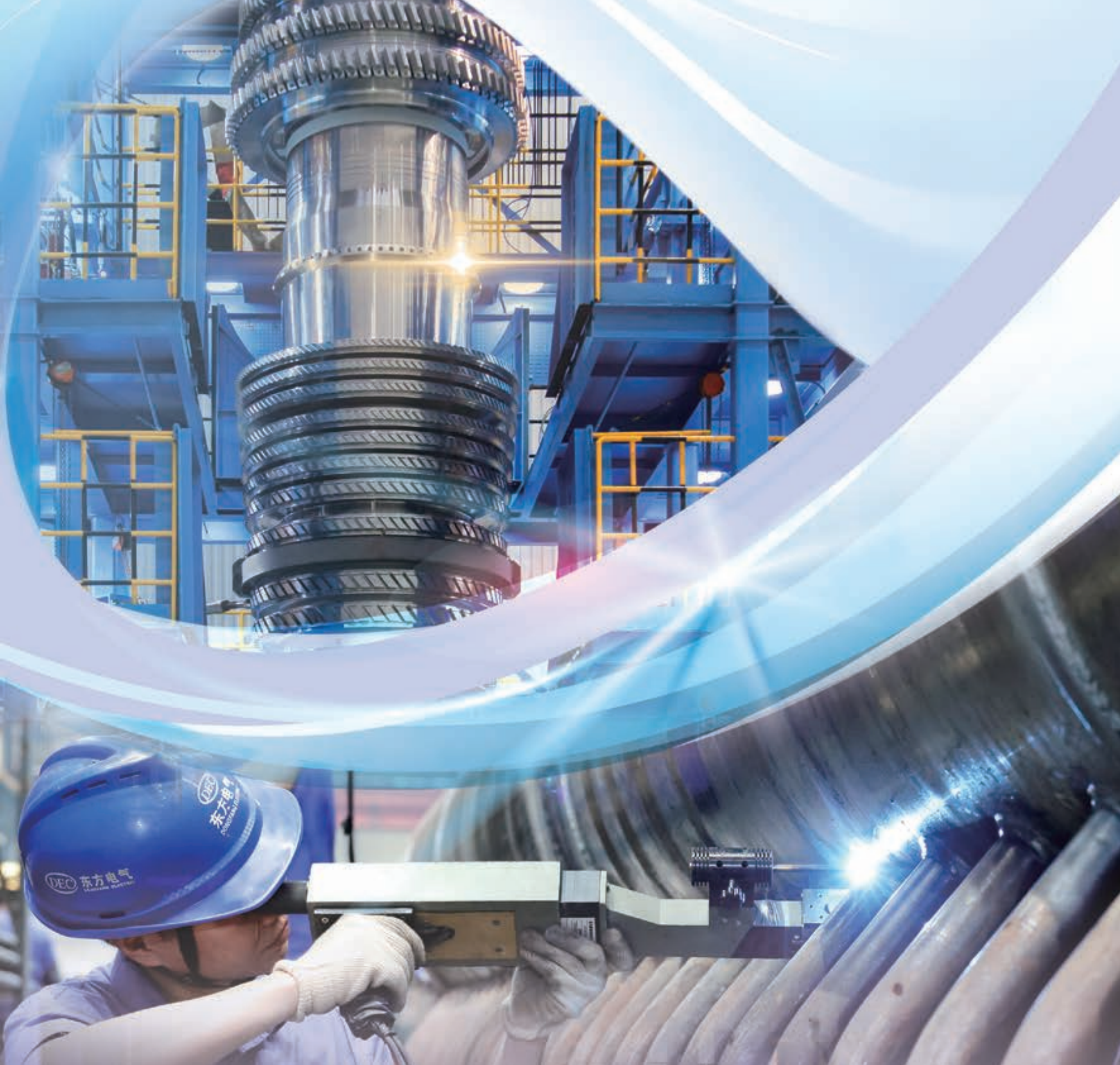
DONGFANG ELECTRIC CORPORATION LIMITED

(H Share Stock Code: 1072) (A Share Stock Code: 600875)

2025

INTERIM REPORT



IMPORTANT NOTICE

I. The Board of Directors, the Supervisory Committee and the Directors, Supervisors and senior management of the Company warrant that the content of this interim report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility thereof.

II. Details of absent directors

Position of director absent	Name of director absent	Reason for absence	Name of proxy
Director	Zhang Yanjun	Business engagement	Luo Qianyi
Director	Sun Guojun	Business engagement	Zhang Shaofeng

III. This interim report has not been audited.

IV. Luo Qianyi, the person-in-charge of the Company, Lv Shuang the person-in-charge of accounting and Zheng Xingyi, the head of the accounting department (person-in-charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report in this interim report.

V. The profit distribution proposal or the reserve capitalization proposal for the Reporting Period was approved by the resolutions of the Board.

Nil

VI. Risk statement with respect to the forward-looking statements

Forward-looking statements including future plans and development strategies contained in this interim report do not constitute the Company's substantive commitments to investors. Investors are advised to pay attention to investment risks.

VII. Whether there any misappropriation of funds of the Company by any controlling shareholders or their related parties for non-operating purposes.

No

VIII. Whether the Company has provided any external guarantees in violation of the prescribed decision-making procedures.

No

IX. Whether there exists such circumstance that more than half of the Directors could not guarantee the authenticity, accuracy and integrity of the interim report disclosed by the Company.

No

X. Warning on major risks

Nil

XI. The interim report is prepared by the Company in both Chinese and English. In the event of any discrepancy, the Chinese version shall prevail.

Contents

DOCUMENTS AVAILABLE FOR INSPECTION	Copy of the 2025 Interim Report signed by the Chairman of the Company
	Original financial report of the Company stamped and signed by the person-in-charge of the Company, the person-in-charge of accounting and the head of the accounting department
	The Company's 2025 Interim Report published on the Main Board of the Stock Exchange of Hong Kong

I. DEFINITIONS

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

Definitions of Frequently Used Terms

Dongfang Electric, Company, the Company	Dongfang Electric Corporation Limited
Controlling Shareholder, DEC	Dongfang Electric Corporation
CSRC	China Securities Regulatory Commission
Reporting Period or the Period	From 1 January 2025 to 30 June 2025
SSE	Shanghai Stock Exchange
Hong Kong Stock Exchange, Stock Exchange	The Stock Exchange of Hong Kong Limited
RMB, RMB0’000, RMB100 million	Renminbi Yuan, Renminbi 0’000, Renminbi 100 million

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS

I. Company Information

Chinese name of the Company	東方電氣股份有限公司
Abbreviation of the Chinese name of the Company	東方電氣
English name of the Company	Dongfang Electric Corporation Limited
Abbreviation of the English name of the Company	DEC. LTD
Legal representative of the Company	Luo Qianyi

II. Contact Persons and Methods

	Secretary to the Board of Directors	**Representative of securities affairs**
Name	Feng Yong	Liu Zhi
Contact address	18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC	18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC
Telephone	028-87583666	028-87583666
Fax	028-87583551	028-87583551
E-mail	dsb@dongfang.com	dsb@dongfang.com

III. Change of Basic Information

Registered address of the Company	18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC
Postal code of the Company for the registered address	611731
Company business address	18 Xixin Road, High-Tech District (Western District), Chengdu City, Sichuan Province, the PRC
Postal code of the Company for business address	611731
Company website	WWW. DEC-LTD. CN
E-mail	dsb@dongfang.com

IV. Change of Information Disclosure and Places for Inspection for Relevant Documents

Newspapers designated for disclosure of the Company's information	China Securities Journal and Shanghai Securities News
Website designated by the CSRC for publication of the Company's interim report	www.sse.com.cn
Website designated by the Stock Exchange for publication of the Company's interim report	www.hkexnews.hk
Place where the Company's interim report is available for inspection	Office of the Board
Query index of changes during the Reporting Period	Not applicable

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

V. Company's Share Information

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

VI. Additional Information

☐ Applicable ☑ Not applicable

VII. Major Accounting Data and Financial Indicators

(I) Major accounting data

Unit: Yuan Currency: RMB

Major accounting data	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Increase/decrease for the Reporting Period compared to the corresponding period of the previous year *(%)*
Total operating income	**38,150,951,534.17**	33,457,011,207.05	14.03
Operating income	**37,623,627,306.41**	32,928,476,029.89	14.26
Total profit	**2,493,970,886.62**	2,106,680,483.47	18.38

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

VII. Major Accounting Data and Financial Indicators (Continued)

(I) Major accounting data (Continued)

Major accounting data	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Increase/decrease for the Reporting Period compared to the corresponding period of the previous year (%)
Net profit attributable to shareholders of the Company	**1,909,795,846.06**	1,691,463,127.79	12.91
Net profit after non-recurring profit and loss attributable to shareholders of the Company	**1,806,369,458.91**	1,634,406,105.06	10.52
Net cash flow from operating activities	**-556,466,428.94**	4,064,695,241.25	-113.69

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Increase/decrease for the end of the Reporting Period compared to the end of the previous year (%)
Net assets attributable to shareholders of the Company	**42,399,913,430.80**	38,796,282,366.86	9.29
Total assets	**156,365,516,952.35**	142,009,284,851.87	10.11

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

VII. Major Accounting Data and Financial Indicators (Continued)

(II) Major financial indicators

Unit: Yuan Currency: RMB

Major accounting indicators	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Increase/decrease for the Reporting Period compared to the corresponding period of the previous year *(%)*
Basic earnings per share *(RMB/share)*	**0.60**	0.54	11.11
Diluted earnings per share *(RMB/share)*	**0.60**	0.54	11.11
Basic earnings per share after non-recurring profit and loss *(RMB/share)*	**0.56**	0.52	7.69
Weighted average return on net assets *(%)*	**4.74**	4.44	Increased by 0.30 percentage point
Weighted average return on net assets after non-recurring profit and loss *(%)*	**4.48**	4.29	Increased by 0.19 percentage point

Explanations for major accounting data and financial indicators

☐ Applicable ☑ Not applicable

VIII. Differences in Accounting Data under Domestic and Overseas Accounting Standards

☐ Applicable ☑ Not applicable

IX. Items and Amount of Non-Recurring Profit or Loss

Unit: Yuan Currency: RMB

Items of Non-recurring Profit or Loss	Amount	Note (if applicable)
Profit or loss from disposal of non-current assets, including the offsetting portion of the provision for impairment of assets that has been provisioned for	-194,677.11	
Government grants charged to profit or loss for the current period (except for those closely related to the normal operation of the Company, gained according to a certain standard based on state policies and posing consistent impact on the profit or loss of the Company)	108,726,806.46	
Gain or loss on change of fair value of financial assets and financial liabilities held by non-financial enterprises, and gain or loss arising from the disposal of financial assets and financial liabilities, other than the effective hedging business related to the Company's normal business	-77,176,007.37	
Fund occupation fee charged to non-financial enterprises through current profit or loss		
Gain or loss from entrusting others with investment or asset management		
Profit or loss from entrusted loans		
The provision for impairment of assets due to force majeure, such as natural disasters		
Reversal of impairment provision on receivable individually conducted impairment test	68,978,233.06	

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

IX. Items and Amount of Non-Recurring Profit or Loss (Continued)

Items of Non-recurring Profit or Loss	Amount	Note (if applicable)
Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share in the net fair value of the identifiable assets of the investee when investing		
Net gain or loss of the subsidiaries arising from the merger of enterprises under the common control from the beginning of the period to the date of merger		
Profit or loss of non-monetary asset swap		
Gain or loss of debt reorganization	35,587,852.63	
One-off expenses incurred by the enterprise due to the discontinuation of related business activities, such as employee resettlement costs, etc.		
One-off effect of the adjustment of tax and accounting laws and regulations on current profit or loss		
One-off recognition of share-based payment fees due to cancellation or modification of equity incentive plans		
Gain or loss arising from changes in fair value of employee compensation payable after the exercise date for share-based payment in cash		
Profit or loss arising from changes in fair value of investment property using fair value model for subsequent measurement		
Gain or loss over fair value arising from a transaction in which the transaction price is obviously unfair		
Gain or loss arising from matters not related to the Company's ordinary operation		

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

IX. Items and Amount of Non-Recurring Profit or Loss (Continued)

Items of Non-recurring Profit or Loss	Amount	Note (if applicable)
Custodian income from entrusted management		
Other non-operating income and expenses other than the above mentioned items	-3,558,628.56	
Other profit and loss items falling within the definition of non-recurring profit or loss		
Less: Impacted amount in income tax	26,728,904.51	
Impacted amount in non-controlling shareholders' equity (after tax)	2,208,287.45	
Total	103,426,387.15	

Explanations for the Company's items of non-recurring profit or loss with a significant amount as not illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public – Non-recurring Gains or Losses, and the items of non-recurring profit or loss as illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public – Non-recurring Gains or Losses which have been defined as its items of recurring profit or loss.

☐ Applicable ☑ Not applicable

II. COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

X. Companies with equity incentive plan or employee shareholding plan may choose to disclose net profit after deducting the impact of share-based payments

☐ Applicable ☑ Not applicable

XI. Others

☐ Applicable ☑ Not applicable

III. MANAGEMENT DISCUSSION AND ANALYSIS

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

Operating in high-end energy equipment industry, the Company provides various energy, environmental protection, chemical and other products and systems packages, logistics and other services to global energy operators and other users. There were no material changes in the principal business of the Company during the Reporting Period.

The main business model of the Company is to develop, design, manufacture and sell advanced wind power, solar power, hydropower, nuclear power, gas power and thermal power, and high-end equipment such as chemical containers, energy saving and environmental protection, power electronics and control, hydrogen energy and to provide engineering contracting and services to global energy operators. As one of the world's largest suppliers of power generation equipment and general contractors for power station projects, the Company operated its production and service business covered nearly 90 countries and regions around the world, and has strong competitiveness and influence in the field of energy equipment.

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

The Company has a completed energy equipment manufacturing and service system, and is capable of mass production of 50,000-1,000,000 kilowatt-class hydropower units, 0.135-1.35 million kilowatt-class ultra-supercritical thermal power generating units, 50,000-1,750,000 kilowatt-class nuclear power generating units, heavy-duty gas turbine equipment, direct-drive and double-fed semi-direct-drive full-series wind power units and high-efficiency solar power station equipment. 1 million kilowatt-class air-cooled units, large circulating fluidized bed boilers, and heavy-duty gas turbines are at the leading level in China; the overall technology of hydropower products ranks among the top in China, with technologies such as through flow and mixed flow hydropower reaching industry-leading levels, and impact hydropower technology reaching advanced levels in the industry; 26 MW offshore wind turbines are at the leading level in China. The Company has the ability to manufacture core equipment in the petrochemical field such as chemical containers, drive turbines, shield pumps, long-haul pipeline compressors, etc., the system solution capability for waste gas and water treatment, solid waste disposal and resource utilization, the equipment and system technology capability for power electronics and control and intelligent manufacturing, and the energy storage design and integration capability. The Company has built a fuel cell product system with full independent intellectual property rights, and has also established an overall solution for the entire process for hydrogen acquisition, hydrogen storage, hydrogen filling and hydrogen use. In response to the changing business models in the new energy market, the Company acquires certain resources through methods such as localizing equipment manufacturing industries to drive equipment sales, mitigate the impact of fluctuations in the equipment manufacturing sector, promote the validation and application of new technologies and products, and continuously optimize industrial regional layout.

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

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

In the first half of 2025, amid slowing global economic growth and escalating geopolitical conflicts, the international trade order suffered severe disruption, heightening instability and uncertainty. Despite these pressures, China's national economy forged ahead steadily, with key indicators outperforming expectations. High-quality development gained solid momentum, maintaining an economic trajectory characterized by stable progress and positive trends. From January to June 2025, the electricity consumption in the PRC totaled 4,841.8 billion kWh, representing a year-on-year increase of 3.7%; the power installation maintained a growth momentum, with a cumulative installed capacity of approximately 3.65 billion kW as of the end of June, representing a year-on-year increase of 18.7%; and major power generation enterprises in the PRC completed investment in power supply projects amounting to RMB363.5 billion, representing a year-on-year increase of 5.9%; the investment in the power grid project was RMB291.1 billion, representing a year-on-year increase of 14.6%. In general, the energy equipment industry maintained a good market prospect.

II. Discussion and Analysis of Operations

In the first half of 2025, adhering to the general principle of pursuing progress while ensuring stability, the Company fully implemented the new development philosophy in all respects, consistently strengthened core functions, and enhanced core competitiveness, striving to fulfill the "Three Roles" and emerge as the "Three Frontrunners".

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

II. Discussion and Analysis of Operations (Continued)

1. Industrial development. From the perspective of advantageous industries, the quality of hydropower orders has significantly improved, and the market share of nuclear power and gas power remained the industry's first. The overseas orders for 50 MW heavy-duty gas turbines have achieved a breakthrough of "zero". From the perspective of the new industry, bulk orders for 20 MW level offshore wind power have been received, and the Ruoqiang and Burqin new energy equipment manufacturing bases have been put into operation successively. As for hydrogen energy, we won the bid for 30 heavy trucks demonstration project in Panzhihua, achieved a breakthrough in the order of 1,000 standard cubic meters of alkaline electrolyzed water system, and put the Tibet integrated hydrogen production and hydrogenation demonstration project into operation. The main structure of the main building of the world's largest carbon dioxide energy storage project has been capped. From January to June 2025, the Company achieved a new effective order of RMB65.485 billion, a year-on-year increase of 16.78%. Among them, clean and efficient energy equipment accounted for 37.59%, renewable energy equipment accounted for 30.82%, engineering and international supply chain accounted for 11.51%, modern manufacturing services accounted for 8.80%, and emerging growth industries accounted for 11.27%.

2. Technological innovation. Innovative achievements have emerged in a concentrated manner. The stator frame and rotor bracket of the Zhala 500 MW impact hydropower unit have passed the round assembly acceptance, the 15 MW heavy-duty gas turbine has stably operated to the design condition, the 26 MW semi direct drive offshore wind turbine blades have passed the static load test, the 17 MW direct drive floating offshore wind turbine has been completed, the key technology research pilot of biomass fluidized bed gasification has been successful, and the megawatt level chemical chain combustion pilot platform and hydrogen industry technology pilot platform have been selected for the first batch of key program list by the Ministry of Industry and Information Technology. Technological innovation and industrial innovation are integrated for development, and independently developed marine anti-corrosion materials are applied to 20 MW offshore wind turbines.

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

II. Discussion and Analysis of Operations (Continued)

3. Deepened reforms. We comprehensively deepened the reform of the three systems, formulated 13 specific measures, and implemented the requirements of the reform of cadres, personnel, and distribution systems more widely and deeply. We carried out the second batch of internal reform pilot projects around key and difficult tasks such as improving the mechanism for industrial incubation and cultivation. We actively promoted the rights-granting reform for job-related scientific achievements, established employee stock ownership and pilot project management systems. We continuously optimized the corporate governance system and completed the revision of the articles of association of all domestic secondary enterprise subsidiaries. In the 2024 special assessment of the "Science and Technology Reform Action" and "Double Hundred Action" of central enterprises announced by the State-owned Assets Supervision and Administration Commission of the State Council, Dongfang Electric Machinery, Dongfang Turbine, Dongfang Boiler, and Dongfang Wind Power were all rated as benchmark enterprises.

4. Business management. We solidly carried out the action of creating value for world-class enterprises, and the case of Dongfang Boiler has been selected as an excellent case of value creation for state-owned enterprises. We promoted the integration of business and finance with digitalization, implemented and built bidding budget BOM, and established 9 major modules including procurement finance linkage and optimizing manufacturing cost allocation, laying the foundation for the integration of finance and business data. We promoted the action of "strengthening the foundation, improving, and setting standards" in lean management to enhance its quality and expand its scope. We continuously promoted key tasks such as lean marketing, lean R&D design, and lean inventory management. We deepened the promotion of "smart and digital transformation". The first vertical large-scale model in the energy equipment industry in China, "Dongfang Zhiyuan", has been successfully developed, and the intelligent technology intelligence system has been launched and put into operation. The mask pump digitization workshop has been completed and put into operation.

II. Discussion and Analysis of Operations (Continued)

5. Risk prevention and control. We strengthened the construction of a comprehensive and transparent regulatory system, established compliance and trademark management systems, and achieved real-time monitoring and full process control of contract risks. We organized and carried out a special programme for risk disposal of key projects, formulated payment targets and control plans based on the principle of "one project, one policy". We strengthened the overall compliance management of all employees, carried out pilot enterprise competition and unveiling, and established a basic work system for the construction of business supervision defense lines at all levels. We strengthened the responsibility for safety production, established guidelines for management inspections, and promoted the dynamic elimination of major accident hazards. There were no major safety or environmental incidents in the first half of the year.

III. Analysis of Core Competitiveness during the Reporting Period

As one of the significant R&D manufacturers of high-end energy equipment and the mega enterprises for project contracting in the world, the Company proactively linked up and served national strategies, based on the development, design, manufacture, sales and services of high-end energy equipment, by continuously improving the industrial pattern of "Simultaneous Development of Six Types of Power" including wind power, solar power, hydropower, nuclear power, gas power and clean coal power as well as "Six Industries Synergy" including high-end petrochemical equipment, energy conservation and environmental protection, engineering and international trade, modern manufacturing services, power electronics and control, and emerging industries. 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 RMB38,151 million, representing an increase of 14.03% as compared with the same period of the previous year; net profit attributable to the shareholders of the Company of RMB1,910 million, representing an increase of 12.91% 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 RMB1,806 million, representing an increase of 10.52% as compared with the same period of the previous year; and earnings per share of RMB0.60.

(I) Analysis of Principal Business

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

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Change (%)
Operating revenue	**37,623,627,306.41**	32,928,476,029.89	14.26
Cost of sales	**31,805,881,127.97**	28,285,631,299.74	12.45
Sales expenses	**317,891,455.51**	289,344,237.26	9.87
Administrative expenses	**1,372,877,949.96**	1,339,624,220.93	2.48
Financial expenses	**(378,088.72)**	45,144,897.96	-100.84
R&D expenses	**1,569,565,190.21**	1,347,828,439.49	16.45
Other income	**249,603,044.12**	403,016,183.28	-38.07
Investment income	**141,074,666.85**	(39,626,483.54)	456.01

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

1. *Analysis of changes in certain items in the financial statements (Continued)*

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Change (%)
Gains from changes in fair values	**(75,264,776.76)**	28,344,053.76	-365.54
Credit impairment loss	**(209,697,186.94)**	14,429,465.02	-1,553.33
Impairment loss of assets	**(456,796,895.04)**	(259,118,589.34)	N/A
Net cash flow from operating activities	**(556,466,428.94)**	4,064,695,241.25	-113.69
Net cash flows from investing activities	**(876,502,843.53)**	(910,348,448.48)	N/A
Net cash flows from financing activities	**5,221,093,225.62**	952,099,163.96	448.38

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

1. Analysis of changes in certain items in the financial statements (Continued)

(1) Reasons for change in operating revenue: The operating revenue for the period increased by 14.26% year on year, mainly due to the year-on-year increase in revenue from the clean and efficient energy equipment segment.

(2) Reasons for change in cost of sales: The cost of sales for the period increased by 12.45% year on year, mainly due to increased costs resulting from the increase in sales volume.

(3) Reasons for change in sales expenses: The sales expenses increased by 9.87% year on year in the current period, mainly due to the year-on-year increase in accrued payroll.

(4) Reasons for change in administrative expenses: The administrative expenses for the period increased by 2.48% year on year, a relatively small change.

(5) Reasons for change in financial expenses: The financial expenses for the period decreased by 100.84% year on year, mainly due to the year-on-year increase in exchange gains.

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

1. Analysis of changes in certain items in the financial statements (Continued)

(6) Reasons for change in R&D expenses: The R&D expenses for the period increased by 16.45% year on year, mainly due to the Company's continuous increase in R&D investment.

(7) Reasons for change in other income: The other income for the current period decreased by 38.07% year on year, mainly attributed to the decrease in additional deduction of value-added tax for advanced manufacturing industries.

(8) Reasons for change in investment income: The investment income for the period increased by RMB181 million year on year, mainly due to the year-on-year increase in the investment income related to associates and joint ventures.

(9) Reasons for change in gains from changes in fair values: The gains from changes in fair values for the period decreased by RMB104 million year on year, mainly due to a decrease in the fair value of the stocks held.

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

1. Analysis of changes in certain items in the financial statements (Continued)

(10) Reasons for change in credit impairment loss: The provision for credit impairment loss for the current period increased by RMB224 million year on year, mainly due to an increase in bad debt provisions for accounts receivable based on aging analysis.

(11) Reasons for change in impairment loss of assets: The provision for impairment loss of assets increased by RMB198 million year on year, mainly due to an increase in bad debt provisions for contract assets based on aging analysis.

(12) Reasons for change in the net cash flow from operating activities: It was mainly due to the year-on-year increase in cash outflow from operating activities paid for procurement.

(13) Reasons for change in net cash flow from investing activities: There was a relatively small year-on-year change.

(14) Reasons for change in net cash flows from financing activities: It was mainly due to an increase in funds raised and project borrowings of the Company this year.

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

1. *Analysis of changes in certain items in the financial statements (Continued)*

Note: On 6 December 2024, the Ministry of Finance announced the "Interpretation No. 18 of the Enterprise Accounting Standards" (Finance and Accounting [2024] No. 24), which adjusted the estimated liability account for assurance-type warranty related to contingencies, and indicated to include the debit in "operating costs" or "other costs", instead of "sales expenses". The Company applied this regulation from 1 January 2024, and made adjustments to the financial statement items and amounts for comparable periods. Such adjustment has no significant impact on the Company's financial condition, operating results, and cash flows. Due to the above adjustments, the Company's operating costs increased and sales expenses decreased by RMB416 million, respectively, in the same period last year (January – June 2024).

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

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			
Renewable energy equipment	10,424,515,008.11	9,369,869,366.88	10.12	26.90	20.43	Increased by 4.83 percentage points
High-efficient clean energy equipment	16,767,014,023.55	13,869,299,213.97	17.28	19.21	16.62	Increased by 1.83 percentage points
Engineering and supply chain business	3,138,302,302.66	2,925,497,066.72	6.78	-11.30	-9.45	Decreased by 1.91 percentage points
Modern manufacturing services business	3,426,318,160.59	1,927,946,291.83	43.73	-2.69	4.40	Decreased by 3.82 percentage points
Emerging growth business	4,394,802,039.26	3,727,885,727.40	15.18	6.73	5.07	Increased by 1.35 percentage points

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

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

1. Total operating revenue by industry and product (Continued)

   1. Revenue from renewable energy equipment business increased by 26.90% year-on-year during the Period, mainly due to the growth in wind turbine deliveries and the increase in the scale of wind power generation. Gross profit margin increased by 4.83 percentage points year-on-year, mainly due to the wind turbine sales from the wind resource project of Mulei East New Energy this year and sales of high-margin offshore wind power projects.

   2. Revenue from high-efficient clean energy equipment business increased by 19.21% year-on-year during the Period, mainly due to the growth in the nuclear and coal power businesses as the Company seized market opportunities.

   3. Revenue from modern manufacturing services business decreased by 2.69% year-on-year, mainly due to the intensified market competition which resulted in a decline in gross profit margin.

IV. Principal Business during the Reporting Period (Continued)

(I) Analysis of Principal Business (Continued)

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

   1. Total operating revenue by industry and product (Continued)

      4. Revenue from engineering and supply chain business decreased by 11.30% year-on-year during the Period, mainly due to the decrease in the Company's trade business.

   2. Total operating revenue by region

Unit: Yuan Currency: RMB

Region	Total operating revenue	Year-on-year increase/decrease in total operating revenue
Domestic	35,923,133,595.79	17.71
Overseas	2,227,817,938.38	-24.19
Total	38,150,951,534.17	14.03

IV. Principal Business during the Reporting Period (Continued)

(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
Funds for lending	1,460,597,736.03	0.93	836,529,745.30	0.59	74.60	Mainly due to the increase in interbank lending and borrowing business of Dongfang Electric Finance Co., Ltd.
Accounts receivable financing	2,426,759,434.04	1.55	1,927,567,077.40	1.36	25.90	Mainly due to the increase in bank acceptance bills received by the Company.
Inventories	27,286,777,778.40	17.45	21,685,296,057.95	15.27	25.83	Mainly due to the increase in unfinished products.

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

1. Assets and liabilities (Continued)

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
Contract assets	17,287,432,592.98	**11.06**	14,258,321,922.49	10.04	21.24	Mainly due to the increase in completed but unsettled payments and warranty deposits.
Non-current assets due within one year	719,624,820.93	**0.46**	2,341,379,530.86	1.65	-69.26	Mainly due to the repayment of loans due within one year of Dongfang Electric Finance Co., Ltd.
Other current assets	2,248,590,487.71	**1.44**	1,317,102,354.65	0.93	70.72	Mainly due to the increase in deductible input tax.

III. MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

1. *Assets and liabilities (Continued)*

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
Long-term receivables	115,852,508.51	0.07	21,879,106.99	0.02	429.51	Mainly due to the increase in installment sales of goods.
Construction in progress	1,700,377,412.70	1.09	1,427,333,045.26	1.01	19.13	Mainly due to the increase in the projects such as Dongfang Electric innovation and overseas business center.

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

1. *Assets and liabilities (Continued)*

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
Deposit taking and deposit in interbank market	4,767,478,788.41	3.05	2,260,595,201.96	1.59	110.89	Mainly due to the increase in deposits absorbed by Dongfang Electric Finance Co., Ltd.
Taxes payable	542,820,096.49	0.35	782,649,173.71	0.55	-30.64	Mainly due to the decrease in payable corporate income tax as compared to the beginning of the year.
Other payables	2,969,389,239.35	1.90	1,614,378,867.21	1.14	83.93	Mainly due to the increase in payable dividends with the declaration of dividends distribution.

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

1. Assets and liabilities (Continued)

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
Non-current liabilities due within one year	257,381,612.74	0.16	331,405,083.18	0.23	-22.34	Mainly due to the decrease in lease liabilities due within one year.
Other current liabilities	1,248,522,114.44	0.80	1,754,906,399.30	1.24	-28.86	Mainly due to the decrease in the output tax amount of contract liabilities.
Long-term borrowings	3,434,875,573.97	2.20	2,167,176,895.80	1.53	58.50	Mainly due to the increase in project borrowings.

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

2. *Gearing ratio*

Item	Amount at the end of the Period	Amount at the beginning of the year	Year-on-year increase *(percentage point)*
Gearing ratio *(%)*	**70.96**	69.62	**1.34**

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

The gearing ratio of the Group was 70.96% at the end of the Period, representing an increase of 1.34 percentage points 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 2025, the Group had financial institution (bank) borrowings of RMB102 million due within one year and financial institution (bank) borrowings of RMB2,153 million due beyond one year. The Company's borrowings are mainly denominated in RMB. In particular, financial institution (bank) borrowings of RMB1,948 million were fixed-rate borrowings. The Group has maintained a favorable credit rating with banks and a sound financing capacity.

4. *Cash and cash equivalents*

As at 30 June 2025, the cash and cash equivalents in RMB and US dollars held by the Group accounted for 94.63% and 3.59% of the Group's cash and cash equivalents, respectively.

IV. Principal Business during the Reporting Period (Continued)

(II) Analysis on Assets and Liabilities (Continued)

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 2025, the Group had pledged bank borrowings of approximately RMB307 million (31 December 2024: RMB319 million), which were related to borrowings from financial institutions by franchise rights of the Company. As at 30 June 2025, net franchise rights values amounted to RMB452 million (31 December 2024: RMB468 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 RMB1,582 million which was secured by the Company's electricity collection rights. Furthermore, certain plant, machinery and equipment and land use rights, have been registered as collateral to secure borrowings. As at 30 June 2025, the borrowing process is still ongoing.

IV. Principal Business during the Reporting Period (Continued)

(III) Possible Risks

1. *Price risk*

Risk description: The market for strategic emerging industries is vast with promising market prospects. However, the sales prices of some products fluctuate periodically with market conditions, and the cyclical fluctuations in raw material prices may also bring uncertainty factors to product costs.

Risk management measures: The Company will guide various enterprises to conduct price analysis and trend prediction of major materials, prepare procurement planning and reserve plans for major procurement items, strengthen procurement cost control, and at the same time, enhance project target cost management, strengthen rigid constraints on product budgets, and improve project marginal contributions.

2. *New emerging industries transformation risk*

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

IV. Principal Business during the Reporting Period (Continued)

(III) Possible Risks (Continued)

2. New emerging industries transformation risk (Continued)

Risk management measures: (1) By continuously strengthening investment in technological innovation, actively connecting with the government to expand application scenarios, and enhancing the resilience of the industrial and supply chains, we will vigorously expand the domestic market, reduce production and operation costs, and enhance the Company's competitiveness in new industries. (2) We will further deepen research on the development trends, technological paths, business models, and other aspects of new industries, learn from the experience and practices of leading enterprises in the industry, dynamically optimize and adjust development strategies in a targeted manner, and use new industries, new models, and new driving forces to facilitate the Company to acquire a large number of orders in the fiercely competitive market, and promote the scale development of the industry.

IV. Principal Business during the Reporting Period (Continued)

(III) Possible Risks (Continued)

3. Risk of international operation

Risk description: In recent years, international geopolitical risks have become prominent, major power games have become profound and complex, global industrial chains have accelerated restructuring, and world economic growth has been weak. This has brought great uncertainty to the Company in respect of its "going global" strategy, exploring international markets, and executing overseas projects, and international operations are facing more risks and challenges.

Risk management measures: (1) The Company will strengthen its attention, analysis, and judgment of the international situation, as well as conduct research and risk analysis on the international market, accelerate technological innovation in clean energy such as wind and solar storage, actively explore international markets, implement overseas marketing and planning, and continuously enhance the international brand influence of Dongfang Electric. (2) It will strengthen the research and response to rules of multilateral institutions such as the World Bank, conduct risk identification, prevention, and response to sensitive countries and regions, implement two-way compliance, actively apply international rules in foreign-related business activities such as overseas business marketing and transaction model design, and enhance accurate compliance capabilities.

IV. Principal Business during the Reporting Period (Continued)

(IV) Prospect for the Second Half of 2025

In the second half of 2025, the Company will firmly grasp the new mission and positioning of state-owned central enterprises, fully utilize the current development opportunities, actively cultivate sustainable development capabilities, take high-quality development as its fundamental pursuit, emphasise prudent operations, optimize investment structures, and promote coordinated development, striving to achieve a successful conclusion to the "14th Five-Year Plan" and lay a solid foundation for the "15th Five-Year Plan".

