961,250.00

(2) Diluted Earnings Per share

Items	Current period	Previous period
Adjusted net profit attributable to common shareholders of the parent company	1,685,571,289.41	574,760,038.85
Adjusted net profit attributable to ordinary shareholders of the parent company (after deducting non-recurring gains and losses)	1,404,260,086.34	286,948,379.01
The weighted average number of ordinary shares issued by the Company after adjustment	2,236,276,000.00	1,838,961,250.00
Diluted Earnings Per share	0.754	0.313
Diluted Earnings Per share (After deducting non-recurring gains and losses)	0.628	0.156

IX. SEGMENT INFORMATION

(1) Segments financial information for 2024

Unit: RMB10,000 YUAN

Items	New power system with new energy as the main body	Clean and efficient industrial systems	Green and low-carbon drive system	Others	Offset	Total
(I) Operating income	3,138,229.82	473,516.84	68,006.41	672,329.63	-522,298.14	3,829,784.56
Including: external transaction income	2,698,676.98	453,625.96	66,086.78	611,394.85		3,829,784.56
Segments transaction income	439,552.84	19,890.88	1,919.63	60,934.78	-522,298.14	
(II) Income on investment in joint ventures and joint ventures	1,000.92	-940.16	-135.30	732.23	-233.17	424.54
(III) Impairment on assets	33,384.18	5,294.83	283.88	-49,507.42		-10,544.53
(IV) Credit losses	4,888.07	-4,202.13	-49.60	48,048.01		50,200.34
(V) Depreciation and amortization charges	27,992.54	18,299.82	1,154.04	8,780.85		56,227.24
(VI) Total profit	142,407.34	8,059.02	1,664.62	68,227.10	-18,419.38	201,938.69
(VII) Income tax expense	13,990.24	875.93	84.80	15,135.31		30,086.28
(VIII) Net profit	128,417.10	7,183.09	1,579.82	53,091.79	-18,419.38	171,852.42
(IX) Total assets	6,344,889.67	1,088,687.19	96,683.43	3,379,022.73	-3,714,667.50	7,194,615.52
(X) Total liabilities	4,455,763.04	860,372.47	74,523.99	2,778,363.99	-2,593,394.10	5,575,629.39

(2) Segments financial information for 2023

Unit: RMB10,000 YUAN

Items	New power system with new energy as the main body	Clean and efficient industrial systems	Green and low-carbon drive system	Others	Offset	Total
(I) Operating income	2,119,851.87	658,235.54	72,622.35	730,145.72	-696,769.05	2,884,086.43
Including: external transaction income	1,574,684.80	590,526.01	70,322.93	648,552.70		2,884,086.43
Segments transaction income	545,167.07	67,709.53	2,299.42	81,593.02	-696,769.05	
(II) Income on investment in joint ventures and joint ventures	4,824.95	-62.22	221.83	619.36	-273.95	5,326.00
(III) Impairment on assets	5,182.48	-76.68	-803.65	-8,632.26		-4,330.11
(IV) Credit losses	52,266.08	75.92	2,132.88	3,161.07	-2,472.22	55,163.74
(V) Depreciation and amortization charges	41,042.51	2,582.33	16,729.15	11,022.05	-188.50	71,187.54
(VI) Total profit	92,569.26	3,579.60	504.19	42,089.53	-61,841.90	76,900.67
(VII) Income tax expense	5,085.09	7.97	2,606.99	7,661.83	0.45	15,362.34
(VIII) Net profit	87,484.17	3,571.63	-2,102.80	34,427.70	-61,842.36	61,538.34
(IX) Total assets	6,134,639.72	197,026.39	1,313,985.07	3,535,596.42	-4,051,556.17	7,129,695.43
(X) Total liabilities	4,343,326.32	156,563.08	1,052,226.07	3,056,516.91	-2,937,766.51	5,670,915.87

(3) Region information

Items	Income from external customers	
	2024	2023
1. Domestic (China)	33,582,875,611.47	24,178,681,349.60
2. overseas		
– Islamic Republic of Pakistan	781,886,758.56	414,555,773.44
– Republic of Turkey	374,334,198.23	1,038,001,197.30
– The United Arab Emirates	-102,672,090.76	102,622,439.77
– The Republic of Ecuador	137,217,251.38	86,649,015.80
– The Republic of Iraq	11,942,265.08	52,126,953.05
– The Republic of Indonesia	454,411,051.15	829,464,118.41
– The Republic of Uzbekistan	1,389,214,624.48	808,096,702.30
– The Republic of Mexico	798,607,260.49	882,946,892.70
– other countries	870,028,717.22	447,719,825.15
Overseas subtotal	4,714,970,035.83	4,662,182,917.92
Total	38,297,845,647.30	28,840,864,267.52

X. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Investee	Opening balance	Changes in the current period							Closing balance	Provision for impairment loss	Impairment provision at the end of the year
		Increase	Decrease	Under the equity method to confirm the investment profit and loss	Other comprehensive income adjustment	Other equity changes	Declaration of cash dividends or profits	Others			
1. Investment in subsidiaries											
Shenzhen Harbin Power Huihua Trading Company Limited	3,000,000.00								3,000,000.00		3,000,000.00
Subtotal	3,000,000.00								3,000,000.00		3,000,000.00
2. Cooperative enterprise											
Harbin Electric General Gas Turbine (Qinhuangdao) Co., Ltd.	151,100,435.51			-53,814,492.30					97,285,943.21		
Russia-China Power Equipment Co., Ltd.											
Harbin Qingfeng New Energy Co., LTD	42,000,000.00	28,200,000.00		767.71					70,200,767.71		
Dongning Xinfeng New Energy Co., LTD	5,000,000.00								5,000,000.00		
Subtotal	198,100,435.51	28,200,000.00		-53,813,724.59					172,486,710.92		
3. Associates											
General Electric – Harbin Power Services (Qinhuangdao) Company	102,367,841.86			18,070,541.64					120,438,383.50		
Harbin Ruifeng New Energy Co., Ltd.	50,211,038.37	1,660,000.00		3,912,803.30			62,678.47		55,721,163.20		
Liaocheng Xiangguang Power Generation Co., Ltd.	116,179,000.00			844,689.16					117,023,689.16		84,811,282.29
Harbin Electric Power Equipment Co., Ltd.	399,095,225.80			68,860,325.30					467,955,551.10		
Shenyang Dewat Steam Turbine Power Co., Ltd.	38,163,583.53			-38,163,583.53							
Harbin HE Liling Hydropower Equipment New Technology Development Co., Ltd.	8,062,254.93			359,109.49			128,563.00		8,292,801.42		
Hunan Wuling Harbin Electric Energy Efficiency Technology Co., Ltd	4,596,081.61			900,476.96					5,496,558.57		
Harbin Hadian Petrol Station Co., Ltd.				-91,476.63			650,000.00	4,897,708.88	4,156,232.25		
Harbin Electric (Dalian) Electric Power Design Co., Ltd.	10,240,503.59			290,273.35			406,866.39		10,123,910.54		
Harbin Huitong Power Engineering Company Limited	14,397,595.47			3,075,926.34			4,681,732.00		12,791,789.82		
Subtotal	743,313,125.16	1,660,000.00		58,059,085.38			5,929,839.86	4,897,708.88	802,000,079.56		84,811,282.29
Total	944,413,560.67	29,860,000.00		4,245,360.79			5,929,839.86	4,897,708.88	977,486,790.48		87,811,282.29

XI. NET CURRENT ASSETS

Items	Closing balance	Opening balance
Current assets	60,208,795,230.03	60,626,585,688.76
Less: current liabilities	<u>53,192,396,798.99</u>	<u>52,869,370,093.45</u>
Net current assets	<u>7,016,398,431.04</u>	<u>7,757,215,595.31</u>

XII. TOTAL ASSETS MINUS CURRENT LIABILITIES

Items	Closing balance	Opening balance
Total assets	71,946,155,154.17	71,296,954,272.71
Less: current liabilities	<u>53,192,396,798.99</u>	<u>52,869,370,093.45</u>
Total assets minus current liabilities	<u>18,753,758,355.18</u>	<u>18,427,584,179.26</u>

XIII. DIVIDEND

Based on the company's total share capital of 2,236,276,000 shares, the board of directors recommends a final dividend of RMB0.227 per share (tax inclusive) for the year 2024, representing 30.11% of the Company's earnings per share for the year 2024, for a total dividend of RMB507,634,652.00.

The dividends of H-share shareholders will be paid in HKD at the market exchange rate of RMB against HKD published by the People's Bank of China five days prior to March 26, 2025, that is, 1 RMB is equivalent to HK \$1.083, and the dividend of H-share shareholders will be HK \$0.246 per share.

The Company will review and approve the 2024 final dividend distribution plan at the 2024 Annual General Meeting of Shareholders to be held on May 23, 2025.

No shareholder has told the Company to waive or agree to waive any dividend as of December 31, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

(Unless otherwise stated, all amounts are denominated in Renminbi)

MACRO-ECONOMY AND INDUSTRY DEVELOPMENT

In 2024, facing a complex and severe situation with increasing external pressures and internal challenges, under the strong leadership of the Central Committee of the Communist Party of China with Comrade Xi Jinping at its core, the people of all ethnic groups across the country forged ahead with determination and overcame difficulties. China's economy maintained overall stability with steady progress, successfully achieving the major goals and tasks for economic and social development for the year. High-quality development was solidly advanced, new productive forces steadily developed, and the country's economic strength, technological capabilities, and comprehensive national power continued to grow. New and solid steps were taken in the modernization of China.