IV. CORPORATE GOVERNANCE

I. Overview of General Meetings

Session of meeting	Date	Designated website for publication of resolutions	Publication date of resolutions
The 2025 first extraordinary general meeting	14 March 2025	www.sse.com.cn www.hkexnews.hk	14 March 2025
The 2024 annual general meeting, the 2025 first A Shares class meeting and the 2025 first H Shares class meeting	24 June 2025	www.sse.com.cn www.hkexnews.hk	24 June 2025

IV. CORPORATE GOVERNANCE (CONTINUED)

I. Overview of General Meetings (Continued)

On 14 March 2025, the Company held the 2025 first extraordinary general meeting, at which the resolution on the renewal of the General Mandate to issue Shares granted to the Board by the general meeting, the resolution on the Company's Shareholders' return plan for the next three years (2025–2027) and the resolution on the election of Director were considered and passed.

On 24 June 2025, the Company held the 2024 annual general meeting, at which the resolution on the 2024 work report of the Board of the Company, the resolution on the 2024 work report of the Supervisory Committee of the Company, the resolution on the 2024 annual report of the Company, the resolution on the 2024 profit distribution plan of the Company, the resolution on the 2024 audited financial statements of the Company, the resolution on the 2025 financial budget and investment plan of the Company, the resolution on the reappointment of the auditor of the Company for 2025, the resolution on the amendments to the Articles of Association, the resolution on the amendments to the Rules of Procedure for General Meeting, the resolution on the amendments to the Rules of Procedure for the Board, the resolution on the removal of a non-independent Director and the resolution on the election of a non-independent Director were considered and passed.

On 24 June 2025, the Company held the 2025 first A shares class meeting, at which the resolution on the amendments to the Articles of Association and the resolution on the amendments to the Rules of Procedure for General Meeting were considered and passed.

On 24 June 2025, the Company held the 2025 first H shares class meeting, at which the resolution on the amendments to the Articles of Association and the resolution on the amendments to the Rules of Procedure for General Meeting were considered. As the two proposals at the 2025 first H shares class meeting did not receive no less than two-thirds of the votes in favour, the amendments to the Articles of Association and the Rules of Procedure for General Meeting will not take effect. The Company will continue to abide by relevant applicable laws and regulations as well as the current Articles of Association.

IV. CORPORATE GOVERNANCE (CONTINUED)

II. Changes of the Directors, Supervisors and Senior Management Members of the Company

Name	Position	Change situation
Luo Qianyi	Chairman	Election
Zhang Shaofeng	Director	Election
Lv Shuang	Chief accountant	Appointment
Yu Peigen	Chairman	Resignation
Song Zhiyuan	Director	Resignation
Hu Xianfu	Chief accountant	Resignation

Mr. Hu Xianfu has tendered his resignation from the position of chief accountant to the Board of Directors of the Company on 20 January 2025 due to the change in job assignments.

Mr. Song Zhiyuan ceased to be a director of the Company and ceased to hold other positions in the Company with effect from 14 March 2025 as he had reached the statutory retirement age.

On 13 June 2025, the Company has received the temporary written resolution in relation to (among other matters) the removal of Mr. Yu Peigen from his position as a director. At the Company's 2024 annual general meeting (i.e., on 24 June 2025), the resolution on the removal of Mr. Yu Peigen from his position as a director of the Company was duly passed.

At the eighth meeting of the eleventh session of the Board of Directors held on 31 March 2025, the Board of Directors agreed to appoint Ms. Lv Shuang as the chief accountant with immediate effect.

II. Changes of the Directors, Supervisors and Senior Management Members of the Company (CONTINUED)

At the 2025 first extraordinary general meeting, Mr. Zhang Shaofeng was elected as a director of the Company with effect from 14 March 2025.

Mr. Luo Qianyi was elected as a non-independent director of the Company on 24 June 2025 at the 2024 annual general meeting of the Company.

At the eleventh meeting of the eleventh session of the Board of Directors held on 24 June 2025, the Board of Directors agreed to elect Mr. Luo Qianyi as the chairman of the Company with immediate effect.

III. Interests and Short Positions of the Directors, Supervisors and Senior Management in Shares, Underlying Shares and Debentures

(I) Shareholding of Directors, Supervisors and Senior Management

Name	Position	Share class	Status	Number of Shares	Proportion of total share capital *(%)*	Proportion of class share capital *(%)*
Wang Jun	Senior Vice President	A shares	Beneficial owner	25,000(L)	0.00074%	0.00082%
Li Jianhua	Senior Vice President	A shares	Beneficial owner	62,000(L)	0.00183%	0.00203%
Hu Xiukui	Vice President	A shares	Beneficial owner	65,000(L)	0.00192%	0.00213%
Dan Jun	Vice President	A shares	Beneficial owner	30,000(L)	0.00088%	0.00098%
Liang Shuo	Supervisor	A shares	Beneficial owner	8,000(L)	0.00024%	0.00026%

(L) – long position

IV. CORPORATE GOVERNANCE (CONTINUED)

III. Interests and Short Positions of the Directors, Supervisors and Senior Management in Shares, Underlying Shares and Debentures (Continued)

Save as disclosed above, for the six months ended 30 June 2025, none of the directors, supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning under Part XV of the Securities and Futures Ordinance), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (including interests or short positions which they were taken or deemed to have under such provisions of the Securities and Futures Ordinance), or which were required to be recorded in the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 to the Listing Rules (the "Model Code") adopted by the Company.

IV. CORPORATE GOVERNANCE (CONTINUED)

IV. Plan for Profit Distribution or Capitalization of Capital Reserve

(I) Profit distribution during the Reporting Period

Approved at the 2024 annual general meeting on 24 June 2025, the Company paid the final dividend for 2024 to its shareholders on 22 August 2025, a dividend of RMB4.03 (tax inclusive) per 10 shares, totaling the cash dividend of RMB1,366,315,211.38.

(II) Plans for profit distribution and capitalization of capital reserve for the first half year

Whether making profit distribution or converting surplus reserves into share capital	No
Number of bonus share for every 10 shares	0
Amount of cash dividend for every 10 shares *(RMB)* (including tax)	0
Number of shares converted for every 10 shares	0

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

V. Others

(I) Employees and remuneration policies

1. *Number of employees*

   As of 30 June 2025, the total number of employees of the Company was 18,511.

2. *Remuneration of employees*

   As of 30 June 2025, the total amount of remuneration paid to the employees during the Reporting Period was RMB1,407.4802 million.

3. *Remuneration policy*

   During the Reporting Period, the Company continued to enhance the mechanism for determining the total wage amount and coordinated operational performance evaluation targets, growth rates, and contribution to profitability to reasonably regulate the wage levels. The Company persistently optimized and adjusted the income distribution structure, scientifically adjusted the salary strategies, and guided income distribution towards core technical positions and frontline positions involving arduous, dirty, dangerous, and strenuous work. The Company further strengthened performance management for all employees, expanded the application of the performance management system on a larger scale, and achieved the hierarchical breakdown of the Company's strategic and organizational performance objectives, thereby enhancing its management efficiency and standards. The Company improved various special incentive policies, continuously increased incentives for strategic emerging industries and key areas, steadily promoted the implementation of mid- to long-term incentives, gradually increased the coverage of mid- to long-term incentives, and focused particularly on technology and highly skilled talents.

V. Others (Continued)

(II) Employee training plan

4. *Training plan*

During the Reporting Period, the Company continued to focus on talent team building, the development of strategic emerging industries, scientific and technological innovation, and the enhancement of its international business capacity, etc., compiled and released annual unified training plans, formulated teaching and implementation plans, and pushed forward the orderly commencement of various types of training projects. Training projects were centred on enhancing the development of innovative, applied, and skilled talents, systematically advancing training in areas such as managerial capabilities, mass organization and cultural development, technological innovation, lean management, international operations, human resources, and legal risk control, thereby effectively enhancing the innovative thinking and comprehensive ability of complex management talents; together with Tsinghua University, Sichuan University, and other universities, the Company has organized training courses for leading youths in science and technology, training program targeting middle-aged and young management, and special training courses for enterprise mentors of engineering master's and doctoral students, etc., which effectively

V. Others (Continued)

(II) Employee training plan (Continued)

4. Training plan (Continued)

enhanced the effectiveness of training and cultivation of various types of talents, and provided a guarantee for the high-quality development of the Company. Additionally, the Company continued to promote the construction of an online training platform and strengthen the development of online training courses. Based on the training needs of leaders at all levels and various types of professional talent, the Company continuously updated and supplemented online topical courses, purchased online courses from national high-end think tanks, well-known universities, and authoritative training institutions such as the "One Leading University with Four Key Academies" across China. The Company constantly enriched training forms, strengthened training base construction, created high-quality training projects, and continued to promote the scientific, institutionalized and standardized training work by closely focusing on talent training needs.

IV. CORPORATE GOVERNANCE (CONTINUED)

V. Others (Continued)

(III) Purchase, Sales or Redemption of Listed Securities of the Company

During the Reporting Period, pursuant to the Resolution on the Repurchase and Cancellation of Certain Restricted Shares approved at the Company's 2024 third extraordinary general meeting, 2024 second A Shares class meeting and 2024 second H Shares class meeting held on 27 December 2024, the Restricted Shares totalling 17,334 A shares that have been granted to 1 participant yet still locked up were repurchased and cancelled. Please refer to the announcement of the Company dated 20 January 2025 for details.

Save for the aforementioned matters, 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.

(IV) Major Acquisition and Disposal of Subsidiaries and Associates

There were no other major acquisition and disposal of subsidiaries and associates of the Group during the six months ended 30 June 2025.

(V) 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 Reporting Period.

IV. CORPORATE GOVERNANCE (CONTINUED)

V. Others (Continued)

(VI) Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by directors and supervisors of the Company 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 enquiry to all directors and supervisors of the Company, the Company confirms that during the six months ended 30 June 2025, the directors and supervisors of the Company had complied with the provisions regarding the securities transactions by directors and supervisors as stipulated in the Model Code.

(VII) Audit and Risk Committee

The resolution to amend the Rules of Procedure for the Board of Directors was passed at the 2024 Annual General Meeting. The Board has approved the merger of the risk and compliance management committee into the audit and review committee. With effect from 24 June 2025, the audit and review committee is renamed as the audit and risk committee. The audit and risk committee is comprised of one non-executive director, namely Mr. Zhang Shaofeng, and three independent non-executive directors, namely 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 2025, and agreed with the accounting treatment method adopted by the Company.

IV. CORPORATE GOVERNANCE (CONTINUED)

VI. Equity Incentive Scheme, Employee Stock Ownership Scheme or Other Employee Incentives and Effects Thereof

To further improve the Company's medium and long-term incentive and restraint mechanism, to achieve the motivation and restraint of the Company's Directors, senior management, middle-level management and key frontline employees, to more closely combine their interests with the long-term development of the enterprise, to achieve risk sharing and benefit sharing, and to fully mobilize their enthusiasm and creativity, the Company implemented the 2019 A Share Restricted Stock Incentive Plan on 22 November 2019. This followed approvals from the Company's 2019 first extraordinary general meeting, the 2019 first A share class meeting, the 2019 first H share class meeting, and the nineteenth meeting of the ninth board of directors.

The incentive targets include: Directors (including subsidiary directors) and senior management; Middle-level management; Key frontline employees (including non-leadership core staff in marketing, R&D, management, and production) of the Company (including branches and subsidiaries).

On 23 January 2025, the Company repurchased and cancelled 17,334 A shares of restricted stock that had been granted but not yet unlocked to one incentive participant who no longer met the eligibility criteria. For details, please refer to the Company's announcement dated 20 January 2025 regarding the implementation of the repurchase and cancellation of certain restricted shares.

V. SIGNIFICANT EVENTS

I. Performance of Undertakings

(I) Undertakings of the De Facto Controller, Shareholders, Related Parties, Acquirer of the Company and the Company Made or Subsisting During the Reporting Period

Background of undertakings	Type of undertakings	Party making undertakings	Contents of undertakings	Time of undertakings	Any term of performance	Term of undertakings	Strictly performed in a timely manner or not	Description of specific reasons if not performed timely	Description of plans for next steps if not performed timely
Undertakings in relation to refinancing	Lock-up of shares	DEC	From six months prior to the pricing benchmark date of the issuance until six months after its completion, neither the Company nor related parties under its actual control shall reduce their holdings of DEC's A shares, nor shall they have any plans to do so. They shall not reduce their holdings of DEC's A shares in any manner whatsoever. From the date of this supplementary commitment letter until 18 months after the completion of the issuance, neither the Company nor related parties under its actual control shall transfer their holdings of DEC's A shares.	2023	Yes	Lock-up period	Yes		

V. SIGNIFICANT EVENTS (CONTINUED)

I. Performance of Undertakings (Continued)

(I) Undertakings of the De Facto Controller, Shareholders, Related Parties, Acquirer of the Company and the Company Made or Subsisting During the Reporting Period (Continued)

Background of undertakings	Type of undertakings	Party making undertakings	Contents of undertakings	Time of undertakings	Any term of performance	Term of undertakings	Strictly performed in a timely manner or not	Description of specific reasons if not performed timely	Description of plans for next steps if not performed timely
Undertakings in relation to refinancing	Profit forecast and compensation	DEC	DEC Group undertakes that the sum of the actual net income of the investment properties of Dongfang Turbine and Dongfang Electric Machinery appraised by the income approach for the current year and the previous one or two financial years of the profit compensation period shall not be lower than the sum of the forecasted net income of the investment properties of Dongfang Turbine and Dongfang Electric Machinery appraised by the income approach for the current year and the previous one or two financial years of the profit compensation period as stated in the Asset Valuation Report; DEC Group undertakes that the sum of the actual share of income of technical intangible assets of the target company for the current year and the previous one or two financial years of the profit compensation period shall not be lower than the sum of the forecasted share of income of technical intangible assets of the target company for the current year and the previous one or two financial years of the profit compensation period as stated in the Asset Valuation Report. (For further details, please refer to the sections titled "Principal Provisions of the 'Profit Forecast Compensation Agreement' with Preconditions" and "Principal Provisions of the 'Supplemental Agreement to the Profit Forecast Compensation Agreement' with Preconditions" in the "'Prospectus for Issuance of A Shares to Specific Targets in 2023 (Registration Version)" disclosed by the Company on 26 March 2025.).	2025	Yes	Profit compensation period	Yes		

V. SIGNIFICANT EVENTS (CONTINUED)

II. Bankruptcy Reorganization

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

III. Material Litigation or Arbitration Events

During the six months ended 30 June 2025 and up to the date of this report, the Company was not involved in any material litigation or arbitration, and as far as the Directors are aware, the Company does not have any material litigation or claims pending or threatening to the Company.

IV. Material Events

There are no events that have significant impacts on the Group since the end of the Reporting Period.

V. Material Related Party Transactions

(I) Related party transactions in ordinary course of business

For details of related party transactions related to ordinary course of business, please refer to "Note 11: Related parties and related party transactions" in the financial statements section of this report.

VI. Issuance of A Shares to Specific Targets

On 14 April 2025, pursuant to the general mandate granted at the 2025 first extraordinary general meeting, the Company issued 272,878,203 A shares to the following specific investors who met the eligibility criteria prescribed by the China Securities Regulatory Commission at an issue price of RMB 15.11 per share:

Name of Specific Investors	Number of shares subscribed *(shares)*	Amount of subscription *(RMB)*
Dongfang Electric Corporation	33,090,668	499,999,993.48
Well Kent International Enterprises (Shenzhen) Company Limited (華建國際實業(深圳)有限公司)	111,131,700	1,679,199,987.00
China State-owned Enterprise Mixed Ownership Reform Fund Co., Ltd. (中國國有企業混合所有制改革基金有限公司)	128,655,835	1,943,989,666.85
Total	272,878,203	4,123,189,647.33

VI. Issuance of A Shares to Specific Targets (Continued)

The issue price of new A shares issued to specific targets is determined through a competitive bidding process. The issue price shall not be lower than 80% of the average trading price of A shares for the 20 trading days preceding the first day of the issuance period (27 March 2025), i.e., RMB12.18 per A share. The Company and the sponsor (lead underwriter) have determined the issue price at RMB15.11 per A share based on the subscription quotations from investors and in strict accordance with the relevant procedures and principles set out in the issuance plan regarding the issue price, issuance targets and the number of A shares to be issued. The total proceeds from the issuance of A shares to specific targets amounted to RMB4,123,189,647.33. After deducting the related issuance expenses of RMB6,624,284.32 (excluding tax), the net proceeds were RMB4,116,565,363.01. The total number of issued shares of the Company has increased from 3,117,482,123 shares to 3,390,360,326 shares.

The proceeds from this issuance of A shares to specific targets will be used to acquire 4.55% equity of Dongfang Boiler Co., Ltd. of Dongfang Electric Corporation, 8.70% equity of Dongfang Turbine Co., Ltd. of Dongfang Electric Corporation, 8.14% equity of Dongfang Electric Machinery Co., Ltd. of Dongfang Electric Corporation and 5.63% equity of Dongfang Electric (Guangzhou) Heavy Machinery Co., Ltd. The proceeds will also be allocated to upgraded construction projects and supplement working capital. For details, please refer to the circular and notice of the 2025 first extraordinary general meeting dated 26 February 2025, the poll results and clarification announcement of the 2025 first extraordinary general meeting on 14 March 2025, and the announcement regarding the completion of the issuance of A shares to specific targets dated 17 April 2025.

V. SIGNIFICANT EVENTS (CONTINUED)

VI. Issuance of A Shares to Specific Targets (Continued)

As of 30 June 2025, the utilisation of the net proceeds is set out in the table below:

Use of proceeds	Total investment amount *(RMB 0,000)*	Amount utilised as of 30 June 2025 *(RMB 0,000)*	Unutilised amount as of 30 June 2025 *(RMB 0,000)*	Expected timeline for utilisation of net proceeds *(note)*
Acquire 8.14% of the equity of Dongfang Electric Machinery held by Dongfang Electric Corporation	73,541.53	73,541.53	0	N/A
Acquire 8.70% of the equity of Dongfang Turbine held by Dongfang Electric Corporation	113,340.78	113,340.78	0	N/A
Acquire 4.55% of the equity of Dongfang Boiler held by Dongfang Electric Corporation	48,646.05	48,646.05	0	N/A
Acquire 5.63% of the equity of Dongfang Heavy Machinery held by Dongfang Electric Corporation	17,122.89	17,122.89	0	N/A
Pumped Storage Energy Technology R&D Capability Enhancement Project of Dongfang Electric Machinery	28,927.73	0	28,927.73	As of March 2026
Gas Turbine Rotor Machining and Manufacturing Capability Upgrade Project of Dongfang Turbine	5,464.13	0	5,464.13	As of December 2025
Digital Workshop Construction Project of Dongfang Turbine	26,356.38	0	26,356.38	As of December 2025
Digital Construction Project of Dongfang Boiler	16,070.96	0	16,070.96	As of December 2025
Supplement working capital	82,186.09	1,291.74	80,894.35	As of December 2026
	411,465.54	253,943.00	157,713.55	

Note: The proceeds are expected to be used during the corresponding construction period of the relevant projects. The actual time will depend on the overall progress and actual situation of the relevant projects.

VI. Issuance of A Shares to Specific Targets (Continued)

To enhance the efficiency of the use of the proceeds, and on the premise of ensuring that the construction and use of the fundraising projects are not affected and the safety of the proceeds is safeguarded, a portion of the temporarily idle proceeds will be utilised for cash management in a reasonable manner to better leverage the efficiency of the proceeds and increase the Company's returns. On 29 April 2025, the Company held the ninth meeting of the eleventh session of the Board, at which a proposal on the use of a portion of the temporarily idle proceeds for cash management was considered and approved. The Company is permitted to utilise idle proceeds of up to RMB930 million for cash management, on the condition that such use does not affect the normal implementation of the projects funded by the proceeds and the safety of the proceeds is ensured. The validity period shall be no more than 12 months from the date of the Board's approval. The independent directors of the Company expressed their explicit consent, and the sponsor provided no-objection verification opinions.

For details, please refer to the overseas regulatory announcement titled "Adjustment of the Amount of Proceeds to be Invested in the Fundraising Projects" published by the Company on 30 April 2025.

VII. Material Contracts and Performance thereof

(I) Guarantee

Unit: Yuan Currency: RMB

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

Guarantor	Relationship between guarantor and listed company	Guaranteed parties	Guaranteed amount	Date of guarantee (execution date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Is the guarantee fully fulfilled	Is the guarantee overdue	Amount overdue	Any counter guarantee	Is the guarantee provided to related party	Related party relationship
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Energy Power Hongnijing Wind Power Co., Ltd.	16,000,000.00	19 January 2016	19 January 2016	19 January 2026	General guarantee	No	No	0	No	Yes	Associate
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Mengneng Sanshengtai Wind Power Co., Ltd.	16,000,000.00	29 June 2016	29 June 2016	29 June 2026	General guarantee	No	No	0	No	Yes	Associate
Dongfang Electric Corporation Limited	Headquarters of the Company	Inner Mongolia Mengneng Wulan New Energy Co., Ltd.	36,000,000.00	27 October 2016	27 October 2016	27 October 2026	General guarantee	No	No	0	No	Yes	Associate
DEC Dongfang Steam Turbine Co., Ltd.	Wholly-owned subsidiary	Mitsubishi Heavy Industries Dongfang Gas Turbine (Guangzhou) Co., Ltd.	24,500,000.00	22 September 2016	22 September 2016	Termination date of long-term service agreement	General guarantee	No	No	0	No	Yes	Joint venture

VII. Material Contracts and Performance thereof (Continued)

(I) Guarantee (Continued)

Total guarantee incurred during the Reporting Period (excluding those provided to subsidiaries)	0
Total balance of guarantee as at the end of the Reporting Period (A) (excluding those provided to subsidiaries)	92,500,000.00
Guarantee provided by the Company to its subsidiaries	
Total guarantee to subsidiaries incurred during the Reporting Period	0
Total balance of guarantee to subsidiaries as at the end of the Reporting Period (B)	0
Aggregate guarantee of the Company (including those to subsidiaries)	
Aggregate guarantee (A+B)	92,500,000.00
Percentage of aggregate guarantee to net assets of the Company *(%)*	0.20
Representing:	
Amount of guarantee provided for shareholders, de facto controller and their related parties (C)	0
Amount of debts guarantee directly or indirectly provided to guaranteed parties with gearing ratio over 70% (D)	0
Excess amount of aggregate guarantee over 50% of net assets (E)	0
Aggregate amount of the above three items (C+D+E)	0

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

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS

I. Changes in Ordinary Shares

(I) Table of changes in shares

Unit: Share

	Prior to the current movements		Increase/(decrease) of current movements (+, -)					After current movements	
	Number of shares	Percentage *(%)*	New shares issued	Share donation	Conversion of reserves into share	Others	Sub-total	Number of shares	Percentage *(%)*
I. Shares subject to trading moratorium	753,920,397	24.18	272,878,203	0	0	-17,334	272,860,869	1,026,781,266	30.29
1. State-owned shares	0	0	0	0	0	0	0	0	0.00
2. State-owned legal person shares	753,903,063	24.18	272,878,203	0	0	0	272,878,203	1,026,781,266	30.29
3. Other domestic shares	17,334	0.00056	0	0	0	-17,334	-17,334	0	0.00
Including: shares owned by domestic non-state-owned legal persons	0	0	0	0	0	0	0	0	0.00
Shares owned by domestic natural persons	17,334	0.00056	0	0	0	-17,334	-17,334	0	0.00
4. Foreign owned shares	0	0	0	0	0	0	0	0	0.00
Including: shares owned by overseas legal persons	0	0	0	0	0	0	0	0	0.00
Shares owned by overseas natural persons	0	0	0	0	0	0	0	0	0.00
II. Tradable shares not subject to trading moratorium	2,363,579,060	75.82	0	0	0	0	0	2,363,579,060	69.71
1. RMB-denominated ordinary shares	2,023,579,060	64.91	0	0	0	0	0	2,023,579,060	59.69
2. Domestic listed foreign shares	0	0.00	0	0	0	0	0	0	0.00
3. Overseas listed foreign shares	340,000,000	10.91	0	0	0	0	0	340,000,000	10.03
4. Others	0	0.00	0	0	0	0	0	0	0.00
III. Total number of shares	3,117,499,457	100.00	0	0	0	0	272,860,869	3,390,360,326	100.00

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

I. Changes in Ordinary Shares (Continued)

(I) Table of changes in shares (Continued)

Due to changes in the individual circumstances of the certain participants under the Restricted A Share Incentive Scheme for 2019 of the Company, the Company repurchased and cancelled 17,334 restricted A shares which had been granted to such participants and been granted with authorisation but not yet unlocked on 23 January 2025. For details, please refer to the relevant announcements published by the Company on the website of the SSE (http://www.sse.com.cn).

On 14 April 2025, pursuant to the general mandate granted at the 2025 first extraordinary general meeting, the Company issued 272,878,203 A shares to specific investors, including Dongfang Electric Corporation, who met the eligibility criteria prescribed by the China Securities Regulatory Commission, at an issue price of RMB15.11 per share. As a result, the total number of issued shares of the Company increased from 3,117,482,123 to 3,390,360,326. For details, please refer to the circular and notice of the 2025 first extraordinary general meeting dated 26 February 2025, the poll results and clarification announcement of the 2025 first extraordinary general meeting on 14 March 2025, and the announcement regarding the completion of the issuance of A shares to specific targets dated 17 April 2025.

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

I. Changes in Ordinary Shares (Continued)

(II) Changes in shares subject to trading moratorium

Unit: Share

Name of shareholder	Number of shares subject to selling restrictions at the beginning of the Period	Number of shares released from selling restrictions during the Reporting Period	Increased number of shares subject to selling restrictions during the Reporting Period	Number of shares subject to selling restrictions at the end of the Reporting Period	Reason for selling restrictions	Date of release from selling restrictions
Dongfang Electric Corporation Limited	753,903,063	0	33,090,668	**786,993,731**	Non-public issuance of shares	See Explanations 1 and 2
China State-owned Enterprise Mixed Ownership Reform Fund Co., Ltd. (中國國有企業混合所有制改革基金有限公司)	0	0	128,655,835	**128,655,835**	Non-public issuance of shares	See Explanation 2
Well Kent International Enterprises (Shenzhen) Co., Ltd. (華建國際實業(深圳)有限公司)	0	0	111,131,700	**111,131,700**	Non-public issuance of shares	See Explanation 2

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

I. Changes in Ordinary Shares (Continued)

(II) Changes in shares subject to trading moratorium

Name of shareholder	Number of shares subject to selling restrictions at the beginning of the Period	Number of shares released from selling restrictions during the Reporting Period	Increased number of shares subject to selling restrictions during the Reporting Period	Number of shares subject to selling restrictions at the end of the Reporting Period	Reason for selling restrictions	Date of release from selling restrictions
Participants under the Restricted A Share Incentive Scheme	17,334	0	(17,334)	**0**	Incentive schemes with restricted stock as an incentive method	The lock-up periods shall be 24 months, 36 months and 48 months from the relevant completion date of registration of the restricted shares under the grant, the proportion of unlocking shares in the equity granted is 1/3
Total	753,920,397	0	272,860,869	**1,026,781,266**	/	/

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

I. Changes in Ordinary Shares (Continued)

(II) Changes in shares subject to trading moratorium (Continued)

Explanations:

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

2. The Company's issuance of A shares to specific targets in 2023 involved three targets. The Company has completed the procedures for registration, custody and restrictions on sale in respect of the corresponding 272,878,203 shares with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 14 April 2025. Following the completion of the issuance of A shares to specific targets, the shares subscribed for by the controlling shareholder, Dongfang Electric Corporation, shall not be transferred for eighteen months from the date of issuance, while the shares subscribed for by other targets shall not be transferred for six months from the date of issuance.

II. Particulars of Shareholders

(I) Total number of shareholders:

Total number of shareholders of ordinary shares as of the end of the Reporting Period *(shareholder)*	92,007
Total number of shareholders of preference shares with restoration of voting rights as at the end of Reporting Period *(shareholder)*	0

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

Unit: Share

Shareholdings of top 10 shareholders (Excluding shares lent through refinancing)							
Name of shareholder (Full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen: Status of shares	Pledged, marked or frozen: Number of shares	Type of shareholder
Dongfang Electric Corporation	+33,751,068	1,772,966,194	52.29	786,993,731	Nil		State-owned legal person
Hong Kong Securities Clearing Company Limited	+87,900	337,935,269	9.97	0	Unknown		Overseas legal person
China State-owned Enterprise Mixed Ownership Reform Fund Co., Ltd. (中國國有企業混合所有制改革基金有限公司)	+128,655,835	128,655,835	3.79	128,655,835	Unknown		State-owned legal person

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Unit: Share

Shareholdings of top 10 shareholders (Excluding shares lent through refinancing)							
Name of shareholder (Full name)	Increase/decrease during the Reporting Period	Number of shares held at the end of the Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen: Status	Pledged, marked or frozen: Number of shares	Type of shareholder
Well Kent International Enterprises (Shenzhen) Co., Ltd. (華建國際實業(深圳)有限公司)	+111,131,700	111,131,700	3.28	111,131,700	Unknown		State-owned legal person
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 Trading Open Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	+2,368,569	21,539,502	0.64	0	Unknown		Other
China Construction Bank Corporation – E Fund CSI 300 Exchange Traded Open-end Index Seed Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	+2,269,131	15,498,556	0.46	0	Unknown		Other
Industrial and Commercial Bank of China Limited – China AMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	+2,570,400	11,364,700	0.34	0	Unknown		Other

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Unit: Share

	Shareholdings of top 10 shareholders (Excluding shares lent through refinancing)						
	Increase/ decrease during the Reporting Period	Number of shares held at the end of the Period	Percentage	Number of shares held subject to trading moratorium	Pledged, marked or frozen		
Name of shareholder (Full name)			*(%)*		Status of shares	Number of shares	Type of shareholder
Bank of China Limited – Harvest CSI 300 Trading Open-ended Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	+1,462,400	9,795,100	0.29	0	Unknown		Other
Guoshou Pension Strategy No. 7 Stock-based Pension Product –Industrial and Commercial Bank of China Limited (國壽養老策略7號股票型養老金產品－中國工商銀行股份有限公司)	-75,134	8,451,548	0.25	0	Unknown		Other
Gong Youhua (龔佑華)	0	8,246,100	0.24	0	Unknown		Domestic natural person

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Shareholdings of top 10 shareholders that were not subject to trading moratorium (Excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares that were not subject to trading moratorium	Type and number of shares: Type of shares	Type and number of shares: Number of shares
Dongfang Electric Corporation	985,972,463	RMB ordinary shares	985,972,463
Hong Kong Securities Clearing Company Limited	337,935,269	Overseas-listed foreign shares	337,935,269
Industrial and Commercial Bank of China Limited – Huatai Bairui CSI 300 Trading Open Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	21,539,502	RMB ordinary shares	21,539,502
China Construction Bank Corporation – EFund CSI 300 Exchange Traded Open-end Index Seed Securities Investment Fund (中國建設銀行股份有限公司－易方達滬深300交易型開放式指數發起式證券投資基金)	15,498,556	RMB ordinary shares	15,498,556

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Shareholdings of top 10 shareholders that were not subject to trading moratorium (Excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares that were not subject to trading moratorium	Type and number of shares	
		Type of shares	Number of shares
Industrial and Commercial Bank of China Limited – China AMC CSI 300 Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－華夏滬深300交易型開放式指數證券投資基金)	11,364,700	RMB ordinary shares	11,364,700
Bank of China Limited – Harvest CSI 300 Trading Open-ended Index Securities Investment Fund (中國銀行股份有限公司－嘉實滬深300交易型開放式指數證券投資基金)	9,795,100	RMB ordinary shares	9,795,100
Guoshou Pension Strategy No. 7 Stock-based Pension Product – Industrial and Commercial Bank of China Limited (國壽養老策略7號股票型養老金產品－中國工商銀行股份有限公司)	8,451,548	RMB ordinary shares	8,451,548
Gong Youhua (龔佑華)	8,246,100	RMB ordinary shares	8,246,100
China Southern Fund - Agricultural Bank - China Southern China Securities and Financial Assets Management Program (南方基金－農業銀行－南方中證金融資產管理計劃)	7,834,964	RMB ordinary shares	7,834,964

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Shareholdings of top 10 shareholders that were not subject to trading moratorium
(Excluding shares lent through refinancing)

Name of shareholder	Number of tradable shares that were not subject to trading moratorium	Type and number of shares: Type of shares	Type and number of shares: Number of shares
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Program (廣發基金－農業銀行－廣發中證金融資產管理計劃)	7,528,600	RMB ordinary shares	7,528,600

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

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Unit: Share

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

No.	Name of holders of shares subject to trading moratorium	Number of shares held subject to trading moratorium	Listing status of shares which are subject to trading moratorium: Eligible listing time	Listing status of shares which are subject to trading moratorium: Number of new listed shares	Conditions of trading moratorium
1	Dongfang Electric Corporation	786,993,731	See Explanations 1 and 2	0	See Explanations 1 and 2
2	China State-owned Enterprise Mixed Ownership Reform Fund Co., Ltd. (中國國有企業混合所有制改革基金有限公司)	128,655,835	See Explanation 2	0	See Explanation 2
3	Well Kent International Enterprises (Shenzhen) Co., Ltd. (華建國際實業(深圳)有限公司)	111,131,700	See Explanation 2	0	See Explanation 2

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

II. Particulars of Shareholders (Continued)

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

Description of connected relationship or concert party relationship among the above shareholders	The Company is not aware of any connected relationship among the above-mentioned shareholders Explanations: 1. The shares of Dongfang Electric which were subscribed for with the target assets owned by DEC shall not be transferred in any way within 36 months from their listing date, i.e. 12 June 2018. If the closing price of Dongfang Electric shares for 20 consecutive trading days is lower than the issue price of this transaction within 6 months from the listing of new shares in this transaction, or if the closing price as at the end of the six-month period after the completion of this transaction is lower than the issue price of this transaction, the lockup period of Dongfang Electric shares obtained by the Company in this transaction will be automatically extended for 6 months from the original lockup period. 2. The Company's issuance of A shares to specific targets in 2023 involved three targets. The Company has completed the procedures for registration, custody and restrictions on sale in respect of the corresponding 272,878,203 shares with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 14 April 2025. Following the completion of the issuance of A shares to specific targets, the shares subscribed for by the controlling shareholder, Dongfang Electric Corporation, shall not be transferred for eighteen months from the date of issuance, while the shares subscribed for by other targets shall not be transferred for six months from the date of issuance.