In 2024, China continued to advance the green and low-carbon transformation of its power sector. For the first time, the installed capacity of new energy power generation in the country surpassed that of thermal power. The newly installed capacities of steam power and pumped storage saw significant growth, further enhancing the flexibility and regulation capabilities of the power system. According to relevant statistics from the China Electricity Council, China's newly-installed power generation capacity reached 430 million kilowatts throughout the year, setting a new historical record and representing an increase of 62.55 million kilowatts compared to the previous year; of which, the newly-installed power generation capacity of wind and solar power amounted to 360 million kilowatts, while steam power and pumped storage amounted to 18.99 million kilowatts and 7.53 million kilowatts, respectively. By the end of 2024, China's full-caliber installed power generation capacity reached 3.35 billion kilowatts. Thermal power accounted for 1.44 billion kilowatts (including 1.19 billion kilowatts from coal power), while new energy power generation, including wind, solar, and biomass, reached 1.45 billion kilowatts. Non-fossil energy power generation capacity stood at 1.95 billion kilowatts, comprising 440 million kilowatts of hydropower (including 58.69 million kilowatts of pumped storage), 60.83 million kilowatts of nuclear power, 520 million kilowatts of grid-connected wind power, and 890 million kilowatts of grid-connected solar power.

PRODUCTION AND OPERATION

In 2024, the Company thoroughly studied and implemented the important speeches and directives of General Secretary Xi Jinping, fully adhered to the decisions and deployments of the CPC Central Committee and the State Council, and united and led its cadres and employees to forge ahead with determination and overcome challenges. The quality of its economic operations continued to improve, with total profits, operating revenue, and market orders all reaching historic highs, propelling the enterprise onto the fast track of high-quality development.

New contracts

In 2024, the value of formal contracts signed of the Company realized RMB56.872 billion, representing a year-on-year increase of 30.55%, of which RMB34.939 billion for new-type power equipment, a year-on-year increase of 42.09% (RMB17.418 billion for thermal power equipment, a year-on-year increase of 24.65%; RMB9.649 billion for hydro power equipment, a year-on-year increase of 64.29%; RMB4.740 billion for nuclear power equipment, a year-on-year increase of 139.15%; RMB1.317 billion for steam equipment, a year-on-year decrease of 21.93%); RMB1.002 billion for green and low carbon driven equipment, a year-on-year increase of 0.80%; RMB5.294 billion for clean and efficient industrial system, a year-on-year decrease of 10.82%; RMB10.991 billion for EPC and trading, a year-on-year increase of 57.98%; and RMB4.645 billion for modern manufacturing and service industry, a year-on-year decrease of 8.71%.

New-type power equipment: The market for coal power showed a stable and positive trend, with the value of formal contracts in the coal power industry increasing significantly; the pumped storage market maintained its development, with the value of formal contracts in the hydropower industry increasing significantly; and previously awarded projects in the nuclear power market gradually took effect, resulting in a notable increase in the value of formal contracts in the nuclear power industry.

EPC and trading: The Company continued to increase its efforts in developing the overseas contracting market for projects and secured orders for large-scale contracting projects in Middle East region, resulting in a significant increase in the formal contract value.

Production

In order to ensure the Company's sustainable and healthy development and scientifically prevent and control operational risks, taking into account the orders on hand, the market situation, customer demand and project progress, the Company achieved reasonable production scheduling. The output of the Company's power generation equipment amounted to 27,360MW in 2024, representing an increase of 1.60% over the same period last year; of which 7,480MW were produced by water turbine generator units, representing an increase of 16.15% over the same period last year; and 19,880MW were produced by steam turbine generators, representing a decrease of 2.98% over the same period last year. Output of steam turbines for power stations was 18,030MW, representing an increase of 31.70% over the same period last year and that of boilers for power stations was 17,250MW, representing an increase of 13.79% over the same period last year.

Scientific research and innovation

In 2024, the Company's R&D investment reached RMB1.908 billion, with a research and development (R&D) intensity of 4.93%. Throughout the year, the Company received 28 provincial and ministerial-level science and technology awards. Among these, the "key technology and application of the 400MW 700-metre-class high-stability pumped storage unit (40萬千瓦700米級高穩定性抽水蓄能機組關鍵技術與應用)" won the Special Prize at the 2024 Power Innovation Awards. Additionally, the development and application of the Baihetan 1,000MW water turbine generator unit (白鶴灘1,000MW水輪發電機組研制及應用), as well as the key technology and application of gigawatt-level steam turbine generator efficient hybrid ventilation (千兆瓦級汽輪發電機高效混合通風關鍵技術及應用), were awarded the First Prize for Scientific and Technological Progress in Heilongjiang Province. Other notable achievements included the First Prizes of the China Power Innovation Award for key technologies in the design, manufacturing, operation, and monitoring of supercritical carbon dioxide boilers and their 5MWe demonstration application, the key technology and engineering application of domestically produced large-capacity 7-pole 4-branch generator motors (國產化大容量7對極4支路發電電動機關鍵技術與工程應用), and the key technology for prototype fault detection and intrinsic safety enhancement of steam turbine generators under complex operating conditions (複雜工況下汽輪發電機真型故障檢測及本質安全提升關鍵技術). The Company completed the authorization of 242 patents, including 108 invention patents, and published 1 international standard and 38 national and industry standards.

In 2024, the Company, as a central state-owned listed enterprise, fully leveraged its role as a key player in technological innovation. Actively integrating into the national science and technology innovation system, the Company gathered innovative elements, optimized the innovation ecosystem, and promoted the transformation of achievements. By identifying the main direction for developing new quality productive forces, the Company drove industrial transformation and upgrading. The Company's subsidiary, Electric Machinery Company, successfully gained approval as a National Technological Innovation Demonstration Enterprise. Boiler Company was listed among the "Eighth Batch of National Manufacturing Single Champion Enterprises", and Heavy Equipment Company was recognized as a "Little Giant" enterprise in the sixth batch of specialized and sophisticated SMEs (Small and Medium Enterprises). The "400MW Variable-Speed Pumped-Storage Unit Complete Equipment (400MW級變速抽水蓄能機組成套設備)" and three other projects were approved as part of the fourth batch of major technological equipment in the energy sector by the National Energy Administration, recognized as first-of-their-kind applications. The world's first 660MW ultra-supercritical circulating fluidized bed power generation project in Binchang, Shaanxi, featuring the highest parameters and the largest single-unit capacity, officially commenced commercial operation. The Panshan Innovation Upgrade and Life Extension Project (盤山創新升級與延壽改造項目) in Tianjin, also a first-of-its-kind initiative in the national energy sector, was officially put into operation. Additionally, the Company successfully secured the contract for the Huaneng Yuhuan Phase IV project, which features the world's first 1,000MW ultra-supercritical boiler demonstration project operating at 650 °C (1,000兆瓦等級650 °C 高效超超臨界鍋爐示範項目). Furthermore, the combustion chamber of the first prototype of the 300MW Class F heavy-duty gas turbine (300兆瓦級F級重型燃機首台樣機燃燒室) was successfully applied in China's independently developed 300 MW Class F heavy-duty gas turbine prototype.

Capital expenditure and significant investments held

In 2024, the Company injected a total of capital expenditures worth RMB1.852 billion for major construction and technological transformation projects. The major projects include: Nuclear power infrastructure enhancement project, pumped storage capacity enhancement project and state-level power generation equipment research centre R&D base construction project and the digital workshop construction project. All projects progressed steadily, with some already completed and put into operation.

In 2025, the Company intends to commit an investment of RMB1.469 billion in key construction and technological transformation projects, mainly for the technical measures and technological transformation projects, nuclear power infrastructure enhancement project, pumped storage capacity enhancement project, welding digitalization construction project and the construction project of digitization workshops of subsidiaries.

MAJOR ACQUISITIONS AND SALES OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 6 May 2024, the Company entered into the Equity Transfer Agreement with HE, pursuant to which HE transferred 25% equity interests in Engineering Research Centre held by it to the Company at a transfer price of RMB19,945,700, and Engineering Research Centre became a wholly-owned subsidiary of the Company. Please refer to the announcement of the Company dated 6 May 2024 for details.

MAJOR FINANCIAL INDEXES

Profit

In 2024, the Company achieved a net profit attributable to the owners of the parent company of RMB1,685.57 million, representing an increase of RMB1,110.81 million compared to the previous year. Earnings per share were RMB0.754. The increase in the Company's profit was mainly due to the significant achievements in actively expanding the market, resulting in a substantial year-on-year increase in operating revenue, as well as an improvement in the gross profit margin of its products compared to the same period last year.

Operating revenue

In 2024, the Company recorded an operating revenue of RMB38,297.85 million, representing an increase of 32.79% over the same period last year. Of which, RMB26,986.77 million for new-type power equipment, a year-on-year increase of 71.38% (RMB15,945.16 million for thermal power equipment, a year-on-year increase of 98.98%; RMB4,307.58 million for hydropower equipment, a year-on-year increase of 25.09%; RMB4,233.68 million for nuclear power equipment, a year-on-year increase of 70.04%; RMB1,952.06 million for steam equipment, a year-on-year increase of 70.68%); RMB660.87 million for green and low-carbon driven equipment, a year-on-year decrease of 6.02%; RMB4,536.26 million for clean and efficient industrial system, a year-on-year decrease of 23.18%; RMB3,944.69 million for EPC and trading, a year-on-year increase of 4.00%; and RMB1,767.67 million for modern manufacturing and service industry, a year-on-year decrease of 19.74%.

In 2024, the Company recorded a revenue from export of RMB4,714.97 million (or 12.31% of the total operating revenue), an increase of RMB52.79 million over the same period of the previous year. The export of the Company was dominated by Asia, the Americas and Europe, in which export to Asia amounting to RMB3,498.22 million, export to the Americas amounting to RMB935.82 million while export to Europe amounting to RMB274.54 million.

Cost

In 2024, the operating costs of the Company amounted to RMB33,500.76 million, representing an increase of 29.66% as compared with the corresponding period of last year. The increase in operating costs was mainly due to the significant year-on-year increase in the output of the Company's water turbine generators sets, power station steam turbines and power station boilers during the period.