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

III. Interests and/or Short Position of Substantial Shareholders in the Company and Underlying Shares

To the best knowledge of the Directors, having made all reasonable enquiries, as at 30 June 2025, the following person was recorded in the register required to be kept pursuant to Section 336 of the Hong Kong Securities and Futures Ordinance as the substantial shareholder (as defined in the Hong Kong Securities and Futures Ordinance) of the Company, whose interests were as follows:

Name	Share class	Capacity	Number of shares held	Percentage of total share capital (%)	Percentage in the respective class of share capital (%)
DEC [1]	A Share	Beneficial owner	1,772,966,194(L)	52.29	58.12
	H Share	Interest held by controlled corporation	858,800(L)	0.03	0.25
FIL Limited [2]	H Share	Interest held by controlled corporation	20,281,800(L)	0.60	5.97
Fandanus Partners L. P. [2]	H Share	Interest held by controlled corporation	20,281,800(L)	0.60	5.97
Fandanus Associates Inc. [2]	H Share	Interest held by controlled corporation	20,281,800(L)	0.60	5.97

(L) – long position

VI. CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS (CONTINUED)

III. Interests and/or Short Position of Substantial Shareholders in the Company and Underlying Shares (Continued)

Notes:

1. DEC holds 100% interests in Dongfang Electric International Investment Co., Limited (formerly known as DongFang Electric (Hong Kong) Limited), and is therefore deemed to be interested in the same number of H Shares which Dongfang Electric International Investment Co., Limited (formerly known as DongFang Electric (Hong Kong) Limited) is interested in pursuant to the Hong Kong Securities and Futures Ordinance.

2. FIL Limited holds 20,281,800 H shares of the Company. FIL Limited is owned as to 47.90% owned by Pandanus Partners L. P.; Pandanus Partners L. P. is wholly owned by Pandanus Associates Inc. Therefore, both Pandanus Partners L. P. and Pandanus Associates Inc. are deemed to be interested in the shares held by FIL Limited pursuant to the Hong Kong Securities and Futures Ordinance.

3. The above percentage of total share capital and the percentage in the respective classes of share capital were calculated on the basis of total share capital (3,390,360,326 shares) and respective classes of share capital (including 3,050,360,326 A Shares and 340,000,000 H Shares) of the Company as at 30 June 2025.

Save as disclosed above, as at the end of the Reporting Period, the Company was not aware of any interests or short position held by other persons (other than the Directors, supervisors and chief executives of the Company) in the shares or underlying shares of the Company required to be recorded in the register of the Company pursuant to Section 336 of the Securities and Futures Ordinance.

Dongfang Electric Corporation Limited
Luo Qianyi
Chairman
28 August 2025

VII. FINANCIAL REPORT (PLEASE SEE THE CD-ROM ATTACHED)

Dongfang Electric Corporation Limited

Financial Statements and Notes

For the Half Year 2025

Dongfang Electric Corporation Limited

Financial Statements and Notes

(From January 1, 2025 to June 30, 2025)

Table of Content

Dongfang Electric Corporation Limited
Consolidated Balance Sheets
As at June 30, 2025
(Amounts are expressed in RMB unless otherwise stated)

Assets	Note	Balance as at June 30, 2025	Balance as at December 31, 2024
Current assets:			
Money funds	5.1	31,258,747,496.38	26,855,949,069.93
Balances with clearing companies			
Loans to banks and other financial institutions	5.2	1,460,597,736.03	836,529,745.30
Financial assets held for trading	5.3	1,572,706,401.76	1,697,971,178.52
Derivative financial asset			
Notes receivable	5.4	998,157,596.40	1,224,353,136.23
Accounts receivable	5.5	14,033,103,356.72	12,545,314,264.97
Receivables financing	5.6	2,426,759,434.04	1,927,567,077.40
Advances to suppliers	5.7	6,664,490,992.53	5,876,898,026.02
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	5.8	544,958,219.37	546,279,763.42
Financial assets purchased under resale agreements	5.9	2,731,060,273.97	2,666,820,136.99
Inventories	5.10	27,286,777,778.40	21,685,296,057.95
Including: Data resources			
Contract assets	5.11	17,287,432,592.98	14,258,321,922.49
Assets held for sale			
Non-current assets maturing within one year	5.12	719,624,820.93	2,341,379,530.86
Other current assets	5.13	2,248,590,487.71	1,317,102,354.65
Total current assets		109,233,007,187.22	93,779,782,264.73
Non-current assets:			
Disbursement of loans and advances	5.14	4,463,089,863.91	4,483,911,097.25
Creditor's right investments	5.15	17,564,832,813.33	19,785,285,247.24
Other creditor's right investments			
Long-term receivables	5.16	115,852,508.51	21,879,106.99
Long-term equity investments	5.17	2,695,097,689.42	2,924,013,842.93
Other equity instrument investments	5.18	540,126,275.38	544,594,360.32
Other non-current financial assets			
Investment properties	5.19	138,960,557.20	144,195,700.70
Fixed assets	5.20	5,482,292,975.66	5,497,006,728.71
Construction in progress	5.21	1,700,377,412.70	1,427,333,045.26
Productive biological assets			
Oil and gas assets			
Right-of-use assets	5.22	492,984,406.24	554,692,874.36
Intangible assets	5.23	1,916,436,238.51	1,924,688,544.38
Including: Data resources			
development expenditure	5.24	5,197,196.32	5,027,241.19
Including: Data resources			
Goodwill			
Long-term deferred expenses	5.25	14,573,922.39	15,213,914.59
Deferred income tax assets	5.26	3,440,067,780.54	3,320,567,076.73
Other non-current assets	5.27	8,562,620,125.02	7,581,093,806.49
Total non-current assets		47,132,509,765.13	48,229,502,587.14
Total assets		156,365,516,952.35	142,009,284,851.87

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

Enterprise Principal: Luo Qianyi   Accounting Principal: Lv Shuang   Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Consolidated Balance Sheet (continued)
As at June 30, 2025
(Amounts are expressed in RMB unless otherwise stated)

Liabilities and owners' equity	Note	Balance as at June 30, 2025	Balance as at December 31, 2024
Current liabilities:			
Short-term borrowings	5.29	75,109,263.89	75,080,000.00
Borrowings from central bank			
Loans from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	5.30	16,341,656,436.91	15,635,278,628.07
Accounts payable	5.31	30,488,928,676.84	24,833,045,021.46
Advances from customers			
Contract liabilities	5.32	42,078,274,477.02	40,665,996,771.34
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits	5.33	4,767,478,788.41	2,260,595,201.96
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employee compensation payable	5.34	776,131,509.37	959,633,957.64
Taxes and surcharges payable	5.35	542,820,096.49	782,649,173.71
Other payables	5.36	2,969,389,239.35	1,614,378,867.21
Handling charges and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	5.37	257,381,612.74	331,405,083.18
Other current liabilities	5.38	1,248,522,114.44	1,754,906,399.30
Total current liabilities		99,545,692,215.46	88,912,969,103.87
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	5.39	3,434,875,573.97	2,167,176,895.80
Bonds payable			
Including: preferred stock			
Perpetual bond			
Lease liabilities	5.40	408,213,036.45	415,958,899.80
Long-term payables	5.41	240,000.00	240,000.00
Long-term employee compensation payable	5.42	1,021,359,543.11	1,003,106,169.47
Estimated liabilities	5.43	5,865,025,659.15	5,659,335,713.33
Deferred income	5.44	462,535,573.03	478,399,531.50
Deferred income tax liabilities	5.26	223,910,958.33	229,850,405.47
Other non-current liabilities			
Total non-current liabilities		11,416,160,344.04	9,954,067,615.37
Total liabilities		110,961,852,559.50	98,867,036,719.24
Owner's equity:			
Share capital	5.45	3,390,360,326.00	3,117,499,457.00
Other equity instruments			
Including: preferred stock			
Perpetual bond			
Capital reserves	5.46	14,355,749,032.29	11,559,826,521.38
Less: treasury stock	5.47		648,882.29
Other comprehensive income	5.48	-147,247,099.58	-120,082,230.27
Special reserves	5.49	142,076,194.13	124,193,157.76
Surplus reserves	5.50	1,424,889,201.23	1,424,889,201.23
General risk provision			
Undistributed profits	5.51	23,234,085,776.73	22,690,605,142.05
Total equity attributable to owners of the parent company		42,399,913,430.80	38,796,282,366.86
Minority equity		3,003,750,962.05	4,345,965,765.77
Total owners' equity		45,403,664,392.85	43,142,248,132.63
Total liabilities and owners' equity		156,365,516,952.35	142,009,284,851.87

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

Enterprise Principal: Accounting Principal: Person in charge of the Accounting Department:

Luo Qianyi Lv Shuang Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Balance Sheet
As at June 30, 2025
(Amounts are expressed in RMB unless otherwise stated)

Assets	Note	Balance as at June 30, 2025	Balance as at December 31, 2024
Current assets:			
Money funds		8,194,517,931.00	5,980,612,043.92
Financial assets held for trading		864,866,356.34	941,928,287.16
Derivative financial asset			
Notes receivable		24,300,550.55	12,297,518.11
Accounts receivable	16.1	1,070,723,214.67	800,547,351.80
Receivables financing		152,930,776.41	192,828,351.11
Advances to suppliers		959,010,432.62	1,212,770,153.45
Other receivables	16.2	812,446,369.29	40,918,179.55
Inventories		74,654,917.56	39,613,454.59
Including: Data resources			
Contract assets		2,505,994,066.76	3,238,054,120.91
Assets held for sale			
Non-current assets maturing within one year			
Other current assets		64,192,322.07	31,550,684.69
Total current assets		14,723,636,937.27	12,491,120,145.29
Non-current assets:			
Creditor's right investments			
Other creditor's right investments			
Long-term receivables			
Long-term equity investments	16.3	25,792,219,853.42	23,181,324,428.75
Other equity instrument investments			
Other non-current financial assets			
Investment properties		5,081,975.56	5,638,655.69
Fixed assets		46,302,618.59	50,964,988.17
Construction in progress		99,915,991.06	89,313,721.84
Productive biological assets			
Oil and gas assets			
Right-of-use assets		32,139,924.87	64,279,849.74
Intangible assets		107,585,719.10	123,861,076.78
Including: Data resources			
development expenditure		3,419,811.33	3,419,811.33
Including: Data resources			
Goodwill			
Long-term deferred expenses			
Deferred income tax assets		146,515,943.21	146,515,943.21
Other non-current assets		2,350,945,977.95	2,415,102,239.92
Total non-current assets		28,584,127,815.09	26,080,420,715.43
Total assets		43,307,764,752.36	38,571,540,860.72

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

Enterprise Principal: Luo Qianyi　　Accounting Principal: Lv Shuang　　Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Balance Sheet (Continued)
As at June 30, 2025
(Amounts are expressed in RMB unless otherwise stated)

Liabilities and owners' equity	Note	Balance as at June 30, 2025	Balance as at December 31, 2024
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		5,024,885,627.45	5,752,905,713.07
Advances from customers			
Contract liabilities		5,308,789,068.70	5,411,977,624.86
Employee compensation payable		52,558,627.70	54,183,935.47
Taxes and surcharges payable		3,225,953.51	1,199,552.44
Other payables		2,049,990,752.34	696,783,625.37
Liabilities held for sale			
Non-current liabilities maturing within one year		35,022,986.47	70,168,874.79
Other current liabilities		282,240,524.70	290,330,524.68
Total current liabilities		12,756,713,540.87	12,277,549,850.68
Non-current liabilities:			
Long-term borrowings		861,708,500.00	886,948,500.00
Bonds payable			
Including: preferred stock			
Perpetual bond			
Lease liabilities			
Long-term payables			
Long-term employee compensation payable		6,451,066.38	7,958,894.01
Estimated liabilities		116,337,866.24	116,443,217.68
Deferred income		24,519,935.62	19,519,935.62
Deferred income tax liabilities		69,155,980.56	69,155,980.56
Other non-current liabilities			
Total non-current liabilities		1,078,173,348.80	1,100,026,527.87
Total liabilities		13,834,886,889.67	13,377,576,378.55
Owner's equity:			
Share capital		3,390,360,326.00	3,117,499,457.00
Other equity instruments			
Including: preferred stock			
Perpetual bond			
Capital reserves		16,872,048,534.38	13,028,992,922.66
Less: treasury stock			648,882.29
Other comprehensive income			
Special reserves			
Surplus reserves		1,713,266,580.27	1,713,266,580.27
Undistributed profits		7,497,202,422.04	7,334,854,404.53
Total owners' equity		29,472,877,862.69	25,193,964,482.17
Total liabilities and owners' equity		43,307,764,752.36	38,571,540,860.72

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

Enterprise Principal: Luo Qianyi   Accounting Principal: Lv Shuang   Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Consolidated Income Statement
January- June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	Note	For the six months ended June 30, 2025	For the six months ended June 30, 2024
I. Total operating revenue	5.52	38,150,951,534.17	33,457,011,207.05
Including: operating revenue	5.52	37,623,627,306.41	32,928,476,029.89
Interest income	5.52	527,283,936.51	528,420,142.37
Premiums earned			
Income from handling charges and commissions	5.52	40,291.25	115,034.79
II. Total operating cost		35,297,964,520.14	31,496,571,965.14
Including: operating costs	5.52	31,805,881,127.97	28,285,631,299.74
Interest expenses	5.52	13,609,163.85	11,751,753.19
Handling charges and commissions expenses	5.52	1,007,374.98	700,738.73
Surrender value			
Net amount of compensation payout			
Net amount withdrawn for insurance contract reserves			
Policy dividend expenses			
Reinsurance costs			
Taxes and surcharges	5.53	217,510,346.38	176,546,377.84
Selling and distribution expenses	5.54	317,891,455.51	289,344,237.26
Selling and distribution expenses	5.55	1,372,877,949.96	1,339,624,220.93
Research and development expenditures	5.56	1,569,565,190.21	1,347,828,439.49
Finance expenses	5.57	-378,088.72	45,144,897.96
Including: interest expenses		35,320,648.54	28,941,296.45
Interest income		49,956,678.60	42,747,583.43
Plus: other income	5.58	249,603,044.12	403,016,183.28
Investment income ("-" for losses)	5.59	141,074,666.85	-39,626,483.54
Including: income from investment in associates and joint ventures		66,300,239.79	-110,906,108.17
Income from derecognition of financial assets measured at amortized cost			
Foreign exchange gains ("-" for losses)	5.60	993,753.02	2,726,885.20
Income from net exposure hedging ("-" for losses)			
Income from changes in fair value ("-" for losses)	5.61	-75,264,776.76	28,344,053.76
Losses from credit impairment ("-" for losses)	5.62	-209,707,686.94	14,429,465.02
Losses from asset impairment ("-" for losses)	5.23	-456,796,895.04	-259,118,589.34
Income from asset disposal ("-" for losses)	5.64	3,496,944.88	116,255.14
III. Operating profits ("-" for losses)		2,506,386,064.16	2,110,327,011.43
Plus: non-operating revenue	5.65	36,676,349.66	21,737,808.75
Less: non-operating expenses	5.66	49,091,527.20	25,384,336.71
IV. Total profits ("-" for total losses)		2,493,970,886.62	2,106,680,483.47
Less: Income tax expenses	5.67	433,127,075.60	298,136,651.64
V. Net profit ("-" for net loss)		2,060,843,811.02	1,808,543,831.83
(I) Classified by operating sustainability			
1. Net profit from continuing operations ("-" for net loss)		2,060,843,811.02	1,808,543,831.83
2. Net profit from discontinued operation ("-" for net loss)			
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent Company ("-" for net loss)		1,909,795,846.06	1,691,463,127.79
2. Non-controlling shareholders profit or loss ("-" for net loss)		151,047,964.96	117,080,704.04
VI. Other comprehensive income, net of tax		-30,623,626.98	-44,761,013.57
Other comprehensive income, net of tax, attributable to owners of the parent company		-27,164,869.31	-43,478,529.33
(i) Other comprehensive income that cannot be reclassified into profit or loss		-10,619,646.69	-44,001,974.98
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments		-10,619,646.69	-44,001,974.98
4. Changes in fair value of the Company's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss		-16,545,222.62	523,445.65
1. Other comprehensive income that can be transferred to profit or loss under the equity method			-247,804.03
2. Changes in fair value of other bond investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other creditor's rights investment		-1,347,742.88	
5. Cash flow hedging reserves			
6. Differences arising from translation of foreign currency financial statements		-15,197,479.74	771,249.68
7. Other			
Other comprehensive income, net of tax, attributable to minority shareholders		-3,458,757.67	-1,282,484.24
VII. Total comprehensive income		2,030,220,184.04	1,763,782,818.26
Total comprehensive income attributable to owners of the parent company		1,882,630,976.75	1,647,984,598.46
Total comprehensive income attributable to minority shareholders		147,589,207.29	115,798,219.80
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	5.68	0.60	0.54
(II) Diluted earnings per share (RMB/share)	5.68	0.60	0.54

In case of business combination under common control, the net profit realized by the combinee before the combination in the period was RMB0.00; and the net profit realized by the combinee in the previous period was RMB0.00. The accompanying notes to the financial statements form an integral part of the financial statements.

Enterprise Principal: Accounting Principal: Person in charge of the Accounting Department:

Luo Qianyi Lv Shuang Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Income Statement
January- June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	Note	For the six months ended June 30, 2025	For the six months ended June 30, 2024
I. Operating revenue	16.4	2,990,048,740.92	4,176,694,860.26
Less: Operating cost	16.4	2,889,746,032.88	3,995,254,598.18
Taxes and surcharges		1,056,461.66	1,934,342.79
Selling and distribution expenses		21,499,368.07	22,390,396.89
General and administrative expenses		148,951,649.93	123,660,850.83
Research and development expenditures		50,467,205.92	79,137,990.84
Finance expenses		-10,816,679.70	-21,730,426.45
Including: interest expenses		4,421,618.54	365,315.59
Interest income		12,080,424.99	25,367,072.32
Plus: other income			267,995.79
Investment income ("-" for losses)	16.5	1,746,383,939.38	1,287,643,655.23
Including: income from investment in associates and joint ventures		4,382,824.67	-183,167,132.27
Income from derecognition of financial assets measured at amortized cost			
Income from net exposure hedging ("-" for losses)			
Income from changes in fair value ("-" for losses)		-77,061,930.82	5,008,182.00
Losses from credit impairment ("-" for losses)		-14,744,309.41	15,454,721.21
Losses from asset impairment ("-" for losses)		-19,125,537.47	-93,172,109.98
Income from asset disposal ("-" for losses)			
II. Operating profits ("-" for losses)		1,524,596,863.84	1,191,249,551.43
Plus: non-operating revenue		13,602,153.97	6,061,396.40
Less: non-operating expenses		9,535,788.92	10,500,000.79
III. Total profits ("-" for total losses)		1,528,663,228.89	1,186,810,947.04
Less: income tax expenses			
IV. Net profit ("-" for net loss)		1,528,663,228.89	1,186,810,947.04
(I) Net profit from continued operation ("-" for net loss)		1,528,663,228.89	1,186,810,947.04
(II) Net profit from discontinued operation ("-" for net loss)			
V. Other comprehensive income, net of tax			-38,353,562.28
(I) Other comprehensive income that cannot be reclassified into profit or loss			-38,353,562.28
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of other equity instrument investments			-38,353,562.28
4. Changes in fair value of the Company's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss			
1. Other comprehensive income that can be transferred to profit or loss under the equity method			
2. Changes in fair value of other bond investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other creditor's rights investment			
5. Cash flow hedging reserves			
6. Differences arising from translation of foreign-currency financial statements			
7. Others			
VI. Total comprehensive income		1,528,663,228.89	1,148,457,384.76
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

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

Enterprise Principal: Luo Qianyi Accounting Principal: Lv Shuang Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Consolidated Statement of Cash Flows
January- June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	Note	For the six months ended June 30, 2025	For the six months ended June 30, 2024
I. Cash flows from operating activities			
Cash received from sales of goods and rendering of services		36,948,483,079.09	31,654,234,160.69
Net increase in customer deposits and interbank deposits		3,791,681,461.47	2,349,363,576.08
Net increase in borrowing from central bank			
Net increase in loans from other financial institutions		-604,269,229.64	-773,166,815.69
Cash received from receiving insurance premiums of original insurance contracts			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interests, handling charges and commissions		91,751,078.94	141,303,897.79
Net increase in loans from banks and other financial institutions			
Net capital increase in repurchase business			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		14,017,966.03	32,048,163.09
Cash received from other operating activities	5.69	3,527,993,410.44	2,284,293,683.96
Sub-total of cash inflows from operating activities		43,769,657,766.33	35,688,076,665.92
Cash paid for goods purchased and services received		36,132,552,501.03	25,401,529,493.46
Net increase in loans and advances to customers		-710,299,496.29	-811,078,906.87
Net increase in deposits with central bank and with banks and other financial institutions		217,052,512.21	349,745,485.26
Cash paid for original insurance contract claims			
Net increase in loans to banks and other financial institutions			
Cash paid for interest, handling charges and commissions		873,775.75	611,100.79
Cash paid for policy dividends			
Cash paid to and on behalf of employees		2,399,221,423.39	2,258,419,796.87
Cash paid for taxes and surcharges		2,112,248,134.54	1,565,334,620.47
Cash paid for other operating activities	5.69	4,174,475,344.64	2,858,819,834.69
Sub-total of cash outflows from operating activities		44,326,124,195.27	31,623,381,424.67
Net cash flows from operating activities	5.70	-556,466,428.94	4,064,695,241.25
II. Cash flows from investing activities			
Cash received from disposal of investments		15,446,067,141.47	11,029,535,141.33
Cash received from returns on investments		1,894,647.11	8,362,533.45
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		149,376.80	24,552.00
Net cash received from disposal of subsidiaries and other business units			-8,485,403.24
Cash received from other investing activities	5.69	1,000,000.00	
Sub-total of cash inflows from investing activities		15,449,111,165.38	11,029,436,823.54
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		742,155,081.68	521,382,271.36
Cash paid for investments		15,583,458,927.23	11,418,326,053.66
Net increase in pledged loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities	5.69		76,947.00
Sub-total of cash outflows from investing activities		16,325,614,008.91	11,939,785,272.02
Net cash flows from investing activities		-876,502,843.53	-910,348,448.48
III. Cash flows from financing activities			
Cash from absorption of investments		4,205,967,905.95	53,167,500.00
Including: cash received by subsidiaries from the absorption of minority shareholders' investments		89,800,000.00	53,167,500.00
Cash received from borrowings		1,674,781,800.13	1,182,831,953.70
Cash received from other financing activities	5.69	325,150.30	
Sub-total of cash inflows from financing activities		5,881,074,856.38	1,235,999,453.70
Cash paid for debt repayments		436,545,118.33	129,617,974.80
Cash paid for distribution of dividends and profits or payment of interest		175,700,346.55	135,980,747.69
Including: dividends and profits paid to minority shareholders by subsidiaries		143,837,644.35	96,420,248.50
Cash paid for other financing activities	5.69	47,736,165.88	18,301,567.25
Sub-total of cash outflows from financing activities		659,981,630.76	283,900,289.74
Net cash flows from financing activities		5,221,093,225.62	952,099,163.96
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		50,776,984.51	-43,835,698.37
V. Net increase in cash and cash equivalents	5.70	3,838,900,937.66	4,062,610,258.36
Plus: beginning balance of cash and cash equivalents		22,502,857,720.96	14,167,585,378.12
VI. Ending balance of cash and cash equivalents	5.70	26,341,758,658.62	18,230,195,636.48

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

Enterprise Principal: Luo Qianyi   Accounting Principal: Lv Shuang   Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Statement of Cash Flows
January- June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	Note	For the six months ended June 30, 2025	For the six months ended June 30, 2024
I. Cash flows from operating activities			
Cash received from sales of goods and rendering of services		2,935,275,400.43	2,828,040,781.39
Refunds of taxes and surcharges		3,917,573.21	
Cash received from other operating activities		657,850,647.79	516,544,203.11
Sub-total of cash inflows from operating activities		3,597,043,621.43	3,344,584,984.50
Cash paid for goods purchased and services received		3,367,218,595.05	3,536,134,546.25
Cash paid to and on behalf of employees		59,001,101.51	50,707,749.05
Cash paid for taxes and surcharges		1,365,375.48	15,087,344.01
Cash paid for other operating activities		482,055,846.79	365,530,578.51
Sub-total of cash outflows from operating activities		3,909,640,918.83	3,967,460,217.82
Net cash flows from operating activities	16.6	-312,597,297.40	-622,875,233.32
II. Cash flows from investing activities			
Cash received from disposal of investments		105,395,555.55	
Cash received from returns on investments		1,740,237,917.04	1,470,739,213.05
Net cash received from disposal of fixed assets, intangible assets and other long-term assets			
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities			
Sub-total of cash inflows from investing activities		1,845,633,472.59	1,470,739,213.05
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		3,477,157.57	20,828,704.00
Cash paid for investments		3,374,704,500.00	169,202,800.00
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities			335,240,000.00
Sub-total of cash outflows from investing activities		3,378,181,657.57	525,271,504.00
Net cash flows from investing activities		-1,532,548,184.98	945,467,709.05
III. Cash flows from financing activities			
Cash from absorption of investments		4,116,167,905.95	
Cash received from borrowings			335,240,000.00
Cash received from other financing activities			
Sub-total of cash inflows from financing activities		4,116,167,905.95	335,240,000.00
Cash paid for debt repayments		25,240,000.00	
Cash paid for distribution of dividends and profits or payment of interest			
Cash paid for other financing activities		41,545,882.20	
Sub-total of cash outflows from financing activities		66,785,882.20	
Net cash flows from financing activities		4,049,382,023.75	335,240,000.00
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		3,887,035.48	-1,840,789.14
V. Net increase in cash and cash equivalents		2,208,123,576.85	655,991,686.59
Plus: beginning balance of cash and cash equivalents		5,978,621,835.59	6,172,320,271.62
VI. Ending balance of cash and cash equivalents		8,186,745,412.44	6,828,311,958.21

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

Enterprise Principal: Luo Qianyi　　Accounting Principal: Lv Shuang　　Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Consolidated Statement of Changes in Owners' Equity
For January - June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	For the six months ended June 30, 2025													
	Equity attributable to owners of the parent company												Minority equity	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Sub-total		
		Preferred stock	Perpetual bond	Others										
I. Balance as at December 31, 2024	3,117,499,457.00				11,559,826,521.38	648,882.29	-120,082,230.27	124,193,157.76	1,424,889,201.23		22,690,605,142.05	38,796,282,366.86	4,345,965,765.77	43,142,248,132.63
Plus: adjustments for changes in accounting policies														
Correction of accounting errors in prior periods														
Business combination under common control														
Others														
II. Balance as at January 1, 2025	3,117,499,457.00				11,559,826,521.38	648,882.29	-120,082,230.27	124,193,157.76	1,424,889,201.23		22,690,605,142.05	38,796,282,366.86	4,345,965,765.77	43,142,248,132.63
III. Increases/decreases in the period ("-" for decreases)	272,860,869.00				2,795,922,510.91	-648,882.29	-27,164,869.31	17,883,036.37			543,480,634.68	3,603,631,063.94	-1,342,214,803.73	2,261,416,260.22
(I) Total comprehensive income							-27,164,869.31				1,909,795,846.06	1,882,630,976.75	147,589,207.29	2,030,220,184.04
(II) Capital contributed or reduced by owners	272,860,869.00				2,795,922,510.91	-648,882.29						3,069,432,262.20	-1,345,479,499.20	1,723,952,763.00
1. Common stock contributed by owners	272,860,869.00				2,786,219,558.48							3,059,080,427.48	133,900,000.00	3,192,980,427.48
2. Capital invested by the holders of other equity instruments														
3. Amounts of share based payments recognized in owners' equity					-631,548.29	-648,882.29						17,334.00		17,334.00
4. Others					10,334,500.72							10,334,500.72	-1,479,379,499.20	-1,469,044,998.48
(III) Profit distribution											-1,366,315,211.38	-1,366,315,211.38	-144,758,338.30	-1,511,073,549.68
1. Withdrawal of surplus reserves														

Item	For the six months ended June 30, 2025													
	Equity attributable to owners of the parent company												Minority equity	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Sub-total		
		Preferred stock	Perpetual bond	Others										
2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)											-1,366,315,211.38	-1,366,315,211.38	-144,758,338.30	-1,511,073,549.68
4. Others														
(IV) Internal carry-forward of owners' equity														
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
(V) Special reserves								17,883,036.37				17,883,036.37	433,826.48	18,316,862.85
1. Amount withdrawn in the period								43,679,371.29				43,679,371.29	3,212,117.80	46,891,489.09
2. Amount used in the period								-25,796,334.92				-25,796,334.92	-2,778,291.32	-28,574,626.24
(VI) Others														
IV. Balance as at June 30, 2025	3,390,360,326.00				14,355,749,032.29		-147,247,099.58	142,076,194.13	1,424,889,201.23		23,234,085,776.73	42,399,913,430.80	3,003,750,962.05	45,403,664,392.85

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

Enterprise Principal: Luo Qianyi　　Accounting Principal: Lv Shuang　　Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Consolidated Statement of Changes in Owners' Equity (Continued)
For January - June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	For the six months ended June 30, 2024													
	Equity attributable to owners of the parent company												Minority equity	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Sub-total		
		Preferred stock	Perpetual bond	Others										
I. Balance as at December 31, 2024	3,118,533,797.00				11,566,006,626.86	111,093,911.81	-129,954,183.72	126,393,962.48	1,337,132,818.92		21,337,876,676.79	37,244,895,786.52	3,974,978,976.08	41,219,874,762.60
Plus: adjustments for changes in accounting policies														
Correction of accounting errors in prior periods														
Business combination under common control														
Others														
II. Balance as at January 1, 2025	3,118,533,797.00				11,566,006,626.86	111,093,911.81	-129,954,183.72	126,393,962.48	1,337,132,818.92		21,337,876,676.79	37,244,895,786.52	3,974,978,976.08	41,219,874,762.60
III. Increases/decreases in the period ("-" for decreases)	-1,034,340.00				-4,127,540.41	-5,161,880.41	-43,478,529.33	16,293,773.73			210,650,885.71	183,466,130.11	57,769,668.59	241,235,798.70
(I) Total comprehensive income							-43,478,529.33				1,691,463,127.79	1,647,984,598.46	115,798,219.80	1,763,782,818.26
(II) Capital contributed or reduced by owners	-1,034,340.00				-4,127,540.41	-5,161,880.41							53,167,500.00	53,167,500.00
1. Ordinary shares contributed by owners	-1,034,340.00											-1,034,340.00	53,167,500.00	52,133,160.00
2. Capital invested by the holders of other equity instruments														
3. Amounts of share-based payments recognized in owners' equity					-4,127,540.41							-4,127,540.41		-4,127,540.41
4. Others						-5,161,880.41						5,161,880.41		5,161,880.41
(III) Profit distribution											-1,480,812,242.08	-1,480,812,242.08	-115,068,253.12	-1,595,880,495.20
1. Withdrawal of surplus reserves														

Item	For the six months ended June 30, 2024													
	Equity attributable to owners of the parent company												Minority equity	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Sub-total		
		Preferred stock	Perpetual bond	Others										
2. Withdrawal of general risk reserves														
3. Profit distributed to owners (or shareholders)											-1,480,812,242.08	-1,480,812,242.08	-115,068,253.12	-1,595,880,495.20
4. Others														
(IV) Internal carry-forward of owners' equity														
1. Conversion of capital reserves into paid-in capital (or share capital)														
2. Conversion of surplus reserves into paid-in capital (or share capital)														
3. Surplus reserves offsetting losses														
4. Carry-forward of changes in the defined benefit plan for retained earnings														
5. Carry-forward of other comprehensive income for retained earnings														
6. Others														
(V) Special reserves								16,293,773.73				16,293,773.73	3,872,201.91	20,165,975.64
1. Amount withdrawn in the period								39,412,523.56				39,412,523.56	7,231,044.89	46,643,568.45
2. Amount used in the period								-23,118,749.83				-23,118,749.83	-3,358,842.98	-26,477,592.81
(VI) Others														
IV. Balance as at June 30,2025	3,117,499,457.00				11,561,879,086.45	105,932,031.40	-173,432,713.05	142,687,736.21	1,337,132,818.92		21,548,527,562.50	37,428,361,916.63	4,032,748,644.67	41,461,110,561.30

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

Enterprise Principal: Luo Qianyi   Accounting Principal: Lv Shuang   Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Statement of Changes in Owners' Equity
For January - June 2025

(Amounts are expressed in RMB unless otherwise stated)

Item	For the six months ended June 30, 2025										
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bond	Others							
I. Balance as at December 31, 2024	3,117,499,457.00				13,028,992,922.66	648,882.29			1,713,266,580.27	7,334,854,404.53	25,193,964,482.17
Plus: adjustments for changes in accounting policies											
Correction of accounting errors in prior periods											
Others											
II. Balance as at January 1, 2025	3,117,499,457.00				13,028,992,922.66	648,882.29			1,713,266,580.27	7,334,854,404.53	25,193,964,482.17
III. Increases/decreases in the period ("-" for decreases)	272,860,869.00				3,843,055,611.72	-648,882.29				162,348,017.51	4,278,913,380.52
(I) Total comprehensive income										1,528,663,228.89	1,528,663,228.89
(II) Capital contributed or reduced by owners	272,860,869.00				3,843,055,611.72	-648,882.29					4,116,565,363.01
1. Ordinary shares contributed by owners	272,860,869.00				3,843,687,160.01						4,116,548,029.01
2. Capital invested by the holders of other equity instruments											
3. Amount of share-based payments recognized in owners' equity					-631,548.29	-648,882.29					17,334.00
4. Others											
(III) Profit distribution										-1,366,315,211.38	-1,366,315,211.38
1. Withdrawal of surplus reserves											
2. Profit distributed to owners (or shareholders)										-1,366,315,211.38	-1,366,315,211.38
3. Others											
(IV) Internal carry-forward of owners' equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of surplus reserves into paid-in capital (or share capital)											
3. Surplus reserves offsetting losses											

Item	For the six months ended June 30, 2025										
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bond	Others							
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
(V) Special reserves											
1. Amount withdrawn in the period											
2. Amount used in the period											
(VI) Other											
IV. Balance as at June 30, 2025	3,390,360,326.00				16,872,048,534.38				1,713,266,580.27	7,497,202,422.04	29,472,877,862.69

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

Enterprise Principal: Accounting Principal: Person in charge of the Accounting Department:

Luo Qianyi Lv Shuang Zheng Xingyi

Dongfang Electric Corporation Limited
Parent Company's Statement of Changes in Owners' Equity (Continued)
For January - June 2025
(Amounts are expressed in RMB unless otherwise stated)

Item	For the six months ended June 30, 2024										
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bond	Others							
I. Balance as at December 31, 2023	3,118,533,797.00				13,035,855,440.82	111,093,911.81			1,625,510,197.96	8,025,859,223.30	25,694,664,747.27
Plus: adjustments for changes in accounting policies											
Correction of accounting errors in prior periods											
Others											
II. Balance as at January 1, 2024	3,118,533,797.00				13,035,855,440.82	111,093,911.81			1,625,510,197.96	8,025,859,223.30	25,694,664,747.27
III. Increases/decreases in the period ("-" for decreases)	-1,034,340.00				-4,127,540.41	-5,161,880.41	-38,353,562.28			-294,001,295.04	-332,354,857.32
(I) Total comprehensive income							-38,353,562.28			1,186,810,947.04	1,148,457,384.76
(II) Capital contributed or reduced by owners	-1,034,340.00				-4,127,540.41	-5,161,880.41					
1. Ordinary shares contributed by owners	-1,034,340.00										-1,034,340.00
2. Capital invested by the holders of other equity instruments											
3. Amounts of share-based payments recognized in owners' equity					-4,127,540.41						-4,127,540.41
4. Others						-5,161,880.41					5,161,880.41
(III) Profit distribution										-1,480,812,242.08	-1,480,812,242.08
1. Withdrawal of surplus reserves											
2. Withdrawal of general risk reserves										-1,480,812,242.08	-1,480,812,242.08
3. Others											
(IV) Internal carry-forward of owners' equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of surplus reserves into paid-in capital (or share capital)											
3. Surplus reserves offsetting losses											

Item	For the six months ended June 30, 2024										
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred stock	Perpetual bond	Others							
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
(V) Special reserves											
1. Amount withdrawn in the period											
2. Amount used in the period											
(VI) Others											
IV. Balance as at June 30,2024	3,117,499,457.00				13,031,727,900.41	105,932,031.40	-38,353,562.28		1,625,510,197.96	7,731,857,928.26	25,362,309,889.95

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

Enterprise Principal: Luo Qianyi Accounting Principal: Lv Shuang Person in charge of the Accounting Department: Zheng Xingyi

Dongfang Electric Corporation Limited
Notes to the Financial Statements
for the First Half of 2025

(Amounts are expressed in RMB unless otherwise stated)

1 Company profile

1.1 Place of incorporation, organizational form and address of headquarters

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

After the distribution of bonus shares, allotment of new shares, capitalization and issuance of new shares over the years, as of June 30, 2025, the Company has issued a total of 3,390,360,330.0 shares with a registered capital of RMB3,390,360,330.0. Registered address: No. 18, Xixin Road, Western High-Tech District, Chengdu City, Sichuan Province. Headquarters address: No. 18, Xixin Road, Western High-Tech District, Chengdu City, Sichuan Province, and the parent company is DEC Group (hereinafter referred to as "Dongfang Electric Corporation").