Gross profit and gross profit margin

In 2024, the Company realized a gross profit from operating business of RMB4,797.08 million, representing a year-on-year increase of RMB1,793.77 million, and a gross profit margin of 12.53%, representing a year-on-year increase of 2.11 percentage points. The gross profit of new-type power equipment was RMB3,890.97 million, with a gross profit margin of 14.42%, representing a year-on-year increase of 2.04 percentage points (of which, gross profit of thermal power equipment was RMB1,813.78 million, with a gross profit margin of 11.38%, representing a year-on-year increase of 2.30 percentage points; the gross profit of hydropower equipment was RMB609.26 million, with a gross profit margin of 14.14%, representing a year-on-year increase of 1.44 percentage points; the gross profit of nuclear power equipment was RMB1,299.26 million, with a gross profit margin of 30.69%, representing a year-on-year increase of 4.09 percentage points; the gross profit of steam equipment was RMB114.60 million, with a gross profit margin of 5.87%, representing a year-on-year increase of 1.71 percentage points); the gross profit of green and low-carbon driven equipment was RMB41.73 million, with a gross profit margin of 6.31%, representing a year-on-year increase of 1.33 percentage points; the gross profit of clean and efficient industrial systems was RMB162.94 million, with a gross profit margin of 3.59%, representing a year-on-year increase of 0.58 percentage point; the gross profit of EPC and trading was RMB204.81 million, with a gross profit margin of 5.19%, representing a year-on-year increase of 0.95 percentage point. The gross profit of modern manufacturing and service industry was RMB629.18 million, with a gross profit margin of 34.46%, representing a year-on-year increase of 0.50 percentage points. The year-on-year increase in the gross profit margin of operating activities was mainly due to the Company's active efforts to deepen quality and efficiency improvements, leading to enhanced product profitability.

Expenses for the Period

In 2024, the Company incurred expenses of RMB3,695.23 million in the period, representing a year-on-year increase of RMB330.22 million, or 9.8%. Firstly, the accumulated administrative expenses totaled RMB1,694.49 million, an increase of RMB133.46 million year on year, mainly due to higher management costs resulting from expanded production scale and increased employee wages; secondly, the accumulated selling expenses amounted to RMB606.82 million, an increase of RMB101.12 million year on year, mainly driven by growth in operating activities; thirdly, the accumulated financial expenses reached RMB241.87 million, a decrease of RMB57.78 million year on year, mainly due to optimized debt structure, reduced interest-bearing liabilities, lower interest expenses, and decreased exchange losses from the forward exchange settlement; fourthly, the accumulated research and development expenses totaled RMB1,152.05 million, an increase of RMB153.42 million year on year, as the Company maintained a high level of investment in research and development.

Funding source and borrowing status

The Company financed its operation and development with four major funding sources, namely shareholder's funds, trade receivables from customers, bank borrowings and state-funded entrusted loans. The Company arranges borrowings based on each specific project. Except for some exceptions, loans are usually raised by each of the Company's subsidiaries respectively within the annual financing budget. As of 31 December 2024, the balance of the Company's borrowings amounted to RMB5,674.16 million (31 December 2023: RMB6,147.79 million), all of which amounts were borrowed from various financial institutions, such as commercial banks and state-funded entrusted loans, at LPR, and the decrease in borrowings was mainly due to the completion of the issuance of Domestic Shares of the Company to effectively replenish liquidity, which resulted in a decrease in borrowings. Among those borrowings, the amount repayable within one year amounted to RMB4,863.67 million, representing an increase of RMB463.86 million as compared with the beginning of the year; the borrowings repayable after one year amounted to RMB810.49 million, representing a decrease of RMB937.49 million as compared to the beginning of the year. As of 31 December 2024, the Company's borrowings were primarily in RMB and there was no amount due. The repayment plan has been made for the borrowings that were not due, with no risk of default.

Monetary capital and cash flows

As of 31 December 2024, the monetary capital of the Company was RMB16,048.83 million, representing a decrease of RMB2,628.49 million as compared with the beginning of the year. During the period, the net cash flow generated from operating activities of the Company was RMB-241.97 million; the net cash flow from investing activities was RMB-1,071.99 million; the net cash flow from financing activities was RMB-803.43 million. The Company experienced a significant increase in operating cash outflows and a notable decrease in monetary capital, primarily due to increased production inputs and expanded reserves of raw materials and other supplies. At the same time, in strict compliance with the Regulations on Ensuring Payment to Small and Medium Enterprises, the Company has consistently managed both receivables and payables, actively utilizing cash payments to settle payments for goods with small and medium enterprises, reducing the use of payable notes, and ensuring that cash is fully utilized for payments where applicable.

Asset structure and movements

As of 31 December 2024, the Company's total assets amounted to RMB71,946.16 million, an increase of RMB649.20 million or 0.91% as compared to the beginning of the year. Among these, current assets totaled RMB60,208.80 million, accounting for 83.69% of total assets, while non-current assets amounted to RMB11,737.36 million, accounting for 16.31% of total assets.

Liabilities

As of 31 December 2024, total liabilities of the Company amounted to RMB55,756.29 million, representing a decrease of RMB952.86 million as compared to the beginning of the year, out of which RMB53,192.40 million was current liabilities, accounting for 95.40% of the total liabilities; and RMB2,563.90 million was non-current liabilities, accounting for 4.60% of the total liabilities. As of 31 December 2024, the gearing ratio of the Company was 77.50%. The year-on-year decrease in the scale of liabilities was mainly due to the year-on-year decrease in external financing and the balance of estimated liabilities.