1.2 Business nature and main business activities of the Company

The Company belongs to the industry of power generation equipment manufacturing with a business scope covering general equipment manufacturing, electrical machinery and equipment manufacturing, nuclear power generation equipment, wind power generation equipment, renewable energy source power energy equipment and its spare parts manufacturing, sales and R&D; R&D, manufacturing and sales of industrial control and automation equipment; R&D, manufacturing and sales of environmental protection equipment (desulfurization, denitration, waste water, and solid waste), energy saving equipment, and petrochemical container; R&D, manufacturing and sales of instrument and apparatus, standard machinery and other equipment; manufacturing and sale of industrial gas equipment; power station design, packaged technology development of power station equipment, sales of and service for complete equipment; general contracting and sub-contracting of overseas power generation equipment, machine electricity, complete engineering and domestic international bidding engineering, export of equipment and materials needed by the aforesaid overseas engineering, and outward dispatch of contract workers needed by the same; import and export trade; commercial service; professional technique service; science and technology exchange and promotion (Items subject to approval according to law shall not be carried out before such approval is granted by the competent authorities). Major products and services are thermal power generation equipment, hydroelectric generation equipment, wind power generation equipment, nuclear power generation equipment and gas power generation equipment.

1.3 Scope of the consolidated financial statement

A total of 115 subsidiaries of the Company are included in the scope of consolidation during the current period for the scope of consolidated financial statements (excluding deregistered companies), see "Note 7 interests in other entities" for details. The entities included in the scope of consolidated financial statements in the current period increased by 13 and decreased by 1 compared with the previous period. For the specific information of the entities changing the scope of consolidation, see Note 6 Changes in the scope of consolidation.

1.4 Approval of financial statements

The financial statements have been approved by the Board of the Company on August 28, 2025.

2 Basis of preparation of the financial statements

2.1 Basis of preparation

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

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

2.2 Going concern

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

3 Principal accounting policies and accounting estimates

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

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

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

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

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

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

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

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

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

risk, Market volatility and correlation are estimated, and the changes in the assumptions of these relevant factors will have an impact on the fair value of financial instruments.

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

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

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

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

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

3.1 Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements meet the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truly and completely reflect the Company's financial position as at June 30, 2025, as well as its operating results and its cash flows for the half year of 2025.

3.2 Accounting period

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

3.3 Operating cycle

The Company's operating cycle is 12 months.

3.4 Functional currency

The Company adopts CNY as its functional currency.

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

Business combination under the same control: the assets and liabilities acquired by the merging party in the business combination (including the goodwill formed by the acquisition of the merged party by the ultimate controlling party) are measured on the basis of the book value of the assets and liabilities of the merged party in the consolidated financial statements of the ultimate controlling party. The difference between the book value of the net assets acquired in the merger and the book value of the consideration paid for the merger (or the total par value of the shares issued) shall be adjusted to the capital stock premium in the capital reserve. If the capital stock premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

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

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

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

3.6.1 Judgment standard of control

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

3.6.2 Merge program

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

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

(1) Increase of subsidiaries or businesses

During the reporting period, if a subsidiary company or business is added due to the merger of enterprises under the same control, the operating results and cash flows of the subsidiary company or business from the beginning of the current period to the end of the reporting period shall be included in the consolidated financial statements, and the relevant items of the consolidated financial statements at the beginning of the period and the comparative statements shall be adjusted. It is deemed that the consolidated reporting entity has been in existence since the time when the ultimate controlling party begins to control it.

If the investee under the same control can be controlled due to additional investment or other reasons, the equity investment held before obtaining the control of the merged party shall be recognized from the date of obtaining the original equity and the date when the merging party and the merged party are under the same control, and the relevant profits and losses, other comprehensive income and other changes in net assets have been recognized between the date of obtaining the original equity. Offset the retained earnings at the beginning of the comparative statement period or the current profit and loss respectively.

During the reporting period, if a subsidiary or business is added due to the merger of enterprises not under the same control, it shall be included in the consolidated financial statements from the date of acquisition on the basis of the fair value of the identifiable assets, liabilities and contingent liabilities determined on the date of acquisition.

If the investee not under the same control can be controlled due to additional investment or other reasons, the equity of the acquiree held before the acquisition date shall be re-measured according to the fair value of the equity on the acquisition date, and the difference between the fair value and its book value shall be included in the current investment income. Other comprehensive income involved in the equity of the acquiree held before the acquisition date, which may be subsequently reclassified to profit or loss, and other changes in owner's equity accounted for under the equity method shall be transferred to the investment income of the period to which the acquisition date belongs.

(2) Disposal of subsidiaries

① General treatment method

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

② Step by step disposal of subsidiaries

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

i. the transactions are entered into simultaneously or by taking into account their mutual effects;

ii. these transactions as a whole can lead to a complete commercial result;

iii. the occurrence of one transaction is dependent on the occurrence of at least one other transaction;

iv. a transaction is uneconomical in isolation, but is economical when considered in conjunction with other transactions.

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

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

(3) Purchase of minority interests in subsidiaries

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

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

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

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

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

Joint operation refers to the joint venture arrangement under which the joint venturer enjoys the assets relevant to such arrangement and assumes the liabilities relevant to the same.

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

(1) Assets it solely holds and its share of jointly-held assets based on its percentage;

(2) Liabilities it solely assumes and its share of jointly-assumed liabilities based on its percentage;

(3) Revenues from sale of output enjoyed by it from the joint operation;

(4) Revenues from sale of output from the joint operation based on its percentage; and

(5) Separate costs and costs for the joint operation based on its percentage.

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

3.8 Recognition criteria of cash and cash equivalents

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

3.9 Foreign currency transactions and translation of foreign currency statements

3.9.1 Foreign currency transactions

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

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

3.9.2 Translation of foreign currency financial statements

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

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

3.10 Financial instruments

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

3.10.1 Classification of financial instruments

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

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

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

The Company classifies the financial assets that meet the following conditions at the same time and have not been designated to be measured at fair value through profit or loss as the financial assets (debt instruments) measured at fair value through the other comprehensive income:

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

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

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

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

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

1) This designation can eliminate or significantly reduce the accounting mismatch.

2) According to the enterprise risk management or investment strategies specified in formal written documents, the management and performance evaluation of financial liability portfolios or portfolios of financial assets and financial liabilities is carried out based on fair value, and the report to key officer in the enterprise has been made based on such management and performance evaluation.

3) The financial liabilities contain the embedded derivative which needs to be separated.

3.10.2 Recognition basis and measurement method of financial instruments

(1) Financial assets measured at amortized cost

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(6) Financial liabilities measured at amortized cost

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

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

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

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

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

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

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

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

Substance over form principle is adopted to determine whether the transfer of financial assets can satisfy the criteria as described above for derecognition.

The Company shall classify the transfer of financial assets into the entire transfer and the partial transfer. If the transfer of entire financial assets satisfy the criteria for derecognition, differences between the amounts of the following two items shall be recognized in profit or loss for the current period:

i) The book value of the transferred financial asset;

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

If the partial transfer of financial assets satisfy the criteria for derecognition, the book value of the entire financial assets transferred shall be split into the derecognized and recognized parts according to their respective fair value and differences between the amounts of the following two items are charged to profit or loss for the current period:

i) The book values of the derecognized parts;

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

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

3.10.4 Termination of recognition of financial liabilities

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

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

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

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

3.10.5 Determination of fair values of financial assets and financial liabilities

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

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

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

The Company considers reasonable and evidence-based information such as past events, current conditions and forecasts of future economic conditions, calculates the probability-weighted amount of the present value of the difference between the cash flow receivable under the contract and the cash flow expected to be received, and recognizes expected credit losses, with the risk of default as the weight.

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

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

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

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

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

If the credit risk of the financial instrument has increased significantly since the initial recognition, the Company measures its loss provision at an amount equivalent to the expected credit loss during the entire life of the financial instrument; If the credit risk of the financial instrument has not increased significantly since the initial recognition, the Company shall measure its loss provision at an amount equivalent to the expected credit loss of the financial instrument in the next 12 months. The resulting increase or reversal of the loss provision shall be recorded into the current profit and loss as impairment loss or gain. For financial assets (debt instruments) measured at fair value and whose changes are included in other comprehensive income, the loss provision shall be recognized in other comprehensive income, and the impairment loss or gain shall be included in the current profit and loss, without reducing the carrying value of the financial asset listed in the balance sheet.

If there is objective evidence that a certain receivable has suffered credit impairment, the Company shall make provision for the impairment of the receivables on a single basis.

Except for the above receivables for which provision for bad debts is made individually, the Company divides other financial instruments into aging portfolios according to the characteristics of credit risks, and determines expected credit losses on the basis of portfolios. The combination categories and determination basis of the company's provision of expected credit losses for accounts receivable, other receivables and contract assets are as follows:

Age of account	Proportion of provision for accounts receivable （%）	Proportion of provision for other receivables （%）
Within 1 year (including 1 year, the same below)	5	5
1 to 2 years	10	10
2 to 3 years	20	20
3 to 4 years	40	40
4 to 5 years	50	50
More than 5 years	100	100

When the Company no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, it directly writes down the carrying amount of that financial asset.

3.11 Loans and advances to customers

Loans and advances directly issued by the finance company subordinated to the Company to customers, and discount assets are accounted for as loans and advances.

The Company calculates the credit loss by the allowance method. The provision for credit impairment includes the loss provision of loans to banks and other financial institutions, discount assets, and loans and advances to customers, as well as credit-kind financial instruments.

According to the Circular of the China Banking Regulatory Commission on Issuing the Guidelines for Loan Risk Classification (YJF [2007] No.54), the Company has been making the provision for asset impairment based on the five-level classification since 2007.The Company's loans are classified into five categories, which are pass, special mention, substandard, doubtful and loss. Loans in pass category refer to loans where the borrower is able to perform relevant contract and there is no good reason to suspect that the principal and interest cannot be fully repaid in time; loans in special-mention category refer to loans where through the borrow is able to repay the principal and interest of the loans at present, some factors having adverse effect on the repayment still exist; loans in substandard category refer to loans where the borrower's ability of loan repayment has obvious problem, by which the normal operating income of the borrower cannot fully repay the principal and interest of the loans, and losses may be caused even implementing relevant guarantee; loans in doubtful category refer to loans where the borrower cannot fully repay the principal and interest of the loans and the significant losses must be caused even implementing relevant guarantee; loans in loss category refer to loans where the principle and interest cannot be collected or only the very few parts thereof can be collected after taking all possible measures or going through all necessary legal procedures.

The Company inspects all assets, makes the adjustment upon analysis whether the impairment has incurred, and makes the provision for credit impairment based on the aforesaid method in the following proportion of provision:

Level	Proportion of provision (%)
Normal assets (including assets in normal and special-mention categories)	Normal 0.00-15.00 (excluding 15.00)
	Special mention 15.00-25.00 (excluding 25.00)
Subprime	25.00-50.00 (excluding 50.00)
Doubtful	50.00-70.00 (excluding 70.00)
Loss	70.00-100.00

3.12 Payments for purchase for resale and proceeds from sale for repurchase

Assets purchased under the agreement to be sold back on a certain future date will not be recognized in the balance sheet. The cost paid for the acquisition of such assets, including accrued interest, is shown in the balance sheet as buy-back payments. The difference between the purchase price and the resale price is recognized by the effective interest rate method during the term of the agreement and included in interest income.

The assets that will be repurchased on a specified date in the future according to the agreement should not be derecognized in the balance sheet. Proceeds from sale of these assets, including accrued interest, are listed as "proceeds from sale for repurchase" in the balance sheet to reflect the economic substance of the Company's loans. The difference between the sale price and repurchase price is recognized in the agreement period under the effective interest method and included in the item of interest expenses.

Securities borrowing and lending transactions are generally secured, with securities or cash as collateral. Transfers of securities with counterparties are reflected in the balance sheet only when the risks and benefits associated with ownership of securities are transferred simultaneously. Cash paid or cash collateral received is recognized as an asset or liability, respectively.

Borrowed securities are not recognized in the balance sheet. If such securities are sold to third parties, the liability to repay the bonds is recognised as a financial liability held for the transaction and measured at fair value.

3.13 Inventories

3.13.1 Classification and cost of inventories

Inventory is divided into raw materials, products in process, low-value consumables, packaging, goods in stock, goods issued, contract performance costs, etc.

Inventory is initially measured at cost. The cost of inventory includes purchase cost, processing cost, and other expenditures incurred to bring the inventory to its present location and condition.

3.13.2 Measurement method for inventories dispatched

Inventories are initially measured at cost, and the inventory cost includes the procurement cost, processing cost and other expenses arising from making the inventory at their present location and condition.

Inventory is priced on a weighted average basis when issued. Low-value consumable products are amortized by one-time resale method when they are used; Turnover packaging is charged to cost in batches based on the expected number of uses.

3.13.3 Inventory system

Perpetual inventory system is adopted.

3.13.4 Amortization method of low-value consumables and packaging

(1) Low-value consumables adopt the one-time resale method;
(2) The packaging shall be resold once.

3.13.5 Recognition standard and accrual method of inventory falling price reserves

On the balance sheet date, inventories shall be measured at the lower of cost and net realizable value. If the cost of an inventory is higher than its net realizable value, provision for the loss on decline in value of inventories shall be made. The net realizable value of inventories refers to the amount of the estimated selling price of inventories minus the estimated costs to be incurred upon completion, the estimated selling expenses and the relevant taxes in the ordinary course of business.

In the normal production and operation process, the net realizable value of the inventory of goods directly for sale, such as finished products, inventory goods and materials for sale, is determined by the amount of the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes; For the inventory of materials that need to be processed, in the course of normal production and operation, the estimated selling price of the finished products produced minus the estimated costs to be incurred upon completion, The net realizable value is determined based on the amount after the estimated sales expenses and relevant taxes; the net realizable value of the inventories held for the execution of the sales contract or labor contract is calculated based on the contract price. If the quantity of the inventories held is more than the quantity ordered in the sales contract, the net realizable value of the excess part of the inventories is calculated based on the general sales price.

After the provision for decline in value of inventories is made, if the net realizable value of inventories is higher than the book value of inventories due to the disappearance of the factors affecting the previous write-down of the value of inventories, the provision for decline in value of inventories shall be reversed within the amount of the provision for decline in value of inventories that has been made, and the reversed amount shall be included in the current profits and losses.

3.14 Contract assets

3.14.1 Recognition method and criteria for contract assets

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The right of the Company to the charge of consideration via goods transfer or service rendering to the customer (and the right depends on other factors except for the time lapses) is presented as contract asset. Contract assets and contract liabilities under the same contract should be presented at net amount. The unconditional (only depending on the time lapses) right to the charge of consideration from the customer, possessed by the Company, is presented as receivables.

3.14.2 Determination method and accounting treatment for the expected credit loss of contract assets

For the determination method and accounting treatment method of expected credit loss of contract assets, please refer to “3.10” Testing Method and Accounting Treatment Method of Impairment of Financial Instruments" in note.

3.15 Assets held for sale and discontinued operation

3.15.1 Assets held for sale

Where the Company recovers the book value of any non-current asset or disposed asset portfolio mainly through selling (including the exchange of non-monetary assets with commercial essence) but not continuously using the same, such non-current asset or disposed asset portfolio shall be divided into assets held for sale.

The Company recognizes non-current assets or disposed asset portfolios meeting the following conditions at the same time as assets held for sale:

(1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;

(2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired the decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale is subject to the approval of relevant authorities or regulatory authorities of the Company according to relevant provisions, the approval has been obtained.

For any non-current asset (excluding financial assets, deferred tax assets and the assets arising from employee benefits) or disposed asset portfolio classified assets as held for sale, where its book value is higher than the net amount of its fair value less the selling expense, the book value shall be written down to the net amount of the fair value less the selling expense, and the amount written down shall be recognized as the losses from asset impairment and included in the current profit or loss, while the provision for impairment of assets held for sale is made.

3.15.2 Discontinued operation

A discontinued operation is a separately distinguishable component that meets one of the following conditions and that has been disposed of by the Company or classified by the Company as held for sale:
(1) The component represents a separate major operation or a separate major operating area;
(2) The component is part of a related plan for the proposed disposition of a separate principal business or a separate principal operating area;
(3) The component is a subsidiary acquired exclusively for resale.

Gains and losses from continuing operations and gains and losses from discontinued operations are presented separately in the income statement. Operating gains and losses, such as impairment losses and reversal amount for discontinued operations, as well as gains and losses on disposals, are presented as gains and losses from discontinued operations. For discontinued operations reported in the current period, the Company restates the information that was previously reported as profit or loss from continuing operations as profit or loss from discontinued operations for the comparable accounting period in the financial statements of current period.

3.16 Long-term equity investments

3.16.1 Judgment criteria for common control and significant influence

Common control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control right agrees the same. Where the Company exercises common control over the investee together with other parties to the joint venture, and enjoys the right on the investee's net assets, the investee shall be a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control or jointly control the formulation of such policies with other parties. Where the Company is able to exert significant influence on an investee, the investee shall be the Company’s associate.

3.16.2 Determination of initial investment cost

(1) Long-term equity investment formed by business combination
For the long-term equity investment in the subsidiary formed by the merger of enterprises under the same control, the initial investment cost of the long-term equity investment shall be based on the share of the book value of the owner's equity obtained from the merged party in the consolidated financial statement of the ultimate controlling party on the merger date. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid is adjusted for the equity premium in the capital reserve; when the equity premium in the capital reserve is not sufficient for write-down, the retained earnings shall be adjusted. If it is possible to control the invested entity under the same control due to additional investment or other reasons, the equity premium shall be adjusted for the difference between the sum of the initial investment cost of the long-term equity investment recognized in accordance with the above principles and the book value of the long-term equity investment before the merger plus the book value of the consideration paid for further acquisition of shares on the merger date. If the equity premium is not sufficient for write-down, the retained earnings shall be write-down.

For the long-term equity investment in the subsidiary formed by the merger of enterprises not under the same control, the merger cost determined on the purchase date shall be the initial investment cost of the long-term equity investment. If it is possible to control the invested entity that is not under the same control due to additional investment or other reasons, the sum of the book value of the original equity investment plus the cost of the new investment shall be used as the initial investment cost.

(2) Long-term equity investments acquired by means other than business combination
For long-term equity investment acquired by cash payment, the purchase price actually paid shall be used as the initial investment cost.

For long-term equity investment obtained by issuing equity securities, the fair value of equity securities issued shall be used as the initial investment cost.

3.16.3 Subsequent measurement and recognition of profits or losses

(1) Long-term equity investment accounted by cost method

The Company's long-term equity investments in its subsidiaries are accounted for using the cost method, unless the investment meets the conditions for holding for sale. Except for the cash dividends or profits declared but not yet distributed included in the price or consideration actually paid at the time of obtaining the investment, the Company shall recognize the current investment income according to the cash dividends or profits declared and distributed by the investee.

(2) Long-term equity investment accounted by equity method

Long-term equity investments in associated enterprises and joint ventures are accounted for using the equity method. If the initial investment cost is greater than the share of the fair value of the identifiable net assets of the investee at the time of investment, the initial investment cost of the long-term equity investment shall not be adjusted; if the initial investment cost is less than the share of the fair value of the identifiable net assets of the investee at the time of investment, the difference shall be included in the current profit and loss, and the cost of the long-term equity investment shall be adjusted at the same time.

The company shall recognize investment income and other comprehensive income respectively according to its share of net profit and loss and other comprehensive income realized by the invested entity, and adjust the book value of long-term equity investment at the same time; The share shall be calculated according to the profits or cash dividends declared to be distributed by the invested entity, and the book value of the long-term equity investment shall be reduced accordingly; For other changes in owners' equity other than net profit and loss, other comprehensive income and profit distribution of the invested entity (hereinafter referred to as "changes in other owners' equity"), the book value of long-term equity investment shall be adjusted and recorded into owners' equity.

When confirming the share of net profit and loss, other comprehensive income and other changes in owner's equity of the invested entity, it shall be based on the fair value of identifiable net assets of the invested entity at the time of acquisition of investment, and the net profit and other comprehensive income of the invested entity shall be recognized after adjustment in accordance with the accounting policies and accounting periods of the company.

The unrealized internal trading gains and losses between the company and its associated enterprises or joint ventures shall be calculated and offset against the part that belongs to the company according to the proportion it should enjoy, and the investment income shall be recognized on this basis, except for the assets invested or sold that constitute business. The unrealized internal trading loss with the invested entity shall be fully recognized if it is an asset impairment loss.

The net loss incurred by the company to the joint venture or associated enterprise shall be limited to the write-down to zero of the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment to the joint venture or associated enterprise, except for the obligation to bear additional losses. Where a joint venture or an associated enterprise later realizes net profits, the company shall resume the recognition of profit sharing after the profit sharing makes up for the unrecognized loss sharing.

(3) Disposal of long-term equity investments

When disposing long-term equity investment, the difference between the book value and the actual purchase price shall be recorded into the current profit and loss.

If part of the long-term equity investment calculated by the equity method is disposed of and the remaining equity is still calculated by the equity method, other comprehensive income recognized by the original equity method shall be carried forward on the same basis as the direct disposal of relevant assets or liabilities by the invested entity in accordance with the corresponding proportion, and other changes in owner's equity shall be proportionately transferred to the current profit and loss.

If the joint control or significant influence on the invested entity is lost due to the disposal of equity investment or other reasons, other comprehensive income of the original equity investment recognized by the equity method of accounting shall be accounted for on the same basis as the direct disposal of relevant assets or liabilities by the invested entity when the equity method of accounting is terminated. Other changes in owners' equity shall be transferred to current profits and losses when the equity method is terminated.

If the control right of the invested entity is lost due to the disposal of part of the equity investment or other reasons, when preparing individual financial statements, if the remaining equity can exercise joint control or significant influence on the invested entity, the equity method shall be adopted for accounting, and the remaining equity shall be adjusted when the remaining equity is regarded as obtained by itself. Other comprehensive income recognized before the acquisition of the control right of the invested entity shall be carried forward on the same basis as the direct disposal of related assets or liabilities by the invested entity, and other changes in owner's equity recognized by the equity method shall be carried forward to the current profit and loss on the same basis; If the remaining equity cannot be jointly controlled or exert significant influence on the invested entity, it shall be recognized as a financial asset, and the difference between its fair value and book value on the date of loss of control shall be recorded into the current profit and loss, and all other comprehensive income and other changes in owner's equity recognized before the control of the invested entity is acquired shall be carried forward.

If the equity investment of the subsidiary is disposed of step by step through multiple transactions until the control is lost, and it belongs to a package transaction, each transaction shall be treated as a transaction of disposing the equity investment of the subsidiary and losing the control; The difference between the disposal price of each time before the loss of control and the book value of the long-term equity investment due to the equity disposed of shall be recognized as other comprehensive income in individual financial statements, and then transferred to the current profit and loss of the loss of control when the control is lost. If it does not belong to a package transaction, accounting treatment shall be carried out separately for each transaction.

3.17 Investment properties

Investment real estate refers to real estate held for the purpose of earning rent or capital appreciation, or both, including land use rights leased, land use rights held and prepared to be transferred after appreciation, buildings leased (including buildings for lease upon completion of self-construction or development activities and buildings for lease in the future during construction or development).

The subsequent expenditure related to the investment real estate shall be included in the cost of the investment real estate when the relevant economic benefits are likely to flow in and the cost can be measured reliably; Otherwise, the current profit and loss shall be recorded at the time of occurrence.

The company adopts the cost model for the existing investment real estate measurement. For the investment real estate - leased buildings measured in accordance with the cost model, the depreciation policy is the same as that of the company's fixed assets, and the leased land use right is subject to the same amortization policy as intangible assets.

3.18. Fixed assets

3.18.1 Recognition criteria of fixed assets

Fixed assets refer to tangible assets held for the production of commodities, provision of labor services, leasing or operation and management, with a useful life of more than one fiscal year. Fixed assets are recognized when the following conditions are simultaneously met:

(1) The economic benefits related to the fixed asset are likely to flow into the enterprise;

(2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the impact of expected disposal costs). Subsequent expenditures related to fixed assets are included in the cost of fixed assets when the economic benefits related to them are likely to flow in and their costs can be measured reliably; For the replaced part, terminate the recognition of its book value; All other subsequent expenditures are recorded in current profit and loss when incurred.

3.18.2 Depreciation method

Depreciation of fixed assets shall be calculated and withdrawn by means of average life method or double decreasing balance method. The depreciation rate is determined according to the class of fixed assets, the estimated useful life and the estimated net salvage value rate, which is uniform at 5%. For fixed assets for which impairment provisions have been made, the amount of depreciation shall be determined in the future period according to the book value after deducting impairment provisions and the remaining useful life. If the service life of each component of a fixed asset is different or it provides economic benefits to the enterprise in different ways, different depreciation rates or depreciation methods shall be selected and depreciation shall be calculated separately.
The depreciation method, depreciation life, salvage value rate and annual depreciation rate of all kinds of fixed assets are as follows:

Categories	Depreciation method	Depreciation life (Year)	Residual value rate (%)	Annual depreciation rate (%)
Houses and buildings				
Including: houses and buildings for production	Average number of years method or double decreasing balance method	20.00	5.00	4.75 or double decreasing balance method
Non-productive housing buildings	Average number of years method	25.00	5.00	3.80
Machinery and equipment	Average number of years method or double decreasing balance method	10.00	5.00	9.50 or double decreasing balance method
Equipment for transportation	Average number of years method	6.00	5.00	15.83

Instrument and meter	Average number of years method or double decreasing balance method	6.00	5.00	15.83 or double decreasing balance method
Electronic computer	Average number of years method or double decreasing balance method	5.00	5.00	19.00 or double diminishing balance method
Photovoltaic power generation equipment	Average number of years method	20.00	5.00	4.75
Other equipment	Average number of years method or double decreasing balance method	6.00	5.00	15.83 or double decreasing balance method

3.18.3 Disposal of fixed assets

When the fixed assets are disposed, or they are expected not to bring any economic interest via use or disposal, such fixed assets will be derecognized. When the fixed asset is sold, transferred, scrapped or damaged, the Company will include such disposal revenue, deducting the book value and related taxes and surcharges thereof, in the current profit or loss.

3.19 Construction in progress

The cost of construction in progress shall be measured according to the cost actually incurred. Actual costs include construction costs, installation costs, capitalized borrowing costs, and other expenditures necessary to bring the work in progress into a predetermined serviceable condition. When the project under construction reaches a predetermined serviceable state, it shall be transferred to fixed assets and depreciated from the next month.

Depreciation of fixed assets begins when they reach a predetermined usable state, and stops when they are terminated for recognition or classified as non-current assets held for sale.

3.20 Borrowing costs

3.20.1 Recognition criteria of capitalization of borrowing costs

Borrowing costs incurred by the company that can be directly attributed to the purchase, construction or production of assets eligible for capitalization shall be capitalized and included in the cost of relevant assets; Other borrowing costs shall be recognized as expenses according to the amount incurred when incurred and recorded into current profits and losses.

The assets that meet the capitalization conditions refer to the fixed assets, investment real estate, inventory and other assets that need to go through a fairly long period of purchase, construction or production activities to reach the predetermined state of being usable or saleable.

3.20.2 Capitalization period for borrowing costs

Capitalization period refers to the period from the beginning of capitalization to the cease of capitalization for borrowing costs, excluding the period of capitalization suspension of borrowing costs.

Borrowing costs may be capitalized only when all the following conditions are met:

(1) Asset expenses, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization, have already been incurred;

(2) Borrowing costs have already been incurred;

(3) The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have already been started.

Capitalization of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale status.

3.20.3 Period of capitalization suspension

The capitalization of borrowing costs shall be suspended if the abnormal interruption occurs in the purchase, construction or production process of the assets eligible for capitalization and the interruption lasts for more than 3 consecutive months; If the interruption is a necessary procedure for the purchased, built or produced assets eligible for capitalization to reach a predetermined usable or saleable state, the borrowing costs will continue to be capitalized. Borrowing costs incurred during the interruption period are recognized as current profits and losses until the borrowing costs continue to be capitalized after the acquisition and construction of assets or production activities restart.

3.20.4 Measurement of capitalization rate and capitalized amounts of borrowing costs

As for special borrowings borrowed for acquiring and constructing or producing assets eligible for capitalization, borrowing costs of special borrowing actually incurred in the current period less the interest income of the borrowings unused and deposited in bank or return on temporary investment should be recognized as the capitalization amount of borrowing costs.

As for general borrowings used for acquiring and constructing or producing assets eligible for capitalization, the amount of general borrowings to be capitalized should be calculated by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the capitalization rate of used general borrowings. The capitalization rate is calculated by weighted average interest rate of general borrowings.

During the capitalization period, exchange differences of principal and interest on foreign currency special borrowings shall be capitalized and included in the cost of assets eligible for capitalization. Exchange differences arising from the principal and interest on foreign currency borrowings other than foreign currency special borrowings are recognized in the current profit or loss.

3.21 Intangible assets

3.21.1 Valuation method of intangible assets

(1) Intangible assets shall be initially measured at cost

The cost of purchased intangible assets includes the purchase price, relevant taxes and other expenditures directly attributable to the achievement of the intended use of the assets.

(2) Subsequent measurement of intangible assets

Analyze and judge the service life of intangible assets when they are acquired.

For an intangible asset with a finite useful life, amortize it within the period during which it brings economic benefits to the enterprise; if it is impossible to foresee the period during which the intangible asset will bring economic benefits to the enterprise, regard it as an intangible asset with an indefinite useful life and do not amortize it.

3.21.2 Collection scope of R & D expenditure

The scope of R&D expenditure refers to the various expenditures incurred in the process of research and development of enterprises, mainly including: salaries, wages and other related labor costs of personnel engaged in research and development activities; materials and labor costs consumed in the process of research and development; depreciation costs of fixed assets used for research and development; Indirect costs related to research and development: other costs, such as amortization costs of patent rights and license fees used.

3.21.3 Specific criteria for dividing the research phase and the development phase

The company's internal research and development project expenditure is divided into research phase expenditure and development phase expenditure.

Research stage: The stage of original and planned investigation and research activities to acquire and understand new scientific or technical knowledge.

Development stage: the stage of applying research results or other knowledge to a plan or design to produce new or substantially improved materials, devices, products and other activities before commercial production or use. Expenditures incurred in the research stage of internal research and development projects shall be included in the current profits and losses when incurred.

3.21.4 Specific criteria for qualifying expenditure on the development phase for capitalization

Expenditure in the research phase shall be recorded into current profit and loss when incurred. Expenditures in the development stage that simultaneously meet the following conditions shall be recognized as intangible assets, and expenditures in the development stage that cannot meet the following conditions shall be recorded into current profits and losses:

(1) In respect of the technology, it is feasible to finish the intangible asset for use or sale;

(2) It has the intention to complete the intangible asset and use or sell it;

(3) The ways whereby the intangible assets are to generate economic benefits, including those whereby it is able to prove that there is a potential market for the products manufactured by applying this intangible asset or that there is a potential market for the intangible assets; if the intangible assets will be used internally, its usefulness shall be proved;

(4) With the support of sufficient technologies, financial resources and other resources, it is able to finish the development of the intangible assets, and it is able to use or sell the intangible asset; and;

(5) The expenditure attributable to the development stage of the intangible asset can be measured reliably.

Expenditures in the development stage that do not meet the above conditions shall be recorded into current profits and losses when incurred. Development expenses recorded into profit and loss in previous periods shall not be re-recognized as assets in subsequent periods. The capitalized expenditures in the development stage are shown as development expenditures in the balance sheet and will be converted into intangible assets as of the date when the project reaches its intended use.

3.22 Impairment of long-term assets

Where there are indications of impairment on long-term equity investments, investment property measured with cost model, fixed assets, construction in progress, right-of-use assets, intangible assets with limit useful life, oil and gas properties and other long-term assets on the balance sheet date, impairment test should be made. If the results of the impairment test indicate that the recoverable amount of the assets is lower than the book value thereof, the difference between the recoverable amount and the book value is as a basis for a provision for impairment and included in the impairment loss. The recoverable amount is the higher of the net amount of the fair value of the asset less disposal expenses or the present value of its estimated future cash flows. The provision for asset impairment is calculated based on the individual assets and recognized. If it is difficult to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the asset group that the asset belongs to. The asset group refers to a minimum asset group which can generate cash inflows independently.

For goodwill formed as a result of enterprise merger, intangible assets with uncertain service life and intangible assets that have not reached the usable state, no matter whether there are signs of impairment, impairment tests shall be conducted at least at the end of each year.

The Company conducts an impairment test for the goodwill. The book value of goodwill arising from business combinations is amortized to relevant asset groups with a reasonable method since the date of acquisition; or amortized to relevant combination of asset groups if it is difficult to be amortized to relevant asset groups. The relevant asset group or asset group combination is the asset group or asset group combination that can benefit from the synergies of the business combination. When making an impairment test on the relevant asset groups or combination of asset groups containing goodwill, if any indication shows that the asset groups or combinations of asset groups related to the goodwill may be impaired, the Company shall first conduct an impairment test on the asset groups or combinations of asset groups not containing goodwill, calculate the recoverable amount and compare it with the relevant book value to recognize the corresponding impairment loss. Then conduct an impairment test on the asset group or asset group combination containing goodwill, and compare its book value with the recoverable amount. If the recoverable amount is lower than the book value, the amount of impairment loss shall first offset the book value of the goodwill allocated to the asset group or asset group combination. The book value of other assets shall be deducted in proportion to the proportion of the book value of other assets except goodwill in the asset group or asset group combination. The abovementioned impairment loss will not be reversed in the subsequent accounting periods once being recognized.

3.23 Long-term deferred expenses

Long-term deferred expenses refer to all expenses that have been paid by the company and whose amortization period is more than one year (excluding one year).

The long-term deferred expenses incurred by the Company shall be priced at the actual cost and amortized on an average basis according to the expected benefit period. For the long-term deferred expenses that cannot benefit the future accounting period, the amortized value of the project shall be fully recorded into the current profit and loss when determining.

3.24 Contract liabilities

The Company has presented contract assets or contract liabilities in the balance sheet based on the connection between the fulfilment of performance obligations and payment of the customers. A contract liability represents the obligation to transfer goods or services to a customer for which the Company has received a consideration or an amount of consideration that is due from the customer. A contract asset and a contract liability under the same contract are accounted for and presented on a net basis.

3.25 Employee compensation

3.25.1 Accounting treatment of short-term compensation

During the accounting period of an employee's providing services, the Company should recognize the actual short-term compensation as liabilities and shall include it into the current gains and losses or relevant asset costs.

The cost of social insurance and housing fund paid by Company for employees and the labor union cost and employee education costs provided by the Company in accordance with provisions shall, in the accounting period, during which the service is provided by employees for enterprises, be used to calculate corresponding amount of employee compensation according to the stipulated provision basis and proportion.

The employee welfare occurring in the Company shall be include in the current profit or loss or the related asset costs according to the actual amount when actually occurring. Among them, non- monetary benefits are measured at the fair value.

3.25.2 Accounting treatment of post-employment benefits

(1) Defined contribution plans

The Company pays the basic endowment insurance premiums and unemployment insurance for employees according to the relevant provisions of the local governments. During the accounting period when employees serve the Company, the paid amount which is calculated based on the payment base and proportion as stipulated in the provisions of the local place is recognized as liabilities and included in current profit and loss or costs associated with assets. In addition, the Company also participates in the enterprise annuity plans/supplementary pension funds approved by the relevant state authorities. The Company makes payments to the annuity plans or local social insurance institutions in a certain proportion to the total employee wage, with corresponding expenses included in the current profit or loss or related asset costs.

(2) Defined benefit plans

The Company, according to the formula determined based on estimated total welfare unit method, recognizes the welfare obligations arising from defined benefit plan to the period of receiving services from employees and includes them into the current profit and loss or relevant asset costs.

The deficit or surplus arising from the difference between the present value under defined benefit plan and the fair value of assets under defined benefit plan is recognized as the net liability or net asset of the defined benefit plan. For a surplus of defined benefit plans, the Company should measure the net asset of such defined benefit plans at the lower of the surplus of such defined benefit plans and asset thereof.

All obligations under the defined benefit plan, including the estimated payment obligation within

12 months following the annual report period during which the employees provide service, are discounted to the present value at the market return of the national debt corresponding to the period and currencies of the obligations under the defined benefit plan or high-quality corporate bonds active on the market on the balance sheet date.

The service costs of the defined benefit plan and net interest on the net liabilities or net assets in respect of the defined benefit plan are included in the current profit or loss or related assets cost; changes in the re-measurement of net liabilities or net assets under the defined benefit plans should be included in other comprehensive income and should not be reversed in subsequent accounting periods. When the original defined benefit plan terminates, the portion originally included in other comprehensive income will all be transferred to the undistributed profits.

For the settlement of the defined benefit plan, the balance between the present value and the settlement price in regard to the defined benefit plan confirmed on the settlement date shall be recognized and settled as gains or losses.

3.25.3 Accounting treatment of dismissal benefits

Where the Company provides dismissal welfare to employees, employee benefits incurred from dismissal benefits are recognized as liabilities and recorded into the current profit and loss at the earlier date of: when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal; when the Company recognizes the cost related to restructuring concerning payment of dismissal benefits.

3.26 Estimated liabilities

The Company recognizes the obligations related to contingencies as projected liabilities when the following conditions are simultaneously met:

(1) This obligation is a present obligation of the Company;

(2) The performance of this obligation may very probably lead to the flow of economic interests out of the Company;

(3) The amount of the obligation can be measured reliably.

In determining the best estimate, factors such as risk, uncertainty and time value of money associated with contingencies are taken into account.

If the time value of money has a significant impact, the best estimate is determined by discounting the relevant future cash outflow.

Where there is a continuous range of required expenditures within which all outcomes are equally likely to occur, the best estimate is determined by the median of the range; In other cases, the best estimates are treated separately in the following cases:

- Where contingencies involve a single item, they are determined on the basis of the amount most likely to occur.
- Contingencies involving more than one project are determined by calculating the possible outcomes and associated probabilities.

Where all or part of the expenditure required to repay the estimated liability is expected to be compensated by a third party, the amount of compensation shall be recognized separately as an asset when it is basically determined to be received, and the recognized amount of compensation shall not exceed the carrying value of the estimated liability.

The Company reviews the carrying value of the estimated liability on the balance sheet date, and if there is conclusive evidence that the carrying value cannot reflect the current best estimate, the company shall adjust the carrying value according to the current best estimate.

3.27 Share-based payments

The Company's share-based payments are transactions in which the Company grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employees or other parties. The Company's share-based payments include equity-settled share-based payments and cash-settled share-based payments.

3.27.1 Equity-settled share-based payment and equity instruments

Equity-settled share-based payment in exchange for services provided by employees, the measurement shall be based on the fair value of the equity instruments granted to employees. For share-based payment transactions with immediate feasible rights after grant, relevant costs or expenses shall be recorded according to the fair value of the equity instrument on the grant date, and the capital reserve shall be increased accordingly. For share-based payment transactions in which the services within the waiting period are completed after the grant or the rights are feasible only when the specified performance conditions are met, on each balance sheet date during the waiting period, the Company shall, based on the best estimate of the number of viable rights equity instruments and the fair value on the grant date, record the services acquired in the current period into relevant costs or expenses and increase the capital reserve accordingly.

If the terms of equity- settled share-based payments are modified, at least the services obtained are recognized as if the terms had not been modified. In addition, any modification that increases the fair value of the equity instrument granted, or changes in favor of the employee on the modification date, recognizes an increase in the acquisition of services.

During the waiting period, if the granted equity instrument is cancelled, the Company will treat the cancellation of the granted equity instrument as accelerated exercise, and the amount to be recognized during the remaining waiting period will be immediately recorded into the current profit and loss, and the capital reserve will be recognized at the same time. However, if a new equity instrument is granted and it is determined on the grant date that the new equity instrument granted is intended to replace the cancelled equity instrument, the granted alternative equity instrument will be treated in the same manner as if the terms and conditions of the original equity instrument were modified.

3.27.2 Cash-settled share-based payment and equity instruments

Cash-settled share-based payments shall be measured at the fair value of the liabilities calculated and determined on the basis of shares or other equity instruments assumed by the Company. For a share-based payment transaction that can be exercised immediately after the grant, the Company shall include the relevant costs or expenses in accordance with the fair value of the liabilities assumed on the date of grant, and increase the liabilities accordingly. For share-based payment transactions that can only be exercised after the completion of services within the waiting period or the achievement of prescribed performance conditions after the grant, On each balance sheet date within the vesting period, the Company shall, based on the best estimate of the exercisable right, include the services obtained in the current period in the relevant costs or expenses according to the fair value of the liabilities assumed by the Company, and include them in the liabilities accordingly. On each balance sheet date and settlement date prior to the settlement of the relevant liabilities, the fair value of the liabilities shall be re-measured, and the changes shall be included in the current profits and losses.

If the Company modifies the terms and conditions of the cash-settled share-based payment agreement to make it an equity-settled share-based payment, on the modification date (whether within or after the vesting period), the Company measures the equity-settled share-based payment at the fair value of the equity instrument granted on that date, and includes the services obtained in the capital reserve. At the same time, the cash settled share payment for the liabilities recognized at the amendment date is terminated, and the difference between the two is included in the current profit or loss. If the vesting period is extended or shortened due to modification, the Company shall conduct accounting treatment according to the modified vesting period.

3.28 Other financial instruments such as preferred shares and water renewal bonds

In accordance with the contractual terms of the preferred shares/perpetual bonds issued by the Company and the economic substance reflected therein rather than in legal form only, Classify the financial instrument or its components as a financial asset, financial liability or equity instrument at the time of initial recognition.

A financial instrument such as a perpetual bond/preferred stock issued by the Company satisfies one of the following conditions to classify the financial instrument as a financial liability in its entirety or its components at the time of initial recognition:

(1) There exist contractual obligations which the Company cannot unconditionally avoid performing by delivering cash or other financial assets;

(2) Contains a contractual obligation to deliver a variable number of its own equity instruments for settlement;

(3) Contains derivatives settled with its own equity (such as conversion of equity, etc.), and such derivatives do not exchange a fixed number of its own equity instruments for a fixed amount of cash or other financial assets for settlement;

(4) There are contract terms that indirectly form contractual obligations;

(5) At the time of liquidation by the issuer, the perpetual bonds are in the same repayment order as the ordinary bonds and other debts issued by the issuer.

A financial instrument such as perpetual debt/preferred stock that does not meet any of the above conditions shall be classified as an equity instrument in its entirety or its components at the time of initial recognition.

3.29 Income

The Company has fulfilled its performance obligation under the contract, which is to recognize revenue when the customer acquires control of the relevant goods or services. To acquire the control right of relevant goods or services refers to be able to dominate the use of such goods or services and obtain almost all economic benefits from them.

If the contract contains two or more performance obligations, the Company shall, on the commencement date of the contract, apportion the transaction price to each individual performance obligation in proportion to the individual selling price of the commodity or service committed under each individual performance obligation. The Company shall measure its income according to the transaction price apportioned to each individual performance obligation.

Transaction price represents the amount of consideration that the Company expects to be entitled to collect as a result of the transfer of goods or services to the customer, excluding monies received on behalf of third parties and monies that are expected to be refunded to the customer. The Company determines the transaction price in accordance with the terms of the contract and in combination with its past customary practices, and in determining the transaction price, the Company takes into account the influence of variable consideration, significant financing elements existing in the contract, non-cash consideration, consideration payable to customers and other factors. The Company determines the transaction price including variable consideration by an amount not exceeding an amount that is highly unlikely to result in a material reversal of cumulative recognized revenue at the time the relevant uncertainty is resolved. If there is a significant financing component in the contract, the Company shall determine the transaction price based on the amount payable in cash upon the assumption that the customer obtains control of the goods or services, and amortize the difference between the transaction price and the contract consideration using the effective interest rate method during the contract period.

If one of the following conditions is satisfied, the performance obligation shall be fulfilled within a certain period of time, otherwise, the performance obligation shall be fulfilled at a certain point:

• The customer obtains and consumes the economic benefits brought by the Company's performance at the same time of the Company's performance.

• The customer can control the goods under construction during the performance of the company.

• The assets produced by the Company in the course of performance have irreplaceable purposes, and the Company has the right to receive payment for the part of the performance that has been completed so far during the whole contract period.

For performance obligations performed within a certain period of time, the Company shall recognize revenue according to the performance progress during that period, except where the performance progress cannot be reasonably determined. Considering the nature of the goods or services, the company adopts the output method or input method to determine the performance progress. If the performance progress cannot be reasonably determined and the incurred costs are expected to be compensated, the Company shall recognize the income according to the amount of incurred costs until the performance progress can be reasonably determined.

For performance obligations performed at a certain point, the Company recognizes revenue at the point when the customer acquires control of the relevant goods or services. In determining whether the customer has acquired control of the goods or services, the Company considers the following indications:
• The Company has a current collection right in respect of the goods or services, which means the customer has a current payment obligation in respect of the goods or services.

• The Company has transferred the legal title of the goods to the Customer, that is, the customer has the legal title of the goods.

• The Company has physically transferred the goods to the Customer, that is, the customer has physically possessed the goods.

• The Company has transferred the principal risks and rewards of ownership of the Goods to the Customer, that is, the Customer has acquired the principal risks and rewards of ownership of the goods.

• The customer has accepted the goods or services, etc.

The Company determines whether it is the principal responsible person or agent at the time of transaction based on whether it has control over the goods or services before transferring them to the customer. The Company can control the product before transferring the commodity and other products to the customer, so the Company is the main responsible person, and the revenue is recognized according to the total amount of consideration received or receivable. Otherwise, the company, as an agent, recognizes the income according to the amount of the commission or handling fee that it is expected to be entitled to receive. The amount shall be recognized as the net amount of the total amount of consideration received or receivable less the amount payable to other relevant parties, or in accordance with the established amount or proportion of commission.

3.30 Contract cost

Contract cost includes contract performance cost and contract acquisition cost.
If the cost incurred by the Company to perform the contract does not fall within the scope of relevant criteria such as inventory, fixed assets or intangible assets, it shall be recognized as an asset as the contract performance cost when the following conditions are met:

• The cost is directly related to a current or expected contract.

• The cost increases the resources used by the enterprise to fulfill its performance obligations in the future.

• The cost is expected to be recovered. Incremental costs incurred by the company in obtaining the contract are recognized as an asset as contract acquisition costs if they are expected to be recovered.

Assets related to contract costs are amortized on the same basis as revenue recognition of goods or services related to the asset; However, if the amortization period of the contract acquisition cost does not exceed one year, the company will record it into the current profit and loss when it occurs.

If the carrying amount of an asset related to the contract cost is higher than the difference between the following two items, the Company shall make an impairment provision for the excess part and recognize it as an asset impairment loss:

1. The remaining consideration expected to be obtained as a result of the transfer of goods or services related to the asset;

2. Estimate the costs to be incurred for the transfer of the relevant goods or services.

If the factors of impairment in previous periods change later so that the aforesaid difference is higher than the carrying value of the asset, the Company shall reverse the impairment provision originally made and record it into the profit and loss of the current period, provided that the carrying value of the asset after reversal shall not exceed the carrying value of the asset on the reversal date under the assumption that no impairment provision is made.

3.31 Government grants

3.31.1 Type

Government grants refer to the monetary assets and non-monetary assets obtained by the company free of charge from the government. It is divided into government subsidy related to assets and government subsidy related to earnings.
Government grants related to assets refers to the government subsidy obtained by the company for the purchase and construction or the formation of long-term assets. Government grants related to income refer to government grants other than those related to assets.

3.31.2 Confirm the time point

Government grants are recognized when the company can meet the conditions attached to them and can receive them.

3.31.3 Accounting treatment

Government subsidies related to assets shall be used to offset the book value of relevant assets or

recognized as deferred income. Where the government subsidies are recognized as related to deferred assets, they will be used to offset the book value of relevant assets or recognized as deferred income. Where such grants are recognized as the deferred income, they will be included in the current profit or loss in accordance with the reasonable and systematic methods within useful lives of related assets (Where such grants are related to the daily activities of the Company, they will be included in other income; where such grants are not related to the daily activities of the Company, they will be included in non-operating income);

The government grants associated with income that are used to recover relevant costs or losses of the Company in subsequent period are recognized as deferred income and included in the current profit or loss when relevant costs or losses are recognized (Where such grants are related to the daily activities of the Company, they will be included in other income; where such grants are not related to the daily activities of the Company, they will be included in non- operating income) or the expenses for offsetting relevant costs or losses; The grants used to compensate for the relevant costs or losses incurred by the Company will be directly included in the current profits or losses (Where such grants are related to the daily activities of the Company, they will be included in other income; where such grants are not related to the daily activities of the Company, they will be included in non-operating income) or the expenses for offsetting relevant costs or losses. Government subsidies measured in nominal amounts shall be directly recorded into current profits and losses.

The discount interest of policy-based preferential loans obtained by the company shall be accounted for separately in the following two situations:
(1) If the finance department allocates discount interest funds to the lending bank and the lending bank provides loans to the Company at the preferential policy interest rate, the Company shall take the actual amount of loans received as the entry value of the loans and calculate the relevant borrowing costs according to the loan principal and the preferential policy interest rate.
(2) If the finance department directly appropriates the discount interest funds to the Company, the Company will

offset the corresponding discount interest against the relevant borrowing costs.

3.32 Deferred tax assets and deferred tax liabilities

Income tax includes current income tax and deferred income tax. Except for income tax arising from business combinations and transactions or events directly recognized in owners' equity (including other comprehensive income), the Company includes current income tax and deferred income tax in current profit and loss.

Deferred income tax assets and deferred income tax liabilities are calculated and recognized based on the difference (temporary difference) between the tax base of the asset and the carrying value of the liability.

For the recognition of deferred income tax assets for deductible temporary differences, the amount of taxable income that is likely to be obtained in future periods to offset the deductible temporary differences shall be limited. For deductible losses and tax credits that can be carried forward to future years, the corresponding deferred income tax assets are recognized to the extent that future taxable income is likely to be obtained to offset the deductible losses and tax credits.

For taxable temporary differences, deferred income tax liabilities are recognized except in special circumstances.

Special circumstances in which deferred tax assets or deferred tax liabilities are not recognized include:

- Initial recognition of goodwill;
- Transactions or events that are neither a business combination, occur and do not affect accounting profit and taxable income (or deductible loss), and the initial recognition of assets and liabilities does not result in taxable temporary differences and deductible temporary differences of equal amounts.

Deferred tax liabilities are recognized for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, unless the Company can control the timing of the reversal of such temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences related to investments in subsidiaries, associates and joint ventures when the temporary differences are likely to be reversed in the foreseeable future and taxable income to offset the deductible temporary differences is likely to be obtained in the future.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities shall be

measured according to the applicable tax rate during the expected recovery of the relevant assets or liquidation of the relevant liabilities in accordance with the provisions of the tax law.

On the balance sheet date, the Company rechecks the carrying value of deferred income tax assets. Write down the carrying value of the deferred income tax asset if it is likely that sufficient taxable income will not be obtained in future periods to offset the benefit of the deferred income tax asset. The amount written down is reversed when it is probable that sufficient taxable income will be obtained.

When there is a legal right to settle on a net basis and the intention is to settle on a net basis or to acquire assets and settle liabilities simultaneously, the current income tax asset and current income tax liability are presented as the net offset.

On the balance sheet date, deferred tax assets and deferred tax liabilities are presented at the net offset if the following conditions are simultaneously met:

- The taxpayer has the legal right to net current income tax assets and current income tax liabilities;
- Deferred income tax assets and deferred income tax liabilities are related to income tax levied by the same tax collection authority on the same taxpayer or to different taxpayers, but in each future period in which significant deferred income tax assets and liabilities are rolled back, the taxpayer involved intends to settle current income tax assets and liabilities on a net basis or acquire assets and settle liabilities at the same time.

3.33 Lease

Lease refers to a contract in which a lessor assigns the right to use an asset to a lessee within a certain period of time in order to obtain consideration.

On the contract commencement date, the Company evaluates whether the contract is a lease or includes a lease. If a party to a contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract shall be a lease or include a lease.

If the contract contains multiple individual leases, the Company will split the contract and make accounting treatment over each individual lease. If the contract contains both leased and non-leased parts, the lessee and lessor will split the leased and non-leased parts.

3.33.1 The Company as the lessee

(1) Right-of-use assets

On the commencement date of the lease term, the company recognizes the right to use assets other than short-term leases and low-value asset leases. Right-of-use assets shall be initially measured at cost. This cost includes:

- The initial measurement amount of the lease liability;
- The amount of lease payments made on or before the commencement date of the lease term, if there is a lease incentive, the amount related to the lease incentive already enjoyed shall be deducted;
- Initial direct expenses incurred by the Company;
- The costs expected to be incurred by the Company to dismantle and remove the leased assets, restore the site where the leased assets are located or restore the leased assets to the state stipulated in the lease terms, excluding the costs incurred for the production of inventory.

The Company subsequently uses the straight-line method to depreciate the assets of the right of use. Where the ownership of the leased asset can be reasonably determined at the end of the lease term, the Company shall calculate depreciation during the remaining service life of the leased asset; otherwise, the leased asset shall be depreciated during the period during which the lease term and the remaining useful life of the leased asset are shorter.

The Company shall determine whether the assets of the right of use have been impaired and conduct accounting treatment for the identified impairment losses in accordance with the principles described in "3.22 Impairment of Long-term Assets" in this note.

(2) Lease liabilities

As at the beginning of the lease period, the Company recognizes the leases other than short-term leases and leases of low-value assets as lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that have not been paid. Lease payments include:

- for fixed payments (including substantial fixed payments), if there is any lease incentive, the relevant amount of the lease incentive shall be deducted;
- variable lease payments depending on the index or ratio;
- the payments expected to be payable based on the residual value of the guarantee provided by the Company;
- exercise price of purchase option, provided that the Company reasonably determines that it will exercise the option;
- the amount to be paid to exercise the lease termination option, provided that it is reflected that the Company will exercise the lease termination option during the lease period.

The Company adopts the implicit rate of lease as the discount rate, but if the implicit rate of lease cannot be reasonably determined, the incremental borrowing rate will be adopted as the discount rate.

The Company calculates the interest expenses of lease liabilities in each lease term based on a fixed periodic interest rate, and includes such expenses into the current profit or loss or the cost of related assets.

The variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss or the costs of related assets when they actually occur.

After the commencement date of the lease term, under any of the following circumstances, the Company will re-measure the lease liabilities and adjust the corresponding right-of-use assets; if the book value of the right-of-use assets has been reduced to zero and further reduction of lease liabilities is still required, the difference will be included in the current profit or loss:

- In case of any change in the evaluation results of the purchase option, lease renewal option or termination option, or any inconsistency between the actual exercise of the aforesaid options and the original evaluation results, the Company will re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate.

- When there is a change in the substantial fixed payment amount, a change in the expected amount payable for the residual value of the guarantee, or a change in the index or ratio used to determine the lease payment amount, the Company re-measures the lease liability based on the present value calculated from the changed lease payment amount and the original discount rate. However, changes in lease payments are due to changes in floating interest rates and the present value is calculated using the revised discount rate.

(3) Short-term lease and lease of low-value assets

The Company chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the relevant lease payments are included in the current profit or loss or the cost of related assets by straight-line method over each period within the lease term. Short-term leases refer to leases that do not exceed 12 months on the commencement date of the lease period and do not include any purchase option. Low-value asset lease refers to the lease of a single lease asset with lower value when it is brand new. The Company regards the lease of a single leased asset whose value does not exceed RMB 40,000.00 when it is a new asset as a low-value asset lease. For the lease asset subleased by the Company subleases or expected to be subleased, the original lease is not a lease of low-value assets.

(4) Lease changes

If the lease changes and the following conditions are met at the same time, the Company will carry out accounting treatment over the lease change as a separate lease:

- Where the lease change expands the scope of the lease by adding the right to use one or more leased assets;
- Where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.
- Where the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company will re-distribute the consideration of the contract after the change, re- determine the lease period, and re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate.

If the lease change causes the lease scope to be reduced or the lease term to be shortened, the Company shall correspondingly reduce the book value of the right-to-use assets, and include the related gains or losses of partial or complete termination of the lease in the current profit or loss. Where other lease changes lead to re-measurement of lease liabilities, the Company will adjust the book value of the right-of-use assets accordingly.

3.33.2 The Company as the lessor

Leases of the Company are classified as financing lease and operating lease on the lease commence date. Lease under which almost all the risks and rewards relevant to the ownership of leased assets are materially transferred is recognized as financing lease, regardless of whether the ownership is ultimately transferred. Operating lease refers to the leases other than financing lease. When the Company is a sub-lessor, it classifies the sub-leases based on the right-of-use assets generated by the original lease.

(1) Accounting treatment of operating leases

Rental from the operating lease in each stage during the rental period should be recognized as the rental income by the straight-line method. Initial direct costs relating to operating lease incurred by the Company are capitalized, and shall be included in the current profit or loss on the same basis as the recognition of lease income during the lease term. The variable lease payable that is not included in the lease receivable shall be included in the current profit or loss at the time of actual occurrence. In case of any change in the operating lease, the Company will make the accounting treatment for it as a new lease from the effective date of the change, and the amount received in advance or lease receivables before the change will be regarded as the receivables from the new lease.

(2) Accounting treatment of finance lease

On the lease commencement date, the Company recognizes finance lease receivables for financial leases and derecognizes financial lease assets. When the Company conducts the initial measurement of finance lease receivables, the net lease investment is adopted as the entry value of the finance lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments that have not been received at the beginning of the lease term and discounted at the interest rate included in the lease.

The Company calculates and recognizes the interest expenses in each lease term based on a fixed periodic interest rate. The derecognition and impairment of finance lease receivables shall be accounted for in accordance with "3.11 Financial instruments" herein.

The variable lease payable that is not included in the net lease investment for measurement shall be included in the current profit or loss at the time of actual occurrence.

If the finance lease changes and the following conditions are met at the same time, the Company will carry out accounting treatments over the change as a separate lease:

- where the change expands the scope of the lease by adding the right to use one or more leased assets;
- where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.
- Where the change of finance lease is not accounted for as a separate lease, the Company will treat the changed lease according to the following circumstances:

• If the change comes into effect on the lease commencement date, the lease will be classified as an operating lease. The Company will start making accounting treatment for it as a new lease from the effective date of the lease change, and regard the net lease investment before the effective date of the lease change as the book value of the leased assets.

• If the change comes into effect on the lease commencement date, the lease will be classified as a finance lease, and the Company will conduct accounting treatment according to the policy on modifying or renegotiating the contract in "3.11 Financial instruments" of this note.

3.33.3 Sale-and-leaseback deals

The Company evaluates and determines whether the transfer of assets in the sale-and-leaseback transaction is a sale in accordance with the principles described in "3.29 Revenue" herein.

(1) As the lessee

If the transfer of assets in the sale-leaseback transaction is a sale, the company, as the lessee, shall measure the right to use assets formed by the sale-leaseback according to the part of the book value of the original assets related to the right to use acquired by the leaseback, and only recognize the relevant gains or losses in respect of the right transferred to the lessor.

After the commencement of the lease term, the subsequent measurement of the right to use assets and lease liabilities and lease changes are detailed in note "3.33(1) As the lessee". The Company as the lessee". In the subsequent measurement of the lease liability resulting from sale-leaseback, the Company determines the lease payment or changes the lease payment in a manner that does not result in the recognition of gains or losses related to the right to use acquired by the leaseback.

Where the transfer of assets in a sale-and-leaseback transaction is not a sale, the Company, as the lessee, continues to recognize the transferred assets and at the same time recognizes a financial liability equal to the transfer income. For the accounting treatment of financial liabilities, please refer to "3.10 Financial Instruments" in this note.

(2) As the lessor

If the asset transfer in the sale-and-leaseback transaction belongs to sales, the Company, as the lessor, conducts accounting treatment over asset purchases, and performs accounting treatment for asset lease in accordance with the aforementioned policy of "2. The Company acts as the lessor"; if the asset transfer in the sale-and-leaseback transaction does not belong to the sale, the Company, as the lessor, will not confirm the transferred assets but recognizes a financial asset equivalent to the transfer income. Please refer to Note "3.11 financial instruments" for the accounting treatment for financial assets.

3.34 Hedge accounting

3.34.1 Classification of Hedging

(1) The term "fair value hedge" refers to a hedge of the risk of changes in the fair value of a recognized asset or liability and an unrecognized firm commitment (excluding foreign exchange risk).

(2) The term "cash flow hedge" refers to a hedge of the risk of changes in cash flow, where the changes in cash flow are attributable to a specific risk related to a recognized asset or liability or a highly probable forecast transaction or the foreign exchange risk contained in an unconfirmed firm undertaking.

(3) A hedge of net investment in an overseas operation refers to a hedge of the foreign exchange risk of net investment in an overseas operation. The "net investment in an overseas operation" refers to the equity share of an enterprise in the net assets of an overseas operation.

3.34.2 Designation of hedging relationship and determination of the effectiveness of hedging At the beginning of the hedging relationship, the Company has formally designated the hedging relationship and prepared formal written documents on the hedging relationship, risk management objectives and hedging strategies. This document sets out the nature and quantity of the hedging instrument, the nature and quantity of the hedged items, the nature of the hedged risk, the type of hedging, and the Company's assessment of the effectiveness of the hedging instrument. Hedge effectiveness, it refers to the extent to which the changes in the fair value or cash flow of the hedging instrument can offset the hedged item caused by the hedged risk and the changes in the fair value or cash flow.

The Company shall continuously evaluate the effectiveness of the hedge and judge whether the hedge meets the requirements for the effectiveness of hedge accounting during the accounting period in which the hedging relationship is designated. If not, the use of the hedging relationship shall be terminated.

The application of hedging accounting shall meet the following requirements for the effectiveness of hedging:

(1) There is an economic relationship between the hedged item and the hedging instrument.
(2) In the value changes arising from the economic relationship between the hedged item and the hedging instrument, the impact of credit risk is not dominant.
(3) An appropriate hedging ratio is adopted, and the hedging ratio will not form a balance between the hedged item and the relative weight of the hedging instrument, resulting in an accounting result inconsistent with the hedging accounting objective. If the hedging ratio is no longer appropriate, but the risk management objective of the hedging period remains unchanged, the number of the original hedging item or hedging instrument shall be adjusted to make the hedging ratio meet the requirement of effectiveness again.

3.34.3 Hedge accounting treatment method

(1) Fair value hedging
Changes in the fair value of hedging derivatives are recorded in current profits and losses. Changes in the fair value of the hedged item due to the hedging risk shall be recorded into the current profit and loss, and the book value of the hedged item shall be adjusted at the same time.
In the case of fair value hedges related to financial instruments measured at amortized cost, adjustments made to the carrying value of the hedged item are amortized during the remaining period between the adjustment date and the maturity date and recorded in the current profit and loss. Amortization under the effective interest rate method may commence immediately after the book value adjustment and no later than the adjustment of the hedged item for changes in fair value arising from the hedging risk after the termination of the hedged item.
If the hedged item is terminated, the unamortized fair value is recognized as the current profit and loss.
The hedged item is a firm commitment that has not yet been recognized, the accumulated change in fair value of the firm commitment due to the hedged risk is recognized as an asset or liability, and the related gain or loss is recorded into the current profit and loss. Changes in the fair value of hedging instruments are also included in current profits and losses.
(2) Cash flow hedging
The part of the profit or loss of the hedging instrument that belongs to the effective hedging is directly recognized as other comprehensive income, and the part that belongs to the ineffective hedging is included in the current profits and losses.
If the hedged transaction affects the current profits and losses, for example, when the hedged financial income or financial expenses are recognized or the expected sales occur, the amount recognized in other comprehensive income shall be transferred to the current profits and losses. If the hedged item is the cost of a non-financial asset or non-financial liability, the amount originally recognized in other comprehensive income is transferred out and included in the initially recognized amount of the non-financial asset or non-financial liability (Or if it was originally recognized in other comprehensive income, it shall be transferred out during the same period when the non- financial assets or non-financial liabilities affect the profits and losses, and shall be included in the current profits and losses).

If the expected transaction or firm commitment is not expected to occur, the accumulated gains or losses previously included in other comprehensive income are transferred out and included in the current profits and losses. If the hedging instrument has expired, been sold, the contract has been terminated or exercised (but not replaced or extended), or the designation of the hedging relationship has been cancelled, the amount previously included in other comprehensive income shall not be transferred out until the expected transaction or firm commitment affects the current profits and losses.

(3) Operating net investment hedging abroad

A hedge of a net investment in a foreign operation includes a hedge of a monetary item that is a portion of the net investment, and the treatment is similar to a cash flow hedge. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is included in other comprehensive income, while the portion of the ineffective hedge is recognized in profit or loss for the period. When an overseas operation is disposed of, any accumulated gain or loss included in other comprehensive income is transferred out and included in the current profit or loss.

3.35 Debt restructuring

3.35.1 The Company as a creditor

The Company shall terminate the recognition of the creditor's rights when its contractual right to collect the cash flow of the creditor's rights terminates. Where debt restructuring is carried out in the form of paying off debts with assets or converting debts into equity instruments, the Company shall recognize the relevant assets when they meet its definition and recognition conditions.

Where debt restructuring is carried out in the form of asset repayment of debt, the Company shall measure the transferred non-financial assets at cost when initially recognizing them. The cost of inventory includes the fair value of the abandonment of the creditor's right and the taxes, transportation costs, handling costs, insurance costs and other costs directly attributable to the asset incurred in bringing the asset to its current position and state. The cost of investment in a joint venture or joint venture includes the fair value of the abandoned creditor's rights and other costs directly attributable to the asset such as taxes. The cost of investment real estate includes the fair value of the abandoned creditor's rights and other costs directly attributable to the asset such as taxes. The cost of a fixed asset includes taxes, transportation costs, handling costs, installation costs, professional service fees and other costs directly attributable to the asset before the fair value of the creditor's right is abandoned and the asset is made available for use. The cost of a biological asset includes the fair value of the abandoned claim and other costs directly attributable to the asset such as taxes, transportation costs and insurance premiums. The cost of intangible assets includes the fair value of the abandoned creditor's rights and other costs that can be directly attributed to the achievement of the intended use of the assets. If the debt restructuring in the form of converting debt into equity instruments results in the creditor converting the creditor's right into equity investment in the joint venture or joint venture, the Company shall measure the initial investment cost according to the fair value of the abandoned creditor's right and taxes and other costs directly attributable to the asset. The difference between the fair value of the abandoned creditor's rights and the carrying value is recorded in the current profit and loss.

If the debt restructuring is carried out by modifying other terms, the Company shall recognize and measure the restructured creditor's rights in accordance with "3.11 Financial Instruments" in this note.

Where debt restructuring is carried out by means of multiple assets to pay off debts or combination, the Company shall first recognize and measure the transferred financial assets and restructured creditor's rights in accordance with "3.11 Financial Instruments" in this note, and then according to the proportion of fair value of all assets other than the transferred financial assets, The net value of the fair value of the abandoned creditor's rights after deducting the recognized amount of the transferred financial assets and the restructured creditor's rights shall be distributed, and on this basis the cost of each asset shall be determined according to the aforementioned method. The difference between the fair value and the carrying amount of the abandoned creditor's right shall be included in the current profit and loss.