Owners' interests

As of 31 December 2024, the total equity attributable to the owners of the parent company of the Company amounted to RMB15,482.76 million, representing an increase of RMB1,618.06 million as compared to the beginning of the year; the net asset value per share was RMB6.92, representing an increase of RMB0.72 as compared with the beginning of the year. During the period, the return rate on net assets of the Company was 10.61%.

GEARING RATIO

As of 31 December 2024, the Company's gearing ratio (non-current liabilities over total shareholders' equity) was 0.11:1, compared with that of 0.26:1 at the beginning of the year.

CONTINGENT LIABILITIES AND PLEDGES

As of 31 December 2024, the guarantees provided by the Company to its subsidiaries and the guarantees between subsidiaries of the Company amounted to RMB909.84 million in aggregate. There was no external guarantee of the Company.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATE

Some of the deposits of the Company are denominated in foreign currencies. As at 31 December 2024, the amount of the Company's deposits in foreign currencies was equivalent to RMB377.2 million. The export business and businesses settled in foreign currencies expose the Company to certain exchange risk.

USE OF FUND-RAISING PROCEEDS

As of 31 December 2024, the funds raised by the Company's domestic share subscription in 2017 have been fully utilized; RMB1,197 million of the funds raised by the Company's domestic share subscription in 2023 (the "**2023 Proceeds**") have been utilized, and the remaining RMB500 million will be used for the Company's daily business liquidity in 2025 in accordance with the plan. The use of the 2023 Proceeds is as follows:

Intended use of the 2023 Proceeds	Intended use of the 2023 Proceeds (RMB100 million)	Amount of the 2023 Proceeds used (RMB100 million)	Remaining amount of the 2023 Proceeds (RMB100 million)	Intended use time
Ordinary administrative expenses and repayment of loans	1.97	1.97	0	
Replenishment of liquidity	15	10	5	By 31 December 2025
Total	16.97	11.97	5	

All the funds raised from the issuance of shares and bonds in the previous years had been fully used.

DIVIDEND

Based on the Company's total share capital of 2,236,276,000 shares, the board of directors recommends a final dividend of RMB0.227 per share (tax inclusive) for the year 2024, representing 30.11% of the Company's earnings per share for the year 2024, for a total dividend of RMB507,634,652.00.

The dividends of H-share shareholders will be paid in HKD at the market exchange rate of RMB against HKD published by the People's Bank of China five days prior to 26 March 2025, that is, 1 RMB is equivalent to HK\$1.083, and the dividend of H-share shareholders will be HK\$0.246 per share.

The Company will review and approve the 2024 final dividend distribution plan at the 2024 Annual General Meeting of Shareholders to be held on 23 May 2025.

No shareholder has told the Company to waive or agree to waive any dividend as of 31 December 2024.

CLOSURE OF REGISTER FOR THE PURPOSE OF DIVIDEND PAYMENT

The final dividend for the year of 2024 of the Company will be distributed on 23 July 2025, and the register of members of the Company will be closed from 16 June 2025 to 20 June 2025 (both dates inclusive). Final dividends for the year of 2024 of the Company will be distributed to shareholders whose names appear in the register of members of the Company on 16 June 2025.

In order to be qualified for the final dividends for 2024, all duly completed transfers of shares together with the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for the holders of the H Shares only) or the Company's principal place of business in the PRC at 1399 Chuangxinyi Road, Songbei District, Harbin, Heilongjiang Province, the PRC (for the holders of the Domestic Shares only) not later than 4:30 p.m. on 13 June 2025.

DIVIDEND TAX

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), the Implementation Regulations of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) and other relevant requirement, the Company will withhold and pay the individual income tax in respect of the dividend (bonus) received by individual shareholders of H shares from the Company. Individual shareholders of H shares of the Company may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries in which the individual shareholders of H shares are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). The Company will determine the residence of the individual shareholders of H shares based on the registered address as recorded in the register of shareholders on the book closure date. The specific arrangement will be as follows:

For individual shareholders of H shares who are residents of Hong Kong or Macau and countries which entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on their behalf; for individual shareholders of H shares who are residents of countries which entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10% on their behalf. Individual shareholders of H shares may apply for refund of excess amount of individual income tax withheld by providing relevant information for approval by taxation authority; for individual shareholders of H shares who are residents of countries which entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective rate stipulated by the relevant tax treaty on behalf of the relevant shareholders; for individual shareholders of H shares who

are residents of countries which entered into a tax treaty with the PRC stipulating a dividend tax rate of 20% or has not entered into any tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the relevant shareholders; according to the “PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法》), the Company will withhold and pay dividend income tax at the rate of 10% on behalf of the non-resident corporate shareholders.