3.35.2 The Company as a creditor

The Company derecognizes a debt when the present obligation of the debt is discharged.

In case of debt restructuring in the form of liquidation of debts by assets, the Company shall terminate the recognition when the relevant assets and the liquidated debts meet the conditions for termination of recognition, and the difference between the book value of the liquidated debts and the book value of the transferred assets shall be included in the current profits and losses.

In case of debt restructuring by converting debts into equity instruments, the Company shall terminate the recognition when the debts paid off meet the conditions for derecognition. When the Company initially recognizes the equity instrument, it shall be measured according to the fair value of the equity instrument. If the fair value of the equity instrument cannot be measured reliably, it shall be measured according to the fair value of the liquidated debt. The difference between the book value of the extinguished debt and the recognized amount of the equity instrument, it shall be included in the current profits and losses.

In case of debt restructuring by modifying other terms, the Company shall recognize and measure the restructured debt in accordance with "3.11 Financial Instruments" in this Note.

In case of debt restructuring by means of paying off debts with multiple assets or by means of combination, the Company shall recognize and measure the equity instruments and restructured debts in accordance with the aforementioned methods, and the difference between the book value of the debts paid off and the sum of the book value of the transferred assets and the recognized amount of the equity instruments and restructured debts shall be included in the current profits and losses.

3.36 Segment reporting

The Company determines operating segments based on internal organization structure, management requirements and internal reporting system, determines reporting segments based on operating segments, and disclose the information of the segments.

An operating segment is a constituent part meeting the following conditions within the Company:

(1) the constituent part can generate income and expenses in routine activities; (2) the Company's management is able to regularly evaluate the operating results of this constituent part so as to determine the resources allocation and assess its performance; (3) the Company is able to obtain the financial position, operating results, cash flows and other relevant accounting information of this constituent part. If two or more operating segments have similar economic characteristics, and have met a certain condition, they will be merged into one operating segment.

3.37 Safety production fee

The safety production fee drawn by the Company in accordance with the national regulations shall be included in the cost of relevant products or the current profit and loss, and shall be recorded in the "special reserve" account. When the safety production fee extracted is used, it belongs to the expense expenditure, and the special reserve is directly offset. If fixed assets are formed, the expenditures incurred are collected through the "construction in progress" account, and are recognized as fixed assets when the safety project is completed and reaches the expected usable state. The special reserve is offset according to the cost of forming fixed assets, and the accumulated depreciation of the same amount is recognized. The fixed asset will not be depreciated in subsequent periods.

3.38 Method for determining the importance criteria and the basis for selection

Items	Importance
Significant accounts receivable for which provision for doubtful accounts is made individually	10 million RMB
Important debt investments	10 million RMB
Important projects in progress	10 million RMB
Significant accounts payable aged over one year or overdue	10 million RMB
Important joint ventures or associates	The shareholding ratio exceeds 30% and the income exceeds 100 million RMB

3.39 Changes in significant accounting policies and accounting estimates

3.39.1 Changes in significant accounting policies

Implement the provisions of Interpretation of Accounting Standards for Business Enterprises No. 18 "Accounting treatment for quality assurance of guarantee that does not belong to single performance obligation"

On December 6, 2024, the Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 18 (Accounting and Accounting (2024) No. 24, hereinafter referred to as the "Interpretation No. 18"), which will take effect from the date of issuance and allow enterprises to implement it in advance from the year of issuance.

Interpret the provisions of No. 18, when accounting for the expected liabilities arising from the quality assurance of the guarantee category that is not a single performance obligation, according to the relevant provisions of the Accounting Standards for Business Enterprises No. 13 - Contingencies, according to the determined amount of expected liabilities, the items such as "main operating costs" and "other operating costs" shall be debits, and the items of "Estimated liabilities" shall be credited. It shall be listed accordingly in "operating costs" in the income statement and "other current liabilities", "non-current liabilities due within one year", " Estimated liabilities" and other items in the balance sheet.

When the enterprise implements the contents of this interpretation for the first time, if "sales expenses" are included in the original provision of quality assurance, it shall make retrospective adjustment according to the change of accounting policies.

The Company implemented this regulation from 2024, and made adjustments to the financial statement amounts for comparable periods. Such adjustment has no significant impact on the Company’s financial condition, operating results, and cash flows. Due to the above adjustments, the Company’s consolidated financial statements for the same period last year show an increase in operating costs and a decrease in sales expenses of RMB415,733,197.19, respectively.

3.39.2 Changes in significant accounting estimates

None.

3.40 Others

None.

4 Taxation

4.1 Main tax types and tax rates

Tax Type	Tax basis	Applicable tax rate	Remarks
Value-added tax ("VAT")	The output tax shall be calculated on the basis of the income from sales of goods and taxable services calculated in accordance with the provisions of the tax law. After deducting the input tax allowed to be deducted in the current period, the difference shall be VAT payable	3%, 5%, 6%, 9%, 11%, 13%, 18%	GST of Dongfang Electric (India) Limited (hereinafter referred to as Dongfang India) is 18%.
Urban maintenance and construction tax	According to the actual payment of value-added tax and consumption tax	5%, 7%	
Property tax	Tax is based on 70% of the original value of the property (or rental income)	1.2%, 12%	

Explanation of income tax rates of different taxpayers:

Taxpayer name	Income tax rate (%)
Dongfang Electric Co., LTD. (the Company)	15.00
Dongfang Electric Corporation Dongfang Boiler Co., LTD. (hereinafter referred to as Dongfang Boiler)	15.00
Dongfang Kaiterui (Chengdu) Environmental Technology Co., LTD. (hereinafter referred to as Dongfang Kaiterui)	15.00
Dongfang Electric (Chengdu) Hydrogen Technology Co., LTD. (hereinafter referred to as Dongfang Hydrogen energy)	15.00
Dongfang Turbine CO., LTD. (hereinafter referred to as Dongfang Turbine)	15.00
Dongfang Electric Machinery Co., LTD. (hereinafter referred to as Dongfang Electric Machinery)	15.00
Dongfang Electric (Deyang) Motor Technology Co., Ltd. (hereinafter referred to as Dongfang Electric Motor)	15.00
Dongfang Electric Wind Power Co., LTD. (hereinafter referred to as Dongfang Wind Power)	15.00
Dongfang Electric Wind Power (Liangshan) Co., LTD. (hereinafter referred to as Dongfang Liangshan Wind Power)	15.00
Dongfang Electric (Jiuquan) Wind Power Equipment Co., Ltd. (hereinafter referred to as Dongfang (Jiuquan) Wind Power)	15.00
Xinjiang Dongfang Wind Power New Energy Co., Ltd. (hereinafter referred to as Dongfang Xinjiang New Energy)	15.00
Tianjin Dongqi Wind Turbine Blade Engineering Co., LTD. (hereinafter referred to as Dongfang Tianjin Blade)	15.00
Dongfang Three Gorges (Jiangsu) Smart Energy Co., LTD. (hereinafter referred to as Dongfang Jiangsu Huineng)	20.00

Taxpayer name	Income tax rate (%)
Mulei East New Energy Co., LTD. (hereinafter referred to as Mulei Dongxin New Energy)	20.00
Dongfang Electric (Guangdong) Wind Power Equipment Co., LTD. (hereinafter referred to as Dongfang Guangdong Wind Power)	20.00
Fujian Dongfu New Energy Co., LTD. (hereinafter referred to as Fujian Dongfu New Energy)	20.00
Dongfang Electric (Changdu) New energy Co., LTD. (hereinafter referred to as Dongfang Changdu New Energy)	20.00
Dongfang Electric Wind Power (Guiyang) Co., LTD. (hereinafter referred to as Dongfang Guiyang Wind Power)	20.00
Dongfang Wind Power (Tangshan) New Energy Co., LTD. (hereinafter referred to as Dongfang Tangshan New Energy)	20.00
Dongtang (Tangshan Caofeidian District) New Energy Co., LTD. (hereinafter referred to as Dongtang Tangshan New Energy)	20.00
Dongfang Wind Power (Qingxian) New Energy Co., LTD. (hereinafter referred to as Dongfang Qingxian New Energy)	20.00
Qingxian Dongtai Energy Manufacturing Co., LTD. (hereinafter referred to as Qingxian Dongtai Energy)	20.00
Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.	15.00
Dongfang (Guangzhou) Heavy Machinery Co., LTD. (hereinafter referred to as Dongfang Heavy Machinery)	15.00
Dongfang Electric Autocontrol Engineering Co., Ltd. (hereinafter referred to as Automatic Control)	15.00
Dongfang Electric advenergy (Shenzhen) Technology Co., LTD. (hereinafter referred to as Dongfang Qineng)	15.00
Dongfang Hitachi (Chengdu) Electronic Control Equipment Co., LTD. (hereinafter referred to as Dongfang Hitachi)	15.00
Dongfang Electric Zhongneng Industrial Control Network Security Technology (Chengdu) Co., LTD. (hereinafter referred to as Dongfang Zhongneng)	15.00
DEC Project Cargo Logistics Co., LTD. (hereinafter referred to as DEC Project Cargo Logistics)	15.00
Dongfang Electric (Chengdu) Engineering Design Consulting Co., LTD. (hereinafter referred to as Dongfang Design)	15.00
Dongfang Electric (Wuhan) Nuclear Equipment Co., LTD. (hereinafter referred to as Dongfang Wuhan Nuclear Core)	15.00
Dongfang Electric Corporation Research Institute of Science and Technology Co., LTD. (hereinafter referred to as Dongfang Research Institute)	15.00
PT. Dongfang Electric Indonesia (hereinafter referred to as Dongfang Indonesia)	22.00
Nam Mang 1 Power Co., Ltd. (Nam Mang River Company) (Note 1)	0.00
Other enterprises within the scope of merger of the Company	25.00

Note 1: According to the Franchise Agreement signed by Nam Mang Power Company and the Laos Government on January 9, 2013, the enterprise income tax rate applicable to Nam Mang Power Company is 0.00%.

4.2 Tax preference

1. The Company

According to the Article 1 of the Announcement on Extension of Income Tax Policies for Western Development Enterprises (Announcement No. 23 of 2020 by the Ministry of Finance, the State Administration of Taxation and the National Development and Reform Commission), since January 1, 2021 to December 31, 2030, the enterprise income tax shall be levied at a reduced rate of 15% on the encouraged industrial enterprises located in the western region. The term "encouraged industrial enterprises" as mentioned in this article refers to enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in the Western Region, and whose main business income accounts for more than 60% of the total enterprise income. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. The Company meets the said preference condition, and can enjoy such preferential tax rate of 15.00%.

2. Dongfang boiler

(1) Dongfang boiler

On December 12, 2023, the company obtained the high-tech enterprise certification, the certificate number is GR202351006033, and the validity period is 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People’s Republic of China, the applicable enterprise income tax rate this year is 15.00%.

(2) Dongfang Kaiterui

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. The company meets the preferential conditions and implements the preferential tax rate of 15.00%. The company has also obtained the high-tech enterprise certificate, and passed the latest high-tech enterprise certification in 2024. The certificate number is GR202451002153, valid for 3 years.

(3) Dongfang hydrogen energy

In November 2022, the company obtained the high-tech enterprise certificate, certificate No.: GR202251003756, with a period of 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

3. Dongfang Turbine

Obtained the high-tech enterprise certification on December 6, 2024, with the certificate number of GR202451004730 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

4. Dongfang Electric Machinery

(1) Dongfang Electric Machinery

It obtained the high-tech enterprise certification on December 6, 2024, with the certificate number of GR202451004514 and the validity period of three years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

(2) Dongfang Electric Motor

On November 2, 2022, it obtained the high-tech enterprise certification with the certificate number of GR202251001070 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

5. Dongfang Wind Power

(1) Dongfang Wind Power, Dongfang Liangshan Wind Power, Dongfang (Jiuquan) Wind Power and Dongfang Xinjiang New Energy

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%.

The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. In 2024, the main business of the above company meets the industrial projects stipulated in the Catalogue of Encouraged Industries in Western China, and the income accounts for more than 60% of the total income of the company, so it can enjoy 15% corporate income tax preferential treatment.

(2) Dongfang Tianjin Blade
In December 2022, it passed the high-tech enterprise certification renewal and filing, and obtained the high-tech enterprise certificate numbered GR202212002710 jointly issued by Tianjin Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate this year is 15.00%.

(3) Dongfang Jiangsu Huineng, Mulei Dongxin New Energy Dongfang Guangdong Wind Power, Fujian Dongfu New Energy, Dongfang Changdu New Energy, Dongfang Guiyang Wind Power, Dongfang Tangshan New Energy, Dongtang Tangshan New Energy, Dongfang Qingxian New Energy and Qingxian Dongtai Energy

According to the Announcement of the State Administration of Taxation of the Ministry of Finance on Implementing Preferential Income Tax Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No. 6, 2023 of the State Administration of Taxation) and the Announcement of the State Administration of Taxation on Implementing the Collection and Administration of Preferential Income Tax Policies for Small and Low-Profit Enterprises (Announcement No. 6, 2023 of the State Administration of Taxation), From January 1, 2023 to December 31, 2027, for small and low-profit enterprises whose annual taxable income does not exceed 1 million yuan, 25% will be reduced and included in the taxable income, and the enterprise income tax will be paid at the tax rate of 20%.

(4) Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd.
According to the Notice on Preferential Tax Policies for Enterprises in Hainan Free Trade Port (Cai Shui [2020] No. 31), encouraged industrial enterprises registered in Hainan Free Trade Port and operating substantially are subject to a reduced corporate income tax rate of 15%.
Hainan Yangpu Offshore Wind Power Industry Development Co., Ltd. will meet the above provisions in 2024 and enjoy 15% corporate income tax preferential treatment.

6. Dongfang Heavy Machinery
The high-tech enterprise certificate was obtained on December 19, 2022, with the certificate number of GR202244001244 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

7. Dongfang Automatic Control
(1) Dongfang Automatic Control
ln October 2023, the Company obtained the high-tech enterprise certificate, with the certificate number of GR202351001111 and a term of three years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

(2) Dongfang Qineng
On December 26, 2024, it obtained the certification of high-tech enterprises with the certificate number of GR202444202528 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

(3) Dongfang Hitachi

The high-tech enterprise certificate was obtained on December 06, 2024, with the certificate number of GR202451002701 and the validity period of three years. According to the preferential tax policies on high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

(4) Dongfang Zhongneng

In November 2022, it passed the high-tech enterprise certificate renewal and filing, and obtained the high-tech enterprise certificate numbered GR202251000403 jointly issued by Sichuan Provincial Department of Science and Technology, Sichuan Provincial Department of Finance, and Sichuan Provincial Tax Bureau of the State Administration of Taxation. In accordance with the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate for this year is 15%.

8. DEC Project Cargo Logistics

According to Article 1 of the Announcement on Extending the Enterprise Income Tax Policy for the Development of Western China (Announcement No. 23, 2020 of the Ministry of Finance and Taxation Administration of the People's Republic of China), from January 1, 2021 to December 31, 2030, enterprises in encouraged industries located in the western region will be levied corporate income tax at a reduced rate of 15%. The encouraged industrial enterprises mentioned in this Article refer to the enterprises whose main business is the industrial projects specified in the Catalogue of Encouraged Industries in Western China, and whose main business income accounts for more than 60% of the total income of the enterprise. The Catalogue of Encouraged Industries in Western China shall be updated in accordance with the Catalogue of Encouraged Industries in Western China (2025 Edition) issued by Order No. 28 of National Development and Reform Commission in 2024. The company meets the preferential conditions and implements the preferential tax rate of 15.00%.

9. Dongfang Design

On November 2, 2022, it was certified as a high-tech enterprise with the certificate number of GR202251002420 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

10. Dongfang Wuhan Nuclear Core

On December 14, 2022, it obtained the high-tech enterprise certification, with the certificate number of GR202242008075 and the validity period of 3 years. According to the preferential tax policies for high-tech enterprises stipulated in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

11. Dongfang Research Institute

The high-tech enterprise certificate was obtained in December 6, 2024, with the certificate number of GR202451004949 and a term of three years. According to the preferential tax policies on high-tech enterprises in the Enterprise Income Tax Law of the People's Republic of China, the applicable enterprise income tax rate of this year is 15.00%.

12. Dongfang Indonesia

According to the local tax Act of Indonesia, the tax rate for resident enterprises and permanent establishments is 22% in 2024, and the applicable corporate income tax rate for this year is 22%.

13. Nam Mang Company

According to the relevant provisions of the Franchise Operation Agreement signed by the Company and the Lao Government on January 9, 2013, the applicable corporate income tax rate of the Company is 0%, and the company's subsidiary Nam Mang 1 Power Co., Ltd. enjoys this preferential policy

14. According to the Announcement on Additional VAT Deduction Policy for Advanced Manufacturing Enterprises Announced by the State Administration of Taxation of the Ministry of Finance (No. 43, 2023), from January 1, 2023 to December 31, 2027, some subsidiaries of the stock, as advanced manufacturing enterprises, will deductible 5% of the input tax of the current period to offset the VAT payable.

4.3 Other explanations

None.

5 Notes to the items of the consolidated financial statements

5.1 Monetary funds

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Cash on hand	546,508.27	746,278.67
Bank deposits	28,914,059,916.64	24,730,076,014.44
Other monetary funds	2,344,141,071.47	2,125,126,776.82
Total	31,258,747,496.38	26,855,949,069.93
Including: Total amount of deposit abroad	105,351,046.82	306,171,948.88
Deposited abroad with restrictions on repatriation of funds		

Other notes:

Among the monetary funds at the end of the period, cash and cash equivalents not included in the statement of cash flows mainly include RMB2,521.304 million deposited in reserve with the central bank, RMB 300 million of time deposits or notice deposits used for guarantee, RMB1,903.64 million of margin and RMB192.4049 million of unmatured interest receivable. At the end of the period, there is no money pledged or frozen or deposited overseas with restrictions on repatriation, except for RMB2,521.304 million deposited with the central bank, RMB 300 million of time deposit or notice deposit for guarantee and RMB1,903.64 million of margin.

5.2 Loans to banks and other financial institutions

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Lending to other banks		
Lending to non-bank financial institutions	1,460,597,736.03	836,529,745.30
Less: provision for loan loss		
Book value of lending fund	1,460,597,736.03	836,529,745.30

5.3 Financial assets held for trading

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Classification of financial assets measured at fair value and whose changes are recorded in current profits and losses	1,572,706,401.76	1,697,971,178.52
Including: Debt instrument investment	321,978,300.00	319,180,200.00
Equity instrument investment	867,061,706.35	944,237,713.72
Other	383,666,395.41	434,553,264.80
Financial assets designated as at fair value and whose changes are recorded in current profits and losses		
Including: Debt instrument investment		

Other		
Total	1,572,706,401.76	1,697,971,178.52

Remarks of trading financial assets:
As at December 31, 2024, all the items of "Others" amount to RMB434,553,264.80, as at June 30, 2025, all the items of "Others" were funds amounting to RMB383,666,395.41.

Financial assets held for trading are analyzed as follows:

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Listed financial assets		
China (except Hong Kong)	867,061,706.35	944,237,713.72
Sub-total	867,061,706.35	944,237,713.72
Non-listed financial assets	705,644,695.41	753,733,464.80
Total	1,572,706,401.76	1,697,971,178.52

Remarks:
1. The Company holds 1,447,000.00 shares of domestic listing RMB ordinary shares (A share) without restricted circulation in China XD Electricity Co., Ltd., accounting for 0.0282% of the share capital of the investee;
2. The Company holds 87,167,187.00 shares of domestic listing RMB ordinary shares (A share) without restricted circulation in Sichuan New Energy Power Co., Ltd., accounting for 4.7219% of the share capital of the investee;
3. The Company holds 308,315.00 unrestricted domestic listed RMB ordinary shares (A shares) of Chongqing Gas Corporation Co., LTD., accounting for 0.0196% of the invested unit's share capital;
4. The Company holds 301,994.00 shares of domestic listing RMB ordinary shares (A share) without restricted circulation in Chongqing Iron & Steel Co., Ltd., accounting for 0.0033% of the share capital of the investee.

5.4 Notes receivable

5.4.1 Presentation of the notes receivable by category

Category	As at June 30, 2025			As at December 31, 2024		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Bank acceptance bills	923,095,373.04	38,507,732.73	884,587,640.31	917,683,123.73	33,660,263.07	884,022,860.66
Commercial acceptance bills	119,357,610.36	5,787,654.27	113,569,956.09	363,102,113.39	22,771,837.82	340,330,275.57
Total	1,042,452,983.40	44,295,387.00	998,157,596.40	1,280,785,237.12	56,432,100.89	1,224,353,136.23

5.4.2 Notes receivable endorsed or discounted by the Company as at June 30, 2025 but not expired on the balance sheet date

Item	Amount derecognized as at June 30, 2025	Amount not derecognized as at June 30, 2025
Bank acceptance bills	484,891,302.97	80,514,214.30
Commercial acceptance bills		2,798,652.00
Total	484,891,302.97	83,312,866.30

5.4.3 Bills transferred to accounts receivable by the Company at the end of the period due to the drawer's failure to perform the contract

Items	Amount transferred to accounts receivable as at December 31, 2024
Bank acceptance bills	5,000,000.00

Commercial acceptance bills	
Total	5,000,000.00

5.5 Accounts receivable

5.5.1 Aging of accounts receivable

Age of account	As at June 30, 2025	As at December 31, 2024
Within 1 year (including 1 year)	10,200,421,873.10	9,166,698,541.03
1-2 years (including 2 years)	2,661,670,703.81	2,912,482,204.67
2-3 years (including 3 years)	2,229,504,238.98	1,573,780,667.10
More than 3 years		
3-4 years (including 4 years)	913,146,125.86	709,985,357.44
4-5 years (including 5 years)	501,544,472.18	454,092,052.84
More than 5 years	1,322,948,541.31	1,349,940,684.20
Sub-total	17,829,235,955.24	16,166,979,507.28
Less: provision for bad debts	3,796,132,598.52	3,621,665,242.31
Total	14,033,103,356.72	12,545,314,264.97

Note: Accounts receivable are recorded mainly on the date of business occurrence.

5.5.2 Disclosure of accounts receivable by method of provision for bad debts

Category	As at June 30, 2025					As at December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts on an individual basis	1,639,781,067.01	9.20	1,276,665,379.24	77.86	363,115,687.77	1,569,514,088.67	9.71	1,291,566,851.28	82.29	277,947,237.39
Provision for bad debts on portfolio basis of credit risk characteristics	16,189,454,888.23	90.80	2,519,467,219.28	15.56	13,669,987,668.95	14,597,465,418.61	90.29	2,330,098,391.03	15.96	12,267,367,027.58
Including:										
Aging analysis combination	16,189,454,888.23	90.80	2,519,467,219.28	15.56	13,669,987,668.95	14,597,465,418.61	90.29	2,330,098,391.03	15.96	12,267,367,027.58
Total	17,829,235,955.24	100.00	3,796,132,598.52		14,033,103,356.72	16,166,979,507.28	100.00	3,621,665,242.31		12,545,314,264.97

Important accounts receivable with an individual provision for doubtful accounts:

Name	Balance as at June 30, 2025			
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision
Entity 1	264,008,353.92	36,590,944.23	13.86	Cannot recover on time due to financial constraints or quality problems

Entity 2	207,813,892.00	207,813,892.00	100.00	During bankruptcy liquidation proceedings
Entity 3	106,315,106.57	44,051,281.88	41.43	Cannot recover on time due to financial constraints or quality problems
Entity 4	89,397,696.88	89,397,696.88	100.00	During bankruptcy liquidation proceedings
Entity 5	76,643,299.99	76,643,299.99	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 6	73,350,230.21	68,235,873.85	93.03	Cannot recover on time due to financial constraints or quality problems
Entity 7	72,745,660.29	72,745,660.29	100.00	During bankruptcy liquidation proceedings
Entity 8	61,995,699.44	55,796,129.50	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 9	49,572,824.20	44,615,541.78	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 10	45,617,395.43	45,617,395.43	100.00	During bankruptcy liquidation proceedings
Entity 11	44,749,377.49	44,749,377.49	100.00	During bankruptcy liquidation proceedings
Entity 12	44,050,153.46	7,442,155.98	16.89	Cannot recover on time due to financial constraints or quality problems
Entity 13	41,142,350.25	37,028,115.23	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 14	34,421,419.97	30,979,277.97	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 15	27,632,480.00	24,869,232.00	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 16	26,937,863.25	26,937,863.25	100.00	Cannot recover on time due to financial constraints or quality problems

Entity 17	25,592,879.77	23,033,591.79	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 18	25,122,142.87	25,122,142.87	100.00	During bankruptcy liquidation proceedings
Entity 19	23,172,440.32	23,172,440.32	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 20	20,532,958.25	18,479,662.43	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 21	20,059,560.00	20,059,560.00	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 22	18,250,000.00	18,250,000.00	100.00	During bankruptcy liquidation proceedings
Entity 23	16,789,858.49	16,789,858.49	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 24	16,196,486.90	14,576,838.21	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 25	14,912,000.00	13,420,800.00	90.00	Cannot recover on time due to financial constraints or quality problems
Entity 26	13,720,000.00	13,720,000.00	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 27	11,463,428.06	11,463,428.06	100.00	During bankruptcy liquidation proceedings
Entity 28	11,075,520.00	11,051,520.00	99.78	Cannot recover on time due to financial constraints or quality problems
Entity 29	10,536,160.00	10,536,160.00	100.00	Cannot recover on time due to financial constraints or quality problems
Entity 30	10,310,000.00	10,310,000.00	100.00	Cannot recover on time due to financial constraints or quality problems

Others	135,653,829.00	133,165,639.32	98.17	Cannot recover on time due to financial constraints or quality problems
Total	1,639,781,067.01	1,276,665,379.24		

Provision for bad debt by combination of credit risk characteristics:

Aging analysis combination:

Age of account	As at June 30, 2025		
	Accounts receivable	Provision for bad debts	Proportion of provision (%)
Within 1 year (including 1 year)	10,018,849,368.08	500,774,043.80	5.00
1-2 years (including 2 years)	2,310,684,898.10	230,945,289.21	10.00
2-3 years (including 3 years)	1,780,748,049.73	356,149,609.95	20.00
3-4 years (including 4 years)	732,974,510.90	293,189,804.37	40.00
4-5 years (including 5 years)	415,579,179.26	207,789,589.79	50.00
More than 5 years	930,618,882.16	930,618,882.16	100.00
Total	16,189,454,888.23	2,519,467,219.28	

5.5.3 Provision, reversal or recovery of provision for bad debts in the current period

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment)	
Balance as at December 31, 2024	2,330,098,391.03		1,291,566,851.28	3,621,665,242.31
In the current period, balance as at June 30, 2025	107,778,516.00		-107,778,516.00	
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1	107,778,516.00		-107,778,516.00	
Provision in the current period	83,210,985.04		162,581,706.79	245,792,691.83
Reversal in the current period			69,557,349.70	69,557,349.70
Write-off in the current period				
Charge-off in the current period	1,620,672.80			1,620,672.80

Other changes	0.01		-147,313.13	-147,313.12
Balance as June 30, 2025	2,519,467,219.28		1,276,665,379.24	3,796,132,598.52

Reversal or recovery of significant amount of provision for bad debts in the current period is listed as follows:

Name	Recover or reverse the amount	To turn back the cause	Method of recovery	Determine the basis and reasonableness of the original bad debt provision
Shanxi Hongda Iron & Steel Co., LTD	29,591,636.31	The owner's financial situation improves or the project situation improves	recovery	Cannot recover on time due to financial constraints or quality problems
Others	39,965,713.39	The owner's financial situation improves or the project situation improves	recovery	Cannot recover on time due to financial constraints or quality problems
Total	69,557,349.70			

5.5.4 Accounts receivable actually charged off in the current period

Item	Amounts
Accounts receivable actually charged off	1,620,672.80

The information on important accounts receivable charged off is as follows:

Entity Name	Nature	Amounts	Reasons	Procedures performed	Yes or No for connected transaction
Sanmenxia Huayang Power Generation Co., Ltd.	Payment for goods	660,000.00	The company has ceased operations	Approved by the general manager of the subsidiary	No
Total		660,000.00			

5.5.5 Top five accounts receivable and contract assets of ending balance collected by debtor

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of the total balance of accounts receivable and contract assets at the end of the period （%）	Ending balance of provision for bad debts
Entity 1	439,991,858.81	1,048,837,765.65	1,488,829,624.46	3.22	131,537,161.91
Entity 2	88,329,445.39	843,462,590.43	931,792,035.82	2.02	9,356,010.84
Entity 3	103,474,454.79	821,557,515.82	925,031,970.61	2.00	55,647,610.26
Entity 4	106,315,106.57	701,602,795.93	807,917,902.50	1.75	269,760,000.00
Entity 5	455,206,797.81	123,671,119.87	578,877,917.68	1.25	39,883,010.87
Total	1,193,317,663.37	3,539,131,787.70	4,732,449,451.07	10.24	506,183,793.88

5.6 Receivables financing

5.6.1 Presentation of receivables financing by category

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Notes receivable	2,426,759,434.04	1,927,567,077.40
Accounts receivable		
Total	2,426,759,434.04	1,927,567,077.40

5.6.2 Receivables financing that has been endorsed or discounted by the company at the end of the period and is not yet due on the balance sheet date

Items	The confirmation amount shall be terminated at the end of the period	The amount of confirmation has not been terminated at the end of the period
Bank acceptance bills	11,754,376.40	
Commercial acceptance bills		
Total	11,754,376.40	

5.7 Advances to suppliers

5.7.1 Presentation of advances to suppliers by aging

Aging	Balance as at June 30, 2025		Balance as at December 31, 2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	5,728,256,472.20	85.95	4,921,703,800.79	83.75
1 - 2 years	587,682,907.15	8.82	610,310,006.85	10.38
2 - 3 years	229,148,605.94	3.44	249,691,783.18	4.25
Over 3 years	119,403,007.24	1.79	95,192,435.20	1.62
Total	6,664,490,992.53	100.00	5,876,898,026.02	100.00

5.7.2 Top five advances to suppliers in terms of the ending balance collected by the prepaid object as at June 30, 2025

Prepaid object	Balance as at June 30, 2025	Proportion (%) in the total ending balance of advances to suppliers as at June 30, 2025
Entity 1	970,906,906.51	14.57
Entity 2	413,731,160.79	6.21
Entity 3	363,869,186.33	5.46
Entity 4	221,863,297.98	3.33
Entity 5	180,612,000.00	2.71
Total	2,150,982,551.61	32.28

5.8 Other receivables

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Dividends receivable	34,018,947.36	23,297,096.99
Other receivables	510,939,272.01	522,982,666.43
Total	544,958,219.37	546,279,763.42

5.8.1 Dividends receivable

(1) Details of dividends receivable

Items (or investees)	Balance as at June 30, 2025	Balance as at December 31, 2024
Within 1 year	20,350,148.22	9,628,297.85
Over 1 year	20,957,738.18	20,957,738.18
Sub-total	41,307,886.40	30,586,036.03
Less: provision for bad debts	7,288,939.04	7,288,939.04
Total	34,018,947.36	23,297,096.99

(2) Significant dividend receivable with aging over one year

Investees	Balance as at June 30, 2025	Provision for bad debts	Aging	Reasons for unsuccessful recovery	Yes or No for impairment and evidence
Huadian Longkou Wind Power Co., Ltd. (hereinafter referred to as Longkou Wind Power)	3,582,372.24		More than 2 years	The investee enterprises are strapped for cash	No
Inner Mongolia Energy Power Generation Hongnijing Wind Power Co., Ltd. (hereinafter referred to as Hongnijing Wind Power)	10,086,426.90		More than 2 years	The investee enterprises are strapped for cash	No
Inner Mongolia Mengneng Ulan New Energy Co., Ltd. (hereinafter referred to as Ulan New Energy)	3,828,807.76	3,828,807.76	More than 3 years	The investee enterprises are strapped for cash	Yes, it is expected to be difficult to recycle
Inner Mongolia Mengneng Sanshengtai Wind Power Generation Co., Ltd. (hereinafter referred to as Sanshengtai Wind Power)	3,460,131.28	3,460,131.28	More than 3 years	The investee enterprises are strapped for cash	Yes, it is expected to be difficult to recycle
Total	20,957,738.18	7,288,939.04			

(3) Provision for bad debts

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment)	
Balance as at December 31, 2024			7,288,939.04	7,288,939.04
In the current period, balance as at December 31, 2024				
-Transfer to Phase 2				
-Transfer to Phase 3				
-Reversal from Phase 2				
-Reversal from Phase 1				
Provision in the current period				
Reversal in the current period				
Write-off in the current period				

Charge-off in the current period				
Other changes				
Balance as at June 30,2025			7,288,939.04	7,288,939.04

5.8.2 Other receivables

(1) Disclosure by aging

Aging	Balance as at June 30, 2025	Balance as at December 31, 2024
Within 1 year	347,903,636.71	391,728,062.92
1 – 2 years	110,912,068.78	72,982,364.90
2 - 3 years	47,498,523.19	71,582,020.91
Over 3 years		
3 - 4 years	61,312,591.41	54,137,481.82
4 - 5 years	2,677,360.77	3,899,717.38
Over 5 years	235,926,104.73	235,785,212.41
Sub-total	806,230,285.59	830,114,860.34
Less: Provision for bad debts	295,291,013.58	307,132,193.91
Total	510,939,272.01	522,982,666.43

(2) Classification by nature of funds

Nature of money	Balance as at June 30, 2025	Balance as at December 31, 2024
Security deposit and quality guarantee	268,458,270.37	280,963,849.47
Cash for use	69,973,420.27	46,170,715.93
Payment in advance	3,930,669.60	3,709,428.90
Other operating business receivables	103,809,289.40	110,956,960.71
Others	64,767,622.37	81,181,711.42
Total	510,939,272.01	522,982,666.43

(3) Disclosure by method of provision for bad debts

Category	Balance as at June 30, 2025					Balance as at December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book balance
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts on an individual basis	170,646,392.00	21.17	157,565,549.29	92.33	13,080,842.71	201,828,216.79	24.31	179,320,549.29	88.85	22,507,667.50

Provision for bad debts on portfolio basis of credit risk characteristics	635,583,893.59	78.83	137,725,464.29	21.67	497,858,429.30	628,286,643.55	75.69	127,811,644.62	20.34	500,474,998.93
Including:										
Aging analysis combination	635,583,893.59	78.83	137,725,464.29	21.67	497,858,429.30	628,286,643.55	75.69	127,811,644.62	20.34	500,474,998.93
Total	806,230,285.59	100.00	295,291,013.58		510,939,272.01	830,114,860.34	100.00	307,132,193.91		522,982,666.43

Significant other receivables for which bad debt provision is made on an individual basis:

Entity name	Balance as at June 30, 2025			
	Book balance	Provision for bad debts	Proportion of provision (%)	Basis of withdrawal
China Science and Technology Securities Co., Ltd.	146,064,314.06	146,064,314.06	100.00	It has entered bankruptcy liquidation procedures
Natural Resources and Planning Construction Bureau of the Chengdu Municipal Administrative Committee of Sichuan Tianfu New Area	12,327,367.50			Government security deposit receivable
Sub-total for others	12,254,710.44	11,501,235.23	93.85	It is expected to be difficult to recover
Total	170,646,392.00	157,565,549.29		

Provision for bad debts on portfolio basis of credit risk characteristics:
Aging analysis combination

Age of account	Balance as at June 30, 2025		
	Other receivables	Provision for bad debts	Proportion of provision (%)
Within 1 year	346,894,252.29	17,344,041.77	5.00
1 to 2 years	110,641,794.18	11,064,179.45	10.00
2 to 3 years	47,498,523.19	9,497,704.65	20.00
3 to 4 years	48,985,223.91	19,594,118.77	40.00
4 to 5 years	2,677,360.77	1,338,680.40	50.00
Over 5 years	78,886,739.25	78,886,739.25	100.00
Total	635,583,893.59	137,725,464.29	

(4) Provision for bad debts:

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses in the next 12 months	Expected credit losses for the entire duration (no credit impairment)	Expected credit losses for the entire duration (credit impairment)	
Balance as at December 31, 2024	127,811,644.62		179,320,549.29	307,132,193.91
In the current period, balance as at December 31, 2024				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Provision in the current period	9,913,819.66			9,913,819.66
Reversal in the current period				
Write-off in the current period				
Charge-off in the current period			21,755,000.00	21,755,000.00
Other changes	0.01			0.01
Balance as at June 30, 2025	137,725,464.29		157,565,549.29	295,291,013.58

(5) Other receivables actually written off this year

Items	Amount of write-offs
Other receivables actually written off	21,755,000.00

Other receivables actually written off this year

Name of debtor	Nature of other receivables	Amount of write-off	Reasons for write-off	The verification procedures performed	Whether it is caused by related party transactions
Sichuan Communications Investment National Reserve Trading Co., Ltd.	Payment for other business operations	21,755,000.00	Involving litigation, relevant legal documents issued by the court have been obtained	The board of directors of Dongfang Supplies	No

(6) Top 5 of other receivables as at June 30, 2025, presented by debtor

Entity name	Nature of payment	Balance as at June 30, 2025	Aging	Proportion in the total ending balance of other receivables (%)	Ending balance of provision for bad debts
Entity 1	Investment	146,064,314.06	Over 5 years	18.12	146,064,314.06

Entity 2	Guarantee deposit and quality guarantee	45,800,000.00	Within 2 years	5.68	3,430,000.00
Entity 3	Guarantee deposit and quality guarantee	33,785,000.00	Within 1 year	4.19	1,689,250.00
Entity 4	Payment for other business operations	30,332,500.00	Within 3 years	3.76	1,562,486.50
Entity 5	Others	19,500,000.00	Over 5 years	2.42	19,500,000.00
Total		275,481,814.06		34.17	172,246,050.56

5.9 Financial assets purchased under resale agreements

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Bond	2,731,060,273.97	2,666,820,136.99
Less: provision for bad debts		
Total book value	2,731,060,273.97	2,666,820,136.99

5.10 Inventories

5.10.1 Classification of inventories

Category	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for depreciation of inventories/provision for impairment of contract performance cost	Book value	Book balance	Provision for depreciation of inventories/provision for impairment of contract performance cost	Book value
Raw materials	3,495,671,501.17	252,951,486.18	3,242,720,014.99	3,875,676,958.49	281,468,847.74	3,594,208,110.75
Revolving materials	70,840,338.93	2,665,315.20	68,175,023.73	54,534,102.86	4,526,221.78	50,007,881.08
In the product	23,576,965,636.63	582,054,374.93	22,994,911,261.70	18,041,058,577.87	759,223,072.56	17,281,835,505.31
Inventory goods	787,314,400.85	1,021,450.38	786,292,950.47	662,438,783.87	2,201,734.51	660,237,049.36
Contract performance cost	211,388,949.17	16,710,421.66	194,678,527.51	106,338,879.00	7,331,367.55	99,007,511.45

Total	28,142,180,826.75	855,403,048.35	27,286,777,778.40	22,740,047,302.09	1,054,751,244.14	21,685,296,057.95

5.10.2 Provision for depreciation of inventories and provision for impairment of contract performance cost

Category	Balance as at December 31, 2024	Increase in January to June, 2025		Decrease in January to June, 2025		Balance as at June 30, 2025
		Provision	Others	Reversal or write-off	Others	
Raw materials	281,468,847.74	19,436,423.66		47,953,785.22		252,951,486.18
Revolving materials	4,526,221.78				1,860,906.58	2,665,315.20
In the product	759,223,072.56	7,935,378.23		185,104,075.86		582,054,374.93
Inventory goods	2,201,734.51			1,180,284.13		1,021,450.38
Contract performance cost	7,331,367.55	9,379,054.11	1,860,906.58	1,860,906.58		16,710,421.66
Total	1,054,751,244.14	36,750,856.00	1,860,906.58	236,099,051.79	1,860,906.58	855,403,048.35

Other notes: The reversal of inventory depreciation reserve is mainly caused by the recovery of product prices, and the resale of inventory depreciation reserve is mainly caused by inventory sales.

5.11 Contract assets

5.11.1 Breakdown of contract assets

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Payments for completed but not settled project	9,994,460,853.14	414,521,512.41	9,579,939,340.73	8,745,902,844.08	451,302,910.75	8,294,599,933.33
Contract quality guarantee deposit	4,083,713,728.28	655,278,376.24	3,428,435,352.04	2,921,135,858.79	452,671,230.61	2,468,464,628.18
Pre-acceptance payment	4,734,887,552.96	455,829,652.75	4,279,057,900.21	3,839,542,491.46	344,285,130.48	3,495,257,360.98
Total	18,813,062,134.38	1,525,629,541.40	17,287,432,592.98	15,506,581,194.33	1,248,259,271.84	14,258,321,922.49

5.11.2 Provision for impairment of contract assets in January to June, 2025

	Balance as at	Changes in January to June, 2025	Balance as at

Item	December 31, 2024	Provision in January to June, 2025	Reversal in January to June, 2025	Write-off/Charge-off in January to June, 2025	Other changes in January to June, 2025	June 30, 2025
Payments for completed but not settled project	451,302,910.75	488,324.75	37,269,723.09			414,521,512.41
Contract quality guarantee deposit	452,671,230.61	202,607,145.63				655,278,376.24
Pre-acceptance payment	344,285,130.48	111,544,522.27				455,829,652.75
Total	1,248,259,271.84	314,639,992.65	37,269,723.09			1,525,629,541.40

5.12 Non-current assets due within one year

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Long-term receivables maturing within one year	196,091,220.93	241,379,530.86
Loans and advances due within one year	523,533,600.00	2,100,000,000.00
Total	719,624,820.93	2,341,379,530.86

Note: The company reclassifies buyer's credit due within one year to non-current assets due within one year.

5.13 Other current assets

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Prepaid taxes and overpaid taxes	1,350,821,032.58	814,998,004.08
Disbursement of loans and advances (short-term)	655,724,000.00	364,800,000.00
Discount assets	67,955,046.82	87,484,560.67
Others	174,090,408.31	49,819,789.90
Total	2,248,590,487.71	1,317,102,354.65

5.14 Disbursement of loans and advances

5.14.1 Loans and advances, presented by individual and enterprise

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Personal loans and advances		
Credit card		
House mortgage		
Other		
Loans and advances to enterprises	4,888,895,151.55	5,086,347,895.22
State-owned enterprises	4,888,895,151.55	5,086,347,895.22
Private enterprises		
Others		
Total loans and advances	4,888,895,151.55	5,086,347,895.22
Less: Reserve for loan losses	425,805,287.64	602,436,797.97

Including: provision made on individual basis		
Provision made on portfolio basis	425,805,287.64	602,436,797.97
Book value of loans and advances	4,463,089,863.91	4,483,911,097.25

5.14.2 Distribution of loans by industry

Industry	Balance as at June 30, 2025	Proportion (%)	Balance as at December 31, 2024	Proportion (%)
Power equipment industry	4,888,895,151.55	100.00	4,397,487,895.22	86.46
Other business services			688,860,000.00	13.54
Other industries				
Total loans and advances	4,888,895,151.55	100.00	5,086,347,895.22	100.00
Less: provision for losses on loans	425,805,287.64	8.71	602,436,797.97	11.84
Including: provision made on individual basis				
Provision made on portfolio basis	425,805,287.64	8.71	602,436,797.97	11.84
Book value of loans and advances	4,463,089,863.91	91.29	4,483,911,097.25	88.16

5.14.3 Distribution of loans by region

Region	Balance as at June 30, 2025	Proportion (%)	Balance as at December 31, 2024	Proportion (%)
South China	275,873,580.40	5.64	312,656,724.36	6.15
Northern China	2,015,287,400.00	41.22	1,797,677,400.00	35.34
Southwest China	130,000,000.00	2.66	972,758,247.20	19.12
Northwest China	1,123,519,485.00	22.98	262,556,848.64	5.16
Eastern China	890,500,000.00	18.21	914,653,188.00	17.98
Central China	453,714,686.15	9.28	826,045,487.02	16.24
Total loans and advances	4,888,895,151.55	100.00	5,086,347,895.22	100.00
Less: provision for losses on loans	425,805,287.64	8.71	602,436,797.97	11.84
Including: provision made on individual basis				
Provision made on portfolio basis	425,805,287.64	8.71	602,436,797.97	11.84
Book value of loans and advances	4,463,089,863.91	91.29	4,483,911,097.25	88.16

5.14.4 Distribution of loans issued by way of guarantee

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Credit loans	4,361,978,980.40	3,774,127,611.38

Guaranteed loans		688,860,000.00
Collateral loans	526,916,171.15	623,360,283.84
Including: mortgage loans		
Pledged loans	526,916,171.15	623,360,283.84
Discount		
Total loans and advances	4,888,895,151.55	5,086,347,895.22
Less: provision for losses on loans	425,805,287.64	602,436,797.97
Including: provision made on individual basis		
Provision made on portfolio basis	425,805,287.64	602,436,797.97
Book value of loans and advances	4,463,089,863.91	4,483,911,097.25

5.14.5 Provision for losses on loans

(1) Changes in reserve for loan losses

Credit risk and expected credit losses on loans and advances

Item	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit losses throughout life (no credit impairment))	Expected credit losses over life (credit impairment incurred)	
Book balance	4,888,895,151.55			4,888,895,151.55
Provision for losses	425,805,287.64			425,805,287.64
Book value	4,463,089,863.91			4,463,089,863.91

Note: The Company has no overdue loans and advances at the end of the period.

(2) Statement of changes in reserves for expected credit losses on loans and advances

Loss reserve	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment incurred)	
Balance as at December 31, 2024	602,436,797.97			602,436,797.97
In the current period, balance as at December 31, 2024				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Provision in January to June, 2025	-176,631,510.33			-176,631,510.33
Reversal in January to June, 2025				
- Recoveries of original resold loans and rollover of advances				
Write-off in January to June, 2025				

Charge-off in January to June, 2025				
Other changes				
Balance as at June 30, 2025	425,805,287.64			425,805,287.64

5.15 Creditor's right investments

5.15.1 Breakdown of creditor's right investments

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Interbank deposit certificate	15,791,196,840.61		15,791,196,840.61	18,009,582,877.25		18,009,582,877.25
Corporate bonds	1,008,098,175.85	74,250,000.00	933,848,175.85	1,001,418,175.81	74,250,000.00	927,168,175.81
Financial bonds	907,287,796.87	67,500,000.00	839,787,796.87	916,034,194.18	67,500,000.00	848,534,194.18
Sub-total	17,706,582,813.33	141,750,000.00	17,564,832,813.33	19,927,035,247.24	141,750,000.00	19,785,285,247.24
Less: Mature within one year						
Total	17,706,582,813.33	141,750,000.00	17,564,832,813.33	19,927,035,247.24	141,750,000.00	19,785,285,247.24

5.15.2 Provision for impairment of creditor's right investments

Provision for impairment	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment)	
Balance as at December 31, 2024	141,750,000.00			141,750,000.00
In the current period, balance as at December 31, 2024				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Provision in the current period				
Reversal in the current period				
Write-off in the current period				

Charge-off in the current period				
Other changes				
Balance as at June 30, 2025	141,750,000.00			141,750,000.00

Book balance	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment)	
Balance as at December 31, 2024	19,927,035,247.24			19,927,035,247.24
In the current period, balance as at December 31, 2024				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Increase in the current period				
Derecognition in the current period	2,220,452,433.91			2,220,452,433.91
Other changes				
Balance as at June 30, 2025	17,706,582,813.33			17,706,582,813.33

5.16 Long-term receivables

5.16.1 Breakdown of long-term receivables

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Installment proceeds from sales of goods	523,256,427.00	211,312,697.56	311,943,729.44	489,681,619.05	226,422,981.20	263,258,637.85
Sub-total	523,256,427.00	211,312,697.56	311,943,729.44	489,681,619.05	226,422,981.20	263,258,637.85

Less: the portion due within one year	396,073,575.89	199,982,354.96	196,091,220.93	461,496,172.43	220,116,641.57	241,379,530.86
Total	127,182,851.11	11,330,342.60	115,852,508.51	28,185,446.62	6,306,339.63	21,879,106.99

5.16.2 Provision for bad debts of long-term receivables

Provision for bad debts	Phase 1	Phase 2	Phase 3	Total
	Expected credit losses in the next 12 months	Expected credit loss for the entire duration (no credit impairment)	Expected credit loss for the entire duration (credit impairment)	
Balance as at December 31, 2024	6,306,339.63			6,306,339.63
Balance as at December 31, 2024				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Provision in the current period	5,024,002.97			5,024,002.97
Reversal in the current period				
Write-off in the current period				
Charge-off in the current period				
Other changes				
Balance as at June 30, 2025	11,330,342.60			11,330,342.60

5.17 Long-term equity investments

5.17.1 Long-term equity investments

Investee	Balance as at December 31, 2024	Impairment provision as at December 31, 2024	Increases/decreases in the current period								Balance as at June 30, 2025	Provision for impairment loss as at June 30, 2025
			Additional investment	Decrease Investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Other equity changes	Cash dividends or profit declared to be distributed	Provision for impairment made	Others		
1. Joint ventures												
MHPS Dongfang Boiler Co., Ltd. (hereinafter referred to as MHPS Dongfang)	233,161,980.66				12,000,000.00						245,161,980.66	
Framatome Dongfang Reactor Coolant Pumps Company Limited (hereinafter referred to as Framatome Dongfang)	141,665,343.02				22,948,976.78						164,614,319.80	
Sub-total	374,827,323.68				34,948,976.78						409,776,300.46	
2．Associates												
Liangshan Fengguang New Energy Operation and Maintenance Co., Ltd.	2,112,899.03			2,000,000.00	15,577.48					-128,476.51		
Mulei East New Energy Co., Ltd. (hereinafter referred to as Mulei East)	892,467,901.67									-364,717,054.28	527,750,847.39	
Three Gorges New Energy Power Generation (Manya) Co. LTD	5,950,000.00		42,000,000.00								47,950,000.00	
Henan Dongfang Boiler Chengfa Environmental Protection Equipment Co ., LTD (hereinafter referred to as Henan Dongfang Boiler Chengfa)	17,890,400.29				621,673.86						18,512,074.15	
Mitsubishi Heavy Industries Dongfang Gas	800,960,405.71				26,717,823.80						827,678,229.51	

Investee	Balance as at December 31, 2024	Impairment provision as at December 31, 2024	Increases/decreases in the current period								Balance as at June 30, 2025	Provision for impairment loss as at June 30, 2025
			Additional investment	Decrease Investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Other equity changes	Cash dividends or profit declared to be distributed	Pro vision for impairment mad e	Others		
Turbine Co., Ltd. (hereinafter referred to as Dongfang Mitsubishi)												
Deyang Guangdong Auto mobile Co., Ltd. (hereinafter referred to as Deyang Guangdong Automobile)	361,399,748.20				416,114.68					23,991,456.67	385,807,319.55	
Sichuan Dongshu New Mate rials Co., Ltd. (hereinafter referred to as Dongshu New Materials)	123,977,826.25				242,454.00						124,220,280.25	
Sichuan Dongneng Energy Company Limited	17,003,925.13										17,003,925.13	
Dongfang Zhongheng (Chengdu) New Energy Technology Co., Ltd.	4,982,037.48				-8,311.21						4,973,726.27	
Leshan Dongle Dajian Lifting Co., Ltd.	5,534,281.87				313,841.70						5,848,123.57	
Sichuan Dong fang Development Clean Energy Co., Ltd.	38,706,289.34				135.60						38,706,424.94	

Investee	Balance as at December 31, 2024	Impairment provision as at December 31, 2024	Increases/decreases in the current period								Balance as at June 30, 2025	Provision for impairment loss as at June 30, 2025
			Additional investment	Decrease Investment	Profit or loss on investment s recognized under the equity method	Adjustment to other comprehensive income	Other equity changes	Cash dividends or profit declared to be distributed	Provision for impairment made	Others		
Hunan Ping An Environmental Protection Co., Ltd. (hereinafter referred to as Hunan Ping An Environmental Protection)	29,576,735.60				-7,439,670.26						22,137,065.34	
Sichuan Shuzhi Supply Chain Technology Co. LTD	8,601,248.52				2,835.23						8,604,083.75	
Longkou Wind power	87,398,378.62				6,927,431.15						94,325,809.77	
Chin a Unite d Heavy Gas Turbine Technology Co., Ltd. (hereinafter referred to as Chin a Unite d Heavy Gas)	131,541,571.98				8,240.83						131,549,812.81	
Red Mud Well Wind Power	21,082,869.56				-279,203.03						20,803,666.53	

Investee	Balance as at December 31, 2024	Impairment provision as at December 31, 2024	Increases/decreases in the current period								Balance as at June 30, 2025	Provision for impairment loss as at June 30, 2025
			Additional investment	Decrease Investment	Profit or loss on investments recognized under the equity method	Adjustment to other comprehensive income	Other equity changes	Cash dividends or profit declared to be distributed	Provision for impairment made	Others		
Sansheng Tai Wind Power	13,725,971.47	13,725,971.47									13,725,971.47	13,725,971.47
Wulan New energy	27,120,000.00	27,120,000.00									27,120,000.00	27,120,000.00
Fujian Fuzhou MinTou Offshore Wind Power Convergence Station Co., Ltd.			7,000,000.00								7,000,000.00	
Liangshan Xinhe Wind Power Development Co., Ltd.			2,450,000.00								2,450,000.00	
Sub- total	2,590,032,490.72	40,845,971.47	51,450,000.00	2,000,000.00	27,538,943.83					-340,854,074.12	2,326,167,360.43	40,845,971.47
Total	2,964,859,814.40	40,845,971.47	51,450,000.00	2,000,000.00	62,487,920.61					-340,854,074.12	2,735,943,660.89	40,845,971.47

Other notes: Other changes in long-term equity investments primarily result from offsetting downstream transactions with investees.

5.18 Other equity instrument investments

5.18.1 Breakdown of other equity instrument investments

Item	Balance as at June 30, 2025	Balance as at December 31, 2024	Profit recognized in other comprehensive income for the period	Loss charged to other comprehensive income for the period	Accumulated profit in other comprehensive income at the end of the period	Accumulated losses in other comprehensive income at the end of the period	Dividend income recognized during the period	Reasons for designation as at fair value through other comprehensive income
Southern Power grid energy storage Co., Ltd.	416,170,207.98	430,638,292.92		14,468,084.94		123,829,785.81	2,832,009.85	Judge according to management's plan
Sichuan Sichuan south highway development Co., Ltd.	1,000,000.00	1,000,000.00						Judge according to management's plan
Zhejiang Yuhuan Huadian wind power Co., Ltd.	94,869,000.00	94,869,000.00					10,699,960.00	Judge according to management's plan
China Datang Corporation Technology and Innovation Co., Ltd.	17,174,667.00	7,174,667.00				2,825,333.00		Judge according to management's plan
Fuyang Qingyuan Ecological Technology Co., Ltd.	5,000,000.00	5,000,000.00						Judge according to management's plan
Harbin Nengchuang Digital Technology Co., Ltd.	5,912,400.40	5,912,400.40			912,400.40			Judge according to management's plan
Sichuan Tianhua Chemical Group Co. LTD						81,914.82		Judge according to management's plan
Total	540,126,275.38	544,594,360.32		14,468,084.94	912,400.40	126,737,033.63	13,531,969.85	

5.19 Investment properties

5.19.1 Investment properties measured under cost model

Item	Buildings and constructions	Land use right	Others	Total
1. Original book value				
(1) Balance as at December 31, 2024	276,036,643.39	19,012,760.71		295,049,404.10
(2) Increase in the current period				
- Outsourcing				
- Transfer-in of inventories, fixed assets and construction in progress				
- Increase from business combination				
- Others				
(3) Decrease in the current period				
- Disposal				
- Others				
(4) Balance as at June 30, 2025	276,036,643.39	19,012,760.71		295,049,404.10
2. Accumulated depreciation and amortization				
(1) Balance as at December 31, 2024	143,335,813.18	7,517,890.22		150,853,703.40
(2) Increase in the current period	5,013,499.25	221,644.25		5,235,143.50
- Provision or amortization	5,013,499.25	221,644.25		5,235,143.50
- Others				
(3) Decrease in the current period				
- Disposal				
- Others				

(4) Balance as at June 30, 2025	148,349,312.43	7,739,534.47		156,088,846.90
3. Provision for impairment				
(1) Balance as at December 31, 2024				
(2) Increase in the current period				
- Provision				
- Others				
(3) Decrease in the current period				
- Disposal				
- Others				
(4) Balance as at June 30, 2025				
4. Book value				
(1) Book value as at June 30, 2025	127,687,330.96	11,273,226.24		138,960,557.20
(2) Book value as at December 31, 2024	132,700,830.21	11,494,870.49		144,195,700.70

5.20 Fixed assets

5.20.1 Fixed assets and disposal of fixed assets

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Fixed assets	5,472,686,237.91	5,490,826,555.22
Disposal of fixed assets	9,606,737.75	6,180,173.49
Total	5,482,292,975.66	5,497,006,728.71

5.20.2 Breakdown of fixed assets

Item	Land assets	Buildings and constructions	Machinery equipment	Transportation facilities	Instrument and apparatus, electronic equipment and others	Total
1. Original book value						
(1) Balance as at December 31, 2024	17,915,996.06	7,375,145,834.43	9,030,745,014.97	330,302,283.92	2,109,448,125.97	18,863,557,255.35
(2) Increase in the current period		20,536,004.58	315,363,715.64	15,776,301.67	91,147,930.51	442,823,952.40
- Purchase		2,214,977.06	4,527,913.00	5,611,882.36	11,575,311.21	23,930,083.63
- Transfer-in of construction in progress		18,271,440.63	310,835,802.64	10,164,419.31	79,572,619.30	418,844,281.88
- Increase from business combination						
- Sale and leaseback and transfer out						
- Others		49,586.89				49,586.89
(3) Decrease in the current period		70,609,060.95	117,785,655.97	10,410,815.35	26,351,060.28	225,156,592.55
- Disposal or scrapping		19,268,985.99	115,730,841.80	10,399,467.96	23,954,216.91	169,353,512.66

- Sale and leaseback and transfer out						
- Others		51,340,074.96	2,054,814.17	11,347.39	2,396,843.37	55,803,079.89
(4) Balance as at June 30, 2025	17,915,996.06	7,325,072,778.06	9,228,323,074.64	335,667,770.24	2,174,244,996.20	19,081,224,615.20
2. Accumulated depreciation						
(1) Balance as at December 31, 2024		4,491,865,453.99	7,071,614,618.54	247,332,789.16	1,433,631,449.35	13,244,444,311.04
(2) Increase in the current period		158,094,576.65	160,792,958.33	9,663,770.54	74,509,999.80	403,061,305.32
- Provision		158,094,576.65	160,792,958.33	9,663,770.54	74,509,999.80	403,061,305.32
- Increase from business combination						
- Others						
(3) Decrease in the current period		39,390,707.52	93,100,638.09	9,851,403.59	19,735,113.85	162,077,863.05
- Disposal or scrapping		5,541,988.13	92,711,574.16	9,841,054.58	18,788,862.51	126,883,479.38
- Sale and leaseback and transfer out						
- Others		33,848,719.39	389,063.93	10,349.01	946,251.34	35,194,383.67
(4) Balance as at June 30, 2025		4,610,569,323.12	7,139,306,938.78	247,145,156.11	1,488,406,335.30	13,485,427,753.31
3. Provision for impairment						
(1) Balance as at December 31, 2024		86,088,944.90	35,741,754.75	118,991.45	6,336,697.99	128,286,389.09
(2) Increase in the current period			949,969.01	2,441.14	5,048.51	957,458.66
- Provision			949,969.01	2,441.14	5,048.51	957,458.66
- Others						
(3) Decrease in the current period			5,603,275.86	2,441.14	527,506.77	6,133,223.77
- Disposal or scrapping			4,653,306.85		522,458.26	5,175,765.11
- Others			949,969.01	2,441.14	5,048.51	957,458.66
(4) Balance as at June 30, 2025		86,088,944.90	31,088,447.90	118,991.45	5,814,239.73	123,110,623.98
4. Book value						
(1) Book value as at June 30, 2025	17,915,996.06	2,628,414,510.04	2,057,927,687.96	88,403,622.68	680,024,421.17	5,472,686,237.91
(2) Book value as at December 31, 2024	17,915,996.06	2,797,191,435.54	1,923,388,641.68	82,850,503.31	669,479,978.63	5,490,826,555.22

Remark:

1. The land assets in the fixed assets of the Company as at June 30, 2025 represent the land ownership acquired by Dongfang India Company in India.
2. The decrease in other items in the current period was primarily due to the transfer of renovation and expansion projects to construction in progress.

5.20.3 Fixed assets leased out through operating lease

Item	Book value as at June 30, 2025
Buildings and constructions	116,773,533.38
Machinery equipment	2,783,891.21
Transportation facilities	381,006.82
Instrument and apparatus, electronic equipment and others	328,103.47
Total	120,266,534.88

5.20.4 Temporarily idle fixed assets

Item	Original book value	Accumulated depreciation	Provision for impairment	Book value
Buildings And constructions	5,213,218.47	3,480,944.35		1,732,274.12
Machinery equipment	8,500,857.87	6,942,673.03		1,558,184.84
Transportation facilities	1,202,130.04	1,142,023.54		60,106.50

Instrument and apparatus	5,309.73	3,853.24		1,456.49
Electronic equipment				
Others	129,914.52	129,914.52		
Total	15,051,430.63	11,699,408.68		3,352,021.95

5.20.5 Disposal of fixed assets

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Buildings and constructions	57,240.79	57,240.79
Machinery equipment	8,333,795.64	5,085,473.53
Transportation facilities	354,343.58	251,740.98
Instrument and apparatus	339,722.50	255,985.39
Electronic equipment	510,840.11	518,937.67
Others	10,795.13	10,795.13
Total	9,606,737.75	6,180,173.49

5.20.6 Fixed assets with certificates of title uncompleted

Item	Book value	Reason for failure to complete the formalities for the certificate of title
Production base phrase I in Hulun Buir	13,175,326.44	It is going through the formalities
Industrial Park Phase I of Hainan Yangpu Offshore Wind Power	51,883,589.17	It is going through the formalities
Guangdong Base Construction Project	24,643,156.65	It is going through the formalities
No. 2 building in Chengdu	71,115,799.49	The original infrastructure did not pass the acceptance of fire control, resulting in no property rights certificate
Total	160,817,871.75	

5.21 Construction in progress

5.21.1 Construction in progress and project materials

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	1,704,814,645.83	4,467,882.61	1,700,346,763.22	1,431,770,278.39	4,467,882.61	1,427,302,395.78
Project materials	30,649.48		30,649.48	30,649.48		30,649.48
Total	1,704,845,295.31	4,467,882.61	1,700,377,412.70	1,431,800,927.87	4,467,882.61	1,427,333,045.26

5.21.2 Breakdown of construction in progress

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for impairment	Book balance	Book balance	Provision for impairment	Book balance
Dongfang Electric Innovation and Overseas Business Center project	674,109,935.81		674,109,935.81	610,578,430.08		610,578,430.08
G50 central gas turbine high temperature turbine blade casting production line construction project	25,742,072.19		25,742,072.19	48,038,175.38		48,038,175.38

Dongfang Hydrogen Energy Industrial Park	45,879,764.98		45,879,764.98	44,114,871.95		44,114,871.95
Xizang Linzhi production and research base construction project	56,057,477.60		56,057,477.60	35,386,433.58		35,386,433.58
Blade branch factory 4 high-precision five-coordinate machining centers	177,367.50		177,367.50	29,815,955.29		29,815,955.29
Construction of R&D test bed for main helium fans of high temperature gas-cooled reactor	47,959,032.83		47,959,032.83	27,280,372.29		27,280,372.29
Dongfang Hydrogen Research and Development Test Center project	27,520,885.86		27,520,885.86	26,026,568.32		26,026,568.32
Buerjin base is under construction	25,341,935.04		25,341,935.04	19,055,511.66		19,055,511.66
MPM automatic production line for tube screen	18,567,699.11		18,567,699.11	18,567,699.11		18,567,699.11
Storage system before pipe docking	15,098,230.09		15,098,230.09	15,098,230.09		15,098,230.09
New Energy Business Division headquarters comprehensive energy utilization infrastructure supporting				13,394,495.41		13,394,495.41
32W23074 103 horizontal row bending machine	12,630,951.51		12,630,951.51	11,425,300.01		11,425,300.01
32W23038SZ storage system after pipe docking	11,078,761.06		11,078,761.06	11,078,761.06		11,078,761.06
Heavy second combustion engine rotor processing and manufacturing capacity enhancement project	9,607,709.35		9,607,709.35	11,008,889.36		11,008,889.36
Construction of civil facilities for inorganic spraying and thermal spraying digital production line of gas turbine	10,700,545.25		10,700,545.25	10,892,848.52		10,892,848.52
Construction project for a comprehensive test platform for large compressors in product R&D	36,729,921.91		36,729,921.91	79,764.15		79,764.15
Construction of a full-scale laboratory test facility for high-power gas turbine burners	31,756,692.34		31,756,692.34	82,452.83		82,452.83
Nuclear main pump testing capability enhancement project	29,554,159.30		29,554,159.30			
Maidian Hydrogen Refueling Station liquid hydrogen infrastructure and gaseous hydrogen equipment project	18,404,681.70		18,404,681.70			
Jialing River Park optimization project	20,687,914.07		20,687,914.07			
Motor Division plant two three span reinforcement	14,082,712.94		14,082,712.94	4,259,481.45		4,259,481.45
Two span reinforcement of large motor plant	12,003,996.83		12,003,996.83	2,531,013.94		2,531,013.94
Tibet Qamdo host manufacturing base project	11,582,549.16		11,582,549.16			
Others	549,539,649.40	4,467,882.61	545,071,766.79	493,055,023.91	4,467,882.61	488,587,141.30
Total	1,704,814,645.83	4,467,882.61	1,700,346,763.22	1,431,770,278.39	4,467,882.61	1,427,302,395.78

5.21.3 Changes in important projects of construction in progress in the current period

Project name	Budget	Balance as at December 31, 2024	Increase in the current period	Amount transferred into fixed assets in the current period	Other decreases in the current period	Balance as at June 30, 2025	Proportion of accumulative project investments in budget (%)	Project progress	Accumulated capitalization amount of interest	Including: capitalization amount of interest in the current period	Capitalization rate of interest in the current period (%)	Source of funds
Dongfang Electric Innovation and Overseas Business Center project	1,071,448,788.01	610,578,430.08	63,531,505.73			674,109,935.81	62.92	62.92				Self-finance
G50 central gas turbine high temperature turbine blade casting production line construction project	80,870,000.00	48,038,175.38	5,049,692.87	27,345,796.06		25,742,072.19	65.65	65.65				Self-finance
Dongfang Hydrogen Energy Industrial Park	244,400,000.00	44,114,871.95	2,878,386.15		1,113,493.12	45,879,764.98	71.94	71.94				Self-finance
Xizang Linzhi production and research base construction project	60,000,000.00	35,386,433.58	20,671,044.02			56,057,477.60	93.43	93.43				Self-finance
Blade branch factory 4 high-precision five-coordinate machining centers	58,000,000.00	29,815,955.29	277,554.44	29,916,142.23		177,367.50	51.89	51.89				Self-finance
Construction of R&D test bed for main helium fans of high temperature gas-cooled reactor	53,500,000.00	27,280,372.29	20,678,660.54			47,959,032.83	89.64	89.64				Self-finance
Dongfang Hydrogen Research and Development Test Center project	48,200,000.00	26,026,568.32	1,588,476.83		94,159.29	27,520,885.86	68.15	68.15				Self-finance
Buerjin base is under construction	53,787,500.00	19,055,511.66	6,286,423.38			25,341,935.04	47.11	47.11				Self-finance
MPM automatic production line for tube screen	20,000,000.00	18,567,699.11				18,567,699.11	92.84	92.84				Self-finance

Storage system before pipe docking	18,000,000.00	15,098,230.09				15,098,230.09	83.88	83.88				Self-finance
New Energy Business Division headquarters comprehensive energy utilization infrastructure supporting	13,394,495.41	13,394,495.41		13,394,495.41			100.00	100.00				Self-finance
32W23074 103 horizontal row bending machine	17,699,115.00	11,425,300.01	1,205,651.50			12,630,951.51	71.36	71.36				Self-finance
32W23038SZ storage system after pipe docking	13,061,946.90	11,078,761.06				11,078,761.06	84.82	84.82				Self-finance
Heavy second combustion engine rotor processing and manufacturing capacity enhancement project	142,800,000.00	11,008,889.36	234,070.80	469,921.61	1,165,329.20	9,607,709.35	63.70	63.70				Self-finance
Construction of civil facilities for inorganic spraying and thermal spraying digital production line of gas turbine	30,000,000.00	10,892,848.52	15,877,434.99	16,069,738.26		10,700,545.25	89.38	89.38				Self-finance
Construction project for a comprehensive test platform for large compressors in product R&D	188,400,000.00	79,764.15	36,650,157.76			36,729,921.91	19.50	19.50				Self-finance
Construction of a full-scale laboratory test facility for high-power gas turbine burners	165,700,000.00	82,452.83	31,674,239.51			31,756,692.34	19.17	19.17				Self-finance
Nuclear main pump testing capability enhancement project	193,500,000.00		29,554,159.30			29,554,159.30	15.27	15.27				Self-finance