According to the requirements of local tax authorities, the individual shareholders of H share of the Company who need personal income tax clearance certificates shall provide their passport information, therefore, for those individual shareholders of H share of the Company who need the personal income tax clearance certificates, please delivery the copy or scanning copy of their passports to the contact address of the Company before 30 days from the date of the dividend payment, and for those shareholders of H share who fail to provide their passport information, the Company will withhold and pay individual income tax collectively.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company confirmed to have received annual confirmation of independence from each independent non-executive director pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), confirming all independent non-executive Directors are independent.

INTERESTS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT IN THE SHARE CAPITAL

As of 31 December 2024, none of the directors, supervisors and senior management of the Company had any interest or short position in the shares, underlying shares and debentures (as the case may be) of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (SFO)) which was required to be notified to the Company and the Hong Kong Stock Exchange (including interest or short position which any such director, supervisor or senior management is taken or deemed to have under such provisions of the SFO) pursuant to the SFO or which was required to be recorded in the Register kept by the Company pursuant to section 352 of the SFO or which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

As of 31 December 2024, the Company entered into no service contract specified in Rule 14 of Appendix D2 of the Listing Rules with Directors and Supervisors of the Company.

INTERESTS OF DIRECTORS AND SUPERVISORS IN CONTRACTS OF SIGNIFICANCE

As of 31 December 2024, none of the Directors or Supervisors of the Company has any interest, whether directly or indirectly, in the contracts of significance entered into by the Company.

CONTRACTS OF SIGNIFICANCE WITH THE CONTROLLING SHAREHOLDERS OR THEIR SUBSIDIARIES

On 6 May 2024, the Company entered into the Equity Transfer Agreement with HE, the controlling shareholder of the Company, pursuant to which HE transferred 25% equity interests in Engineering Research Centre held by it to the Company at a transfer price of RMB19,945,700, and Engineering Research Centre became a wholly-owned subsidiary of the Company. Please refer to the announcement of the Company dated 6 May 2024 for details.

CONTINGENT LIABILITIES – GUARANTEES

As of 31 December 2024, total internal guarantees in favour of the Company made by the Company and its subsidiaries amounted to RMB909.84 million. No external guarantee was provided.

PERMITTED INDEMNITY PROVISION

As provided by applicable laws, each director of the Company is entitled to be indemnified by respective companies for all costs, charges, losses, fees and liabilities which arise from or are connected to the execution and performance of their duties according to the Articles of Association of the Company. The provision becomes effective in the financial year ended 31 December 2024 and remains in effect as at the date of this report.

The Company purchased directors' liability insurance for all directors during the year.

SIGNIFICANT INVESTMENT IN SECURITIES

During the year ended 31 December 2024, the Company had no significant investment in securities of subsidiaries.

STAFF REMUNERATION, RETIREMENT AND BENEFITS SCHEME

In 2024, the total salaries of the Company amounted to RMB2,156.20 million.

In order to incentivize key employees, the Company has implemented a share appreciation rights incentive plan. (for details, please refer to the circular of the Company dated 11 January 2021 and the announcement of the Company dated 29 January 2021). As the Company's performance in 2021 and 2022 did not meet the performance targets for the first and second exercise periods of the share appreciation rights, the first and second exercise periods of the share appreciation rights incentive plan are not exercisable. As confirmed by the Board, the Company's performance in 2023 has met the performance target for the third exercise period of the share appreciation rights. The Company is currently organizing the participants to exercise in the third exercise period, with the exercise validity period ending on 28 January 2026. Pursuant to the share appreciation rights incentive plan, for the Company's final dividend distributions for the years 2022 and 2023 and the issuance of additional domestic shares implemented in 2023, the adjusted number of grants under the share appreciation rights incentive plan of the Company is 42,368,968 shares with an exercise price of HK\$2.4735 per share.

The employees of the Company participate in the government-established and state-managed retirement benefits schemes of the PRC. At the same time, the Company has adopted an enterprise annuity system in accordance with the relevant regulations, and the Company was required to contribute a certain percentage of its employees' remuneration to the retirement benefits scheme. The Company is not allowed use the forfeited contributions (if any) to reduce the existing contribution level, and no contributions to any retirement benefit schemes have been forfeited during the year ended 31 December 2024.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

As of 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or PRC laws, which would require the Company to offer new shares to existing shareholders according to their respective proportions of shareholding.

MAJOR LITIGATION

During 2024, the Company had no major pending litigation.

MODEL CODE

The Company, having made specific enquiry to the Directors, confirms that all directors complied with the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules throughout the period.

CORPORATE GOVERNANCE CODE

In 2024, the Company fully complied with the C2 Environmental, Social, and Governance Reporting Guidelines, continued to realize its social responsibility of “Friendly environment, Warm Home”, and integrated the new development concepts of “innovation, coordination, green development, openness, and sharing” into its construction and development efforts. The Company attached great importance to the harmony and unity of economy and ecology, deeply implemented the concept of green development, strictly carried out relevant environmental protection policies, vigorously promoted energy conservation and emission reduction, deepened development in the environmental protection industry, and actively promoted the development of new energy industries; adhered to people-oriented, scientifically built the staff team, protected the rights and interests of its employees, and cared for the lives of employees; maintained effective communication with suppliers, customers, market investors and other stakeholders, took into account the interests of related parties, created a mutually beneficial and win-win relationship, and continued to promote the healthy development of the Company; insisted on giving back to the society and vigorously supported social welfare undertakings, establishing a responsible corporate image.

The Company has been, in strict accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China and other relevant requirements, in full compliance with the rules set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules and, where appropriate, has adopted the recommended best practices as specified therein. Mr. Zhang Yingjian resigned as an executive Director due to work changes on 20 March 2024, and until 12 November 2024, the number of the Board members was below the quorum as required under the Articles of Association.

AUDIT COMMITTEE

The Audit Committee has reviewed the audited financial statements, continuing connected transactions, internal control and risk management of the Company for the year ended 31 December 2024, and discussed with the Board the financial reporting procedures as well as the internal control system of the Company.

AUDITOR

The financial statements of the Company for the year ended 31 December 2024 have been audited by Da Hua Certified Public Accountants LLP, and the remuneration for its audit services was RMB2.20 million.

Da Hua Certified Public Accountants LLP has served as the auditor of the annual financial statements of the Company for six consecutive years. Based on the Company's actual circumstances and commercial considerations, the Board proposes to appoint ShineWing Certified Public Accountants LLP as the auditor of the 2025 financial statements of the Company at the general meeting, with an audit fee of RMB2.20 million. There was no disagreement between the Company and Da Hua Certified Public Accountants LLP.

OUTLOOK

According to the Analysis and Forecast Report on the Situation of Electricity Supply and Demand in China for 2024–2025 by the China Electricity Council, the newly installed power generation capacity in China is expected to maintain rapid growth in 2025, with the proportion of new energy power generation capacity continuing to increase. It is projected that the newly installed power generation capacity nationwide in 2025 will exceed 450 million kilowatts, of which the newly installed new energy power generation capacity will exceed 300 million kilowatts. By the end of 2025, the total installed power generation capacity in China is expected to surpass 3.8 billion kilowatts, representing a year-on-year increase of approximately 14%. Among this, the proportion of coal power in the total installed capacity will decline to one-third by the end of 2025. Non-fossil energy power generation capacity will reach 2.3 billion kilowatts (including 450 million kilowatts of hydropower, 640 million kilowatts of grid-connected wind power, 1.1 billion kilowatts of grid-connected solar power, 65 million kilowatts of nuclear power, and 48 million kilowatts of biomass power), accounting for approximately 60% of the total installed capacity.

2025 marks the final year of the 14th Five-Year Plan and a crucial year for the Company to focus on building a world-class enterprise while systematically planning for the high-quality development of the 15th Five-Year Plan. The Company will resolutely align itself with and serve the overall national development strategy, steadfastly guided by the important speeches and directives of General Secretary Xi Jinping. Adhering to the development orientation of being an equipment manufacturer, a system integrator and an operation and maintenance service provider and constructing the “three systems” industrial layout, the Company will efficiently balance cultivating new momentum and updating old momentum, optimizing incremental growth and revitalizing existing resources, as well as enhancing quality and expanding total volume. Following the “three steps” work arrangement, the Company will strive to ascend to a higher level with high quality. The Company will spare no effort to enhance development efficiency and effectiveness, continuously improve market

competitiveness, ensure energy supply through all possible means, strengthen the capability to prevent and mitigate various risks and challenges, and efficiently balance high-quality development with high-level security. The Company will persistently enhance the overall efficiency of the innovation system, intensify original and leading technological breakthroughs, build a high-level technological innovation ecosystem, and strengthen talent development by balancing recruitment and cultivation, driving the development of new productive forces through technological innovation. The Company will accelerate the cultivation of strategic emerging industries and future industries, focus on promoting industrial upgrading through the clean and efficient use of energy, and advance green production to achieve synergistic effects in pollution reduction and carbon reduction, fully promoting the green and low-carbon transformation and upgrading of industries. By focusing on improving overall labor productivity, the Company will advance production digitalization; by targeting user needs, the Company will enhance equipment intelligence; and by focusing on data-driven approaches, the Company will improve management informatization, placing greater emphasis on empowering development with digital technologies. The Company will continuously enhance reform capabilities, modernize governance systems and governance capabilities, and accelerate the improvement of institutional mechanisms that meet the requirements of modern economic development. The Company will fully implement special actions to improve management, enhance the quality and effectiveness of benchmarking management, establish a scientific and effective evaluation system, and deepen lean management to strengthen our soft power for development. The Company will strive to win the final battle of the 14th Five-Year Plan, lay a solid foundation for the 15th Five-Year Plan, and make new and greater contributions to the comprehensive advancement of the modernization of China and the great cause of national rejuvenation.

By Order of the Board
Harbin Electric Company Limited
Company Secretary
Ai Li-song

Harbin, the PRC
26 March 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Cao Zhi-an and Mr. Huang Wei; and the independent non-executive Directors of the Company are Mr. He Yu, Mr. Pan Qi-long, Ms. Niu Xiang-chun and Mr. Gao Yi-bin.