Maidian Hydrogen Refueling Station liquid hydrogen infrastructure and gaseous hydrogen equipment project	24,170,700.00		18,404,681.70			18,404,681.70	76.14	76.14				Self-finance
Jialing River Park optimization project	30,000,000.00		20,687,914.07			20,687,914.07	68.96	68.96				Self-finance
Motor Division plant two three span reinforcement	26,000,000.00	4,259,481.45	9,823,231.49			14,082,712.94	54.16	54.16				Self-finance
Two span reinforcement of large motor plant	22,500,000.00	2,531,013.94	9,472,982.89			12,003,996.83	53.35	53.35				Self-finance
Tibet Qamdo host manufacturing base project	55,167,600.00		11,582,549.16			11,582,549.16	21.00	21.00				Self-finance

5.22 Right-of-use assets

5.22.1 Breakdown of right-of-use assets

Item	Buildings and constructions	Machinery equipment	Total
1. Original book value			
(1) Balance as at December 31, 2024	794,611,479.24	53,652,147.55	848,263,626.79
(2) Increase in the current period	9,979,451.10		9,979,451.10
- New leases	9,979,451.10		9,979,451.10
- Increase in business mergers			
- Revaluation adjustments			
- Other increase			
(3) Decrease in the current period	18,819,624.32		18,819,624.32
-Transfer to fixed assets			
- Disposal	16,193,146.66		16,193,146.66
- Other decrease	2,626,477.66		2,626,477.66
(4) Balance as at June 30, 2025	785,771,306.02	53,652,147.55	839,423,453.57
2. Accumulated depreciation			
(1) Balance as at December 31, 2024	274,250,757.48	19,319,994.95	293,570,752.43
(2) Increase in the current period	66,773,419.30	2,395,500.19	69,168,919.49
- Provision	66,773,419.30	2,395,500.19	69,168,919.49
- Other increase			
(3) Decrease in the current period	16,300,624.59		16,300,624.59
-Transfer to fixed assets			
- Disposal	16,300,624.59		16,300,624.59
- Other decrease			
(4) Balance as at June 30, 2025	324,723,552.19	21,715,495.14	346,439,047.33
3. Provision for impairment			
(1) Balance as at December 31, 2024			
(2) Increase in the current period			
- Provision			
- Others			
(3) Decrease in the current period			
-Transfer to fixed assets			
- Disposal			
- Others			
(4) Balance as at June 30, 2025			
4. Book value			
(1) Book value as at June 30, 2025	461,047,753.83	31,936,652.41	492,984,406.24
(2) Book value as at December 31, 2024	520,360,721.76	34,332,152.60	554,692,874.36

5.23 Intangible assets

5.23.1 Breakdown of intangible assets

Item	Land use right	Non-patent technologies	Software	Patent right	Others	Total
1. Original book value						
(1) Balance as at December 31, 2024	1,426,556,517.93	341,529,546.45	564,031,200.87	237,513,978.49	687,550,766.23	3,257,182,009.97
(2) Increase in the current period	33,322,156.11		31,069,025.77	645,685.16	21,169.80	65,058,036.84
- Purchase	33,322,156.11		28,500,850.74	624,721.97	1,056.61	62,448,785.43
-Internal R&D						
-Increase in business mergers						
-Others			2,568,175.03	20,963.19	20,113.19	2,609,251.41
(3) Decrease in the current period	284,805.00		1,370,382.22	51,277.13	2,830,692.27	4,537,156.62
- Disposal	284,805.00		1,370,382.22	51,277.13		1,706,464.35
-Others					2,830,692.27	2,830,692.27
(4) Balance as at June 30,2025	1,459,593,869.04	341,529,546.45	593,729,844.42	238,108,386.52	684,741,243.76	3,317,702,890.19
2. Accumulated amortization						
(1) Balance as at December 31, 2024	321,752,072.39	339,243,166.00	340,196,489.93	115,351,251.24	215,917,171.67	1,332,460,151.23
(2) Increase in the current period	15,809,666.13	1,013,477.87	30,384,280.65	9,737,300.02	13,812,595.28	70,757,319.95
- Provision	15,809,666.13	1,013,477.87	30,384,280.65	9,737,300.02	13,812,595.28	70,757,319.95
-Increase in business mergers						
-Others						
(3) Decrease in the current period	474.68		1,085,826.54	6,160.01	891,672.63	1,984,133.86
- Disposal	474.68		1,085,826.54	6,160.01	891,672.63	1,984,133.86
-Others						
(4) Balance as at June 30, 2025	337,561,263.84	340,256,643.87	369,494,944.04	125,082,391.25	228,838,094.32	1,401,233,337.32
3. Provision for impairment						
(1) Balance as at December 31, 2024	33,314.36					33,314.36

(2) Increase in the current period						
- Provision						
-Others						
(3) Decrease in the current period						
- Disposal						
-Others						
(4) Balance as at June 30, 2025	33,314.36					33,314.36
4. Book value						
(1) Book value as at June 30, 2025	1,121,999,290.84	1,272,902.58	224,234,900.38	113,025,995.27	455,903,149.44	1,916,436,238.51
(2) Book value as at December 31, 2024	1,104,771,131.18	2,286,380.45	223,834,710.94	122,162,727.25	471,633,594.56	1,924,688,544.38

5.23.2 Description of intangible assets

Other intangible assets are mainly the power station franchise of Nam Mang River Company.

5.23.3 Land use right without a certificate of title

Items	Book value	Reasons for not completing the certificate of title
Burjin land use rights	2,747,755.75	In process
Deyang city urban and rural Luhe village	450,200.85	In process
Hanjiang Road, Deyang City	2,855,414.29	In process
Chengdu Jinniu Shengdeng Township	1,608,692.90	In process
Deyang City Lushan south west side	1,509,344.47	In process
Huashan South Road, Deyang City	809,416.86	In process
Total	9,980,825.12	

5.24 Development expenditures

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Basic research and development project	5,197,196.32	5,027,241.19
Sub-total	5,197,196.32	5,027,241.19
Less: provision for impairment		
Total	5,197,196.32	5,027,241.19

5.25 Long-term deferred expenses

Item	Balance as at December 31, 2024	Increase in the current period	Amount amortized in the current period	Other decreases	Balance as at June 30, 2025
Sporadic projects	15,213,914.59	1,854,538.05	2,494,530.25		14,573,922.39
Total	15,213,914.59	1,854,538.05	2,494,530.25		14,573,922.39

5.26 Deferred income tax assets and deferred income tax liabilities

5.26.1 Deferred income tax assets without offset

Item	Balance as at June 30, 2025		Balance as at December 31, 2024	
	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference
1.Deferred income tax assets	3,440,067,780.54	21,120,319,836.42	3,320,567,076.73	20,886,313,312.30
Provision for impairment of assets	1,585,349,635.02	9,428,620,411.94	1,500,481,214.82	9,073,044,484.30
Deductible losses	65,470,417.18	433,264,958.67	80,444,623.47	533,093,000.52
Estimated liabilities	901,171,151.37	5,607,896,756.02	845,013,357.75	5,470,391,215.15
Employee compensation payable	209,390,610.25	1,364,891,864.03	229,071,952.01	1,496,758,460.54
Unrealized profits of internal transactions	62,002,565.90	413,350,439.33	65,364,446.17	435,762,974.47
Government grants	45,257,906.28	296,015,746.31	42,074,120.93	277,960,908.01
Accounts payable	428,144,497.44	2,854,296,649.61	419,785,640.45	2,798,597,042.61
Depreciation of fixed assets	6,220,520.37	41,601,382.48	6,623,826.24	44,290,088.26
Changes in fair value	19,252,882.39	128,352,549.28	17,002,771.94	113,351,812.94
Overseas enterprise income tax to be offset	2,097,381.02	13,982,540.13	2,097,381.02	13,982,540.13
Lease liabilities	111,560,941.94	518,307,595.13	110,881,390.68	617,571,777.02
Others	4,149,271.38	19,738,943.49	1,726,351.25	11,509,008.35
2.Deferred income tax liabilities	223,910,958.33	1,209,801,995.37	229,850,405.47	1,419,746,808.74
Depreciation of fixed assets	58,289,663.72	386,336,182.25	62,917,646.88	417,189,403.26
Changes in fair value	55,645,072.23	351,195,884.63	55,167,264.58	349,284,254.03
Right-of-use assets	109,976,222.38	472,269,928.49	111,765,494.01	653,273,151.45

5.26.2 Details of unrecognized deferred income tax assets

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Deductible temporary differences	388,084,964.76	384,303,828.59
Losses that can be carried forward to subsequent years	2,524,600,217.82	2,415,133,557.30
Total	2,912,685,182.58	2,799,437,385.89

5.26.3 Deductible losses of unrecognized deferred income tax assets will be expired in the following years

Year	Balance as at June 30, 2025	Balance as at December 31, 2024
2025	2,967,041.68	2,967,041.68
2026	42,210,748.51	42,210,748.51
2027	448,494,919.99	448,494,919.99
2028	288,783,979.82	288,783,979.82
2029 and beyond	1,742,143,527.82	1,632,676,867.30
Total	2,524,600,217.82	2,415,133,557.30

5.27 Other non-current assets

Item	Balance as at June 30, 2025			Balance as at December 31, 2024		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Contract guarantee deposit	9,548,160,577.02	1,002,986,452.00	8,545,174,125.02	8,410,530,695.35	860,876,388.86	7,549,654,306.49
Prepayment for acquisition of long-term assets	17,446,000.00		17,446,000.00	26,939,500.00		26,939,500.00
Bankruptcy liquidation subsidiary	409,363,000.00	409,363,000.00		409,363,000.00	409,363,000.00	
Others				4,500,000.00		4,500,000.00
Total	9,974,969,577.02	1,412,349,452.00	8,562,620,125.02	8,851,333,195.35	1,270,239,388.86	7,581,093,806.49

Note: Description of bankruptcy liquidation subsidiary: Dongfang Electric New Energy Equipment (Hangzhou) Co., LTD. (hereinafter referred to as Hangzhou New Energy) entered bankruptcy procedure in 2017 and has not completed bankruptcy liquidation up to now.

5.28 Assets whose ownership or use rights are restricted

Item	Book balance	Reasons for limitation
Monetary funds	4,724,943,927.85	Deposit of central bank reserves, margin, etc.
Fixed assets	52,723,087.90	Mortgage loan
Intangible assets	513,813,046.24	Mortgage loan
Notes receivable	89,862,866.30	Endorsed and discounted, but not derecognized
Total	5,381,342,928.29	

5.29 Short-term borrowings

5.29.1 Classification of short-term borrowings

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Loan pledged		1,080,000.00
Mortgage loan		
Guaranteed loans		
Credit borrowings	75,109,263.89	74,000,000.00
Total	75,109,263.89	75,080,000.00

5.30 Notes payable

Category	Balance as at June 30, 2025	Balance as at December 31, 2024
Bank acceptance bill	8,094,526,165.89	4,848,571,332.31
Commercial acceptance bill	8,247,130,271.02	10,786,707,295.76
Total	16,341,656,436.91	15,635,278,628.07

5.31 Accounts payable

5.31.1 Presentation of accounts payable

Items	Balance as at June 30, 2025	Balance as at December 31, 2024
Within 1 year (including 1 year)	26,789,569,066.29	21,233,568,378.41
1-2 years (including 2 years	1,600,932,313.61	1,598,639,709.95
2-3 years (including 3 years)	907,965,838.73	897,115,396.62
Over 3 years	1,190,461,458.21	1,103,721,536.48
Total	30,488,928,676.84	24,833,045,021.46

Note: Accounts payable are mainly recorded on the date of business occurrence, and the aging shown on the date of entry is basically consistent with the aging shown on the invoice date.

5.31.2 Significant accounts payable with aging over one year

Item	Balance as at June 30, 2025	Reason for failure in repayment or carry-forward
Entity 1	124,955,180.05	The settlement point is not reached
Entity 2	89,814,606.48	The settlement point is not reached
Entity 3	89,006,055.57	The settlement point is not reached
Entity 4	83,411,990.43	The settlement point is not reached
Entity 5	77,681,415.92	The settlement point is not reached
Entity 6	75,371,139.04	The settlement point is not reached
Entity 7	67,169,400.00	The settlement point is not reached
Entity 8	58,237,443.35	The settlement point is not reached
Entity 9	51,111,785.26	The settlement point is not reached
Entity 10	45,551,007.50	The settlement point is not reached
Entity 11	40,951,565.93	The settlement point is not reached
Entity 12	40,314,162.01	The settlement point is not reached
Entity 13	39,651,000.00	The settlement point is not reached
Entity 14	38,349,988.53	The settlement point is not reached
Entity 15	38,112,683.56	The settlement point is not reached

Entity 16	37,420,000.00	The settlement point is not reached
Entity 17	36,054,640.29	The settlement point is not reached
Entity 18	35,859,311.97	The settlement point is not reached
Entity 19	33,707,664.96	The settlement point is not reached
Entity 20	31,263,970.80	The settlement point is not reached
Entity 21	30,659,714.94	The settlement point is not reached
Entity 22	29,835,512.60	The settlement point is not reached
Entity 23	29,641,554.71	The settlement point is not reached
Entity 24	29,183,567.18	The settlement point is not reached
Entity 25	28,785,730.30	The settlement point is not reached
Entity 26	28,713,088.40	The settlement point is not reached
Entity 27	26,288,544.20	The settlement point is not reached
Entity 28	25,018,326.06	The settlement point is not reached
Entity 29	24,437,145.88	The settlement point is not reached
Entity 30	23,732,304.76	The settlement point is not reached
Entity 31	22,794,090.95	The settlement point is not reached
Entity 32	21,266,227.10	The settlement point is not reached
Entity 33	20,279,745.12	The settlement point is not reached
Entity 34	20,055,536.54	The settlement point is not reached
Entity 35	19,329,948.00	The settlement point is not reached
Entity 36	19,167,320.93	The settlement point is not reached
Entity 37	18,923,559.89	The settlement point is not reached
Entity 38	18,807,717.24	The settlement point is not reached
Entity 39	18,798,938.40	The settlement point is not reached
Entity 40	18,180,844.16	The settlement point is not reached
Entity 41	17,521,336.82	The settlement point is not reached
Entity 42	17,203,100.29	The settlement point is not reached
Entity 43	16,993,551.20	The settlement point is not reached
Entity 44	16,522,468.14	The settlement point is not reached
Entity 45	16,433,846.50	The settlement point is not reached

Entity 46	15,093,000.00	The settlement point is not reached
Entity 47	15,045,339.60	The settlement point is not reached
Entity 48	15,012,000.00	The settlement point is not reached
Total	1,737,719,071.56	

5.32 Contract liabilities

5.32.1 Breakdown of contract liabilities

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Within 1 year (including 1 year)	31,240,641,576.58	31,343,885,734.74
Over 1 year	10,837,632,900.44	9,322,111,036.60
Total	42,078,274,477.02	40,665,996,771.34

5.33 Absorption of deposits and interbank deposits

Item	Balance as at June 30, 2025	Balance as at January 1, 2025
Demand deposits	4,227,278,788.41	1,667,995,201.96
Including: Company	4,227,278,788.41	1,667,995,201.96
Time deposits (including the call deposits)	540,200,000.00	592,600,000.00
Other deposits (including outward remittance for individuals and remittances outstanding for enterprises)		
Total	4,767,478,788.41	2,260,595,201.96

5.34 Employee compensation payable

5.34.1 Presentation of employee compensation payable

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at December June 30, 2025
Short-term compensation	323,504,902.39	1,983,348,838.95	2,029,048,395.64	277,805,345.70
Post-employment benefits defined contribution plans	288,452,539.81	255,955,320.99	274,411,326.92	269,996,533.88
Dismissal benefits	347,676,515.44	62,799,890.60	182,146,776.25	228,329,629.79
Other benefits maturing within one year				
Others				
Total	959,633,957.64	2,302,104,050.54	2,485,606,498.81	776,131,509.37

5.34.2 Presentation of short-term compensation

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at December June 30, 2025
(1) Salaries, bonuses, allowances and subsidies		1,430,898,070.35	1,430,898,070.35	
(2) Employee welfare fees	28,879,396.54	136,308,940.36	160,152,218.48	5,036,118.42
(3) Social insurance premiums	110,198,170.07	168,756,362.77	178,186,213.82	100,768,319.02
Including: medical insurance premium and maternity insurance premium	275,053.70	120,609,463.14	120,760,246.14	124,270.70
Work-related injury insurance premium	71,802.00	9,609,078.19	9,618,729.19	62,151.00

Others	109,851,314.37	38,537,821.44	47,807,238.49	100,581,897.32
(4) Housing provident fund	326,660.00	190,092,194.32	190,092,194.32	326,660.00
(5) Labor union expenditures and employee education funds	180,756,356.44	51,801,061.27	60,888,169.45	171,669,248.26
(6) Short-term compensated absences				
(7) Short-term profit sharing plan				
(8) Other short-term remuneration	3,344,319.34	5,492,209.88	8,831,529.22	5,000.00
Total	323,504,902.39	1,983,348,838.95	2,029,048,395.64	277,805,345.70

5.34.3 Presentation of defined contribution plans

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at December June 30, 2025
Basic endowment insurance premium	329,432.92	246,523,771.23	246,845,438.23	7,765.92
Unemployment insurance premium	12,353.21	9,431,449.76	9,443,511.76	291.21
Enterprise annuity payment	288,110,753.68	100.00	18,122,376.93	269,988,476.75
Total	288,452,539.81	255,955,320.99	274,411,326.92	269,996,533.88

5.35 Taxes and surcharges payable

Tax	Balance as at June 30, 2025	Balance as at December 31, 2024
Value-added tax	256,704,126.84	273,549,559.82
Resource tax	101,004.75	137,719.99
Enterprise income tax	209,916,262.04	390,254,125.42
Urban maintenance and construction tax	22,618,633.30	22,964,345.49
House property tax	8,338,248.04	844,060.08
Land use tax	1,146,095.98	514,119.18
Individual income tax	7,854,735.66	51,705,981.89
Educational surtax (including local educational surtax)	15,991,950.29	16,296,977.18
Others	20,149,039.59	26,382,284.66
Tax	Balance as at June 30, 2025	Balance as at December 31, 2024
Total	542,820,096.49	782,649,173.71

5.36 Other payables

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Dividends payable	1,371,192,193.78	4,568,944.33
Other payables	1,598,197,045.57	1,609,809,922.88
Total	2,969,389,239.35	1,614,378,867.21

5.36.1 Dividends payable

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Ordinary share dividends	1,371,192,193.78	4,568,944.33
Total	1,371,192,193.78	4,568,944.33

5.36.2 Other payables

(1) Presentation of other payables by nature

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Margin and deposit	500,872,564.59	546,669,951.53
Agency fund	288,829,520.17	368,326,345.92
Equity purchase price payable	149,315,280.97	167,505,076.96
Advance money payable	170,760,758.26	229,790,597.84
Lease, service and minor purchase payables	237,221,369.72	82,229,167.45
Social insurance premium and housing provident fund undertaken by individuals	76,362,422.47	55,257,944.47
Others	174,835,129.39	160,030,838.71
Total	1,598,197,045.57	1,609,809,922.88

(2) Other significant payables with aging over one year

Item	Balance as at June 30, 2025	Reason for failure in repayment
Entity 1	203,413,420.88	Settlement conditions were not met
Entity 2	42,363,253.93	Settlement conditions were not met
Entity 3	15,036,775.93	Settlement conditions were not met
Entity 4	9,519,741.01	Settlement conditions were not met
Entity 5	9,226,031.77	Settlement conditions were not met
Total	279,559,223.52	

5.37 Non-current liabilities maturing within one year

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Long-term borrowings maturing within one year	167,045,355.50	194,058,558.16
Lease liabilities maturing within one year	90,336,257.24	137,346,525.02
Total	257,381,612.74	331,405,083.18

5.38 Other current liabilities

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Pending resale tax	1,157,964,529.80	1,217,709,102.42
Recognized, endorsed and undue receivables financing at the end of period	89,862,866.30	491,621,476.21
Liabilities from vicarious business	694,718.34	1,994,228.10
Others		43,581,592.57
Total	1,248,522,114.44	1,754,906,399.30

5.39 Long-term borrowings

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Pledged borrowings	1,581,973,613.93	
Mortgage borrowings	307,315,834.56	319,458,246.72
Guaranteed borrowings		
Credit borrowings	1,712,631,480.98	2,041,777,207.24
Sub-total	3,601,920,929.47	2,361,235,453.96
Less: Part due within one year	167,045,355.50	194,058,558.16
Total	3,434,875,573.97	2,167,176,895.80

5.40 Lease liabilities

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Lease payment	595,777,347.63	653,716,006.24
Less: unrecognized financing expense	97,228,053.94	100,410,581.42
Non-current liabilities reclassified to maturity within one year	90,336,257.24	137,346,525.02
Total	408,213,036.45	415,958,899.80

5.41 Long-term payables

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Long-term payables		
Special payables	240,000.00	240,000.00
Total	240,000.00	240,000.00

5.41.1 Special payables

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025	Forming reason
Funds for energy conservation and emission reduction of the central state-owned capital management budget	140,000.00			140,000.00	Not yet used up
Funds allocated for urban light rail vehicle AC transmission project	100,000.00			100,000.00	Not yet used up
Total	240,000.00			240,000.00	

5.42 Long-term employee compensation payable

5.42.1 Breakdown of long-term employee compensation payable

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
1. Post-employment benefits - net liabilities of defined benefit plans		
2. Dismissal benefits	822,742,648.49	804,489,274.85
3. Other long-term benefits	198,616,894.62	198,616,894.62
Total	1,021,359,543.11	1,003,106,169.47

5.43 Estimated liabilities

Item	Balance as at June 30, 2025	Balance as at December 31, 2024	Forming reason
Pending litigation		718,906.14	
Product quality guarantee deposit	4,474,325,910.40	4,177,913,625.67	Expected expenditure for product quality assurance
Onerous contract to be performed	1,081,922,852.50	1,220,406,318.83	Estimated future losses of onerous contracts to be performed and under implementation
Others	308,776,896.25	260,296,862.69	Expected late delivery penalty, etc.
Total	5,865,025,659.15	5,659,335,713.33	

5.44 Deferred income

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025	Forming reason
Government grants relating to assets	256,623,770.76	11,590,200.00	49,692,242.07	218,521,728.69	Particulars are set out in Table 1
Government grants relating to income	221,502,834.86	56,525,947.48	34,640,663.88	243,388,118.46	Particulars are set out in Table 1
Others	272,925.88	352,800.00		625,725.88	
Total	478,399,531.50	68,468,947.48	84,332,905.95	462,535,573.03	

5.44.1 Deferred income related to government subsidies

Liability item	Balance as at December 31, 2024	Amount of new subsidy in this period	The amount of non-operating income is included in the current period	Amount of other income transferred in the current period	Other changes	Balance as at June 30, 2025	Related to assets/income
1. VAT refund for three-line enterprises	112,654,135.83				-10,200,881.44	102,453,254.39	Related to assets
2. Subsidy for project infrastructure construction	71,401,037.01			12, 573, 125. 85		58,827,911.16	Related to assets
3. Appropriation for scientific	32,650,992.04	9,786,200.00		18,655,427.67	-7,314,083.32	16,467,681.05	Related to assets

research							
4. Appropriation for technical reform	6,421,698.34					6,421,698.34	Related to assets
5. Financial subsidies	20,601,632.20					20,601,632.20	Related to assets
6. Other appropriations	12,894,275.34	1,804,000.00		948,723.79		13,749,551.55	Related to assets
7. Appropriation for scientific research	177,251,857.78	48,875,947.48		34,362,857.99	-90,000.00	191,674,947.27	Related to income
8.Appropriation for technical transformation							Related to income
9. Financial subsidies	36,510,170.99	4,050,000.00				40,560,170.99	Related to income
10. Other appropriations	7,740,806.09	3,600,000.00		125,000.00	-62,805.89	11,153,000.20	Related to income

5.45 Share capital

Name of investee	Balance as at December 31, 2024		Increase in the current period	Increase in the current period	Balance as at June 30, 2025	
	Investment amount	Proportion			Investment amount	Proportion
Dongfang Electric Corporation	1,739,215,126.00	55.79	33,751,068.00		1,772,966,194.00	52.29
Holders of A Shares	1,038,284,331.00	33.30	239,787,535.00	677,734.00	1,277,394,132.00	37.68
Holders of H Shares	340,000,000.00	10.91			340,000,000.00	10.03
Total number of shares	3,117,499,457.00	100.00	273,538,603.00	677,734.00	3,390,360,326.00	100.00

Description of changes in share capital:

1. On January 23, 2025, Pursuant to the Restricted A Share Incentive Scheme for 2019 (Amended Draft) and the requirements of relevant laws and regulations, one Participant under the Reserved Grant has been transferred from the Company due to organizational arrangements and is no longer qualified as Participant, and the Company has repurchased and cancelled all the Restricted Shares (17,334 shares in total) that have been granted to the aforesaid Participant yet still locked up, Due to the repurchase and cancellation of Restricted Shares, the share capital was reduced by 17,334 A-shares.
2. From April 11, 2025 to April 16, 2025, Dongfang Electric Corporation, increased its holdings of 660,400 A-shares of the Company by centralized bidding trading through the trading system of Shanghai Stock Exchange.
3. Pursuant to resolutions passed at the 26th and 36th meetings of the tenth session of the Board of Directors and the 6th meeting of the eleventh session of the Board of Directors, approved by Dongfang Electric Group, reviewed at the Company's 2023 Third Extraordinary General Meeting of Shareholders and 2024 Second Extraordinary General Meeting of Shareholders, and authorized by the China Securities Regulatory Commission under Approval No. [2024] 1610 “Approval for the Registration of Issuance of Shares by Dongfang Electric Co., Ltd. to Specific Objects,” the Company issued 272,878,203 shares of ordinary shares (A-shares) to specific objects, increasing registered capital by RMB272,878,203.00.

5.46 Capital reserves

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025
Capital (share capital) premium	11,465,666,104.50	3,854,021,660.73	1,057,467,601.53	14,262,220,163.70

Other capital reserves	94,160,416.88		631,548.29	93,528,868.59
Total	11,559,826,521.38	3,854,021,660.73	1,058,099,149.82	14,355,749,032.29

Other explanations, including changes in the increase or decrease of the current period and reasons for the changes:

1. Pursuant to resolutions passed at the 26th and 36th meetings of the tenth session of the Board of Directors and the 6th meeting of the eleventh session of the Board of Directors, approved by Dongfang Electric Group, reviewed at the Company's 2023 Third Extraordinary General Meeting of Shareholders and 2024 Second Extraordinary General Meeting of Shareholders, and authorized by the China Securities Regulatory Commission under Approval No. [2024] 1610 “Approval for the Registration of Issuance of Shares by Dongfang Electric Co., Ltd. to Specific Objects,” the Company issued 272,878,203 shares of ordinary shares (A-shares) to specific objects, increasing capital reserve - capital premium of RMB3,843,687,160.01.
2. This year, the company repurchased and cancelled lock-up shares, resulting in a decrease of RMB631,548.29 in capital reserve—other capital reserves.
3. This year, the indirect shareholding ratio in the Company’s subsidiary, Dongfang Electric (Chengdu) Engineering Design Consulting Co., Ltd., has changed, resulting in an increase of RMB10,334,500.72 in capital reserve - capital premium.
4. Pursuant to relevant agreements, the Company purchased minority shareholders' equity interests in its subsidiaries Dongfang Turbine, Dongfang Machinery, Dongfang Boiler, and Dongfang Heavy Machinery, resulting in a total reduction of capital reserve - capital premium of RMB1,057,467,601.53.

5.47 Treasury share

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025
Restricted stock incentive scheme and repurchase scheme	648,882.29		648,882.29	
Total	648,882.29		648,882.29	

5.48 Other comprehensive income

Item	Balance as at December 31, 2024	Amount for the current period						Balance as at June 30, 2025
		Pre-tax amount incurred in the current period	Less: amount previously included in the other comprehensive income and currently transferred to the profit or loss	Less: Impact of deferred income tax assets	Amount after tax attributable to the parent company	Amount after tax attributable to minority shareholders	Less: amount previously included in the other comprehensive income and currently transferred to retained earnings	
1.Other comprehensive income that cannot be reclassified into profit or loss	-87,844,144.75	-14,468,084.94		-2,050,785.06	-10,619,646.69	-1,797,653.19		-98,463,791.44
Including: Changes in remeasurement of the defined benefit plan								
Other comprehensive income that cannot be transferred to profit or loss								
Changes in fair value of other equity instrument investment s	-87,844,144.75	-14,468,084.94		-2,050,785.06	-10,619,646.69	-1,797,653.19		-98,463,791.44
Changes in the fair value of the Company's own credit risk								
Other changes								
2.Other comprehensive income that will be reclassified into profit or loss	-32,238,085.52	-18,206,327.10			-16,545,222.62	-1,661,104.48		-48,783,308.14
Including: Other comprehensive income that can be transferred to profit or loss under the equity method	1,400,929.25							1,400,929.25
Changes in fair value of other creditor's right investment								
Amount of financial assets reclassified into other comprehensive income								
Other debt investment credit impairment provisions	1,343,933.42	-1,347,742.88			-1,347,742.88			-3,809.46
Cash flow hedging reserve								
Difference s on translation of foreign currency financial statements	-34,982,948.19	-16,858,584.22			-15,197,479.74	-1,661,104.48		-50,180,427.93
Other changes								
Total other comprehensive income	-120,082,230.27	-32,674,412.04		-2,050,785.06	-27,164,869.31	-3,458,757.67		-147,247,099.58

5.49 Special reserves

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025
Work safety expenses	124,193,157.76	43,679,371.29	25,796,334.92	142,076,194.13
Others				
Total	124,193,157.76	43,679,371.29	25,796,334.92	142,076,194.13

5.50 Surplus reserves

Item	Balance as at December 31, 2024	Increase in the current period	Decrease in the current period	Balance as at June 30, 2025
Statutory surplus reserves	1,424,889,201.23			1,424,889,201.23
Total	1,424,889,201.23			1,424,889,201.23

5.51 Undistributed profits

Item	First half of year 2025	First half of year 2024
Undistributed profits at the end of the previous year before adjustment	22,690,605,142.05	21,337,876,676.79
Total adjustment to undistributed profits at the beginning of the year ("+" for increase and "-" for decrease)		
Undistributed profits at the beginning of the year after adjustment	22,690,605,142.05	21,337,876,676.79
Plus: net profit attributable to owners of the parent company in the current period	1,909,795,846.06	1,691,463,127.79
Less: Withdrawal of statutory surplus reserves		
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk reserves		
Common stock dividends payable	1,366,315,211.38	1,480,812,242.08
Common stock dividends transferred to share capital		
Others		
Undistributed profits at the end of the period	23,234,085,776.73	21,548,527,562.50

5.52 Operating revenue and operating costs

5.52.1 Information on operating revenue and operating costs

Item	First half of year 2025		First half of year 2024	
	Revenue	Cost	Revenue	Cost
Operating income	37,623,627,306.41	31,805,881,127.97	32,928,476,029.89	28,285,631,299.74
Interest income	527,283,936.51	13,609,163.85	528,420,142.37	11,751,753.19

Revenue from handling charges and commissions	40,291.25	1,007,374.98	115,034.79	700,738.73
Total	38,150,951,534.17	31,820,497,666.80	33,457,011,207.05	28,298,083,791.66

5.52.2 Operating revenue and operating costs by segment

Item	First half of year 2025		First half of year 2024	
	Revenue	Cost	Revenue	Cost
Renewable energy equipment	**10,424,515,008.11**	**9,369,869,366.88**	**8,215,031,855.67**	**7,780,154,897.72**
Including: Wind power	8,137,531,584.25	7,386,752,618.78	6,659,601,821.40	6,438,446,396.51
Hydroelectric power	1,970,846,097.62	1,732,295,120.20	1,295,812,576.40	1,103,878,362.54
Clean and efficient energy equipment	**16,767,014,023.55**	**13,869,299,213.97**	**14,065,199,678.85**	**11,892,396,270.48**
Including: Nuclear power	2,685,269,609.62	2,285,848,080.87	1,935,538,089.91	1,497,337,464.18
Gas and electricity	2,784,249,302.08	2,447,211,236.13	3,607,433,201.04	3,201,956,866.32
Coal power	11,297,495,111.85	9,136,239,896.97	8,522,228,387.90	7,193,101,939.98
Engineering and supply chain business	**3,138,302,302.66**	**2,925,497,066.72**	**3,538,128,054.60**	**3,230,818,572.51**
Including: project contracting	2,646,046,018.34	2,550,514,115.67	1,698,697,101.59	1,618,270,519.39
Supply chain management and services	481,921,483.50	364,757,531.64	1,766,781,615.46	1,583,674,413.14
Modern manufacturing service industry	**3,426,318,160.59**	**1,927,946,291.83**	**3,521,052,496.82**	**1,846,685,275.41**
Including: Power station service	2,772,714,907.31	1,801,430,610.68	2,788,770,951.49	1,645,034,745.74
Financial service	527,324,227.76	14,616,538.83	528,535,177.16	12,452,491.92
Emerging growth industry	**4,394,802,039.26**	**3,727,885,727.40**	**4,117,599,121.11**	**3,548,028,775.54**
Total	**38,150,951,534.17**	**31,820,497,666.80**	**33,457,011,207.05**	**28,298,083,791.66**

Note: If the Company expects that the period between when the Company transfers a promised good to a customer and when the customer pays for that good will be one year or less, the Company simplifies its practical operations in accordance with the standards and needs not to consider the signicant nancing component.

5.53 Taxes and surcharges

Item	First half of year 2025	First half of year 2024
Urban maintenance and construction tax	64,133,848.27	52,402,334.42
House property tax	35,969,433.26	29,978,904.58
Educational surtax	27,618,004.16	22,752,233.12
Stamp duty	52,629,503.83	38,267,137.84
Land use tax	17,919,141.90	17,746,178.84
Local educational surtax	18,411,168.75	14,785,498.82

Other taxes	829,246.21	614,090.22
Total	217,510,346.38	176,546,377.84

5.54 Selling and distribution expenses

Item	First half of year 2025	First half of year 2024
Employee compensation	231,380,351.91	210,226,384.31
Travel expenses	42,655,463.34	40,025,749.08
Business entertainment expenses	16,310,050.30	15,006,336.62
Others	27,545,589.96	24,085,767.25
Total	317,891,455.51	289,344,237.26

5.55 General and administrative expenses

Item	First half of year 2025	First half of year 2024
Employee compensation	662,940,933.16	684,801,287.00
Repair charges	208,998,994.43	199,433,202.17
Depreciation costs	131,787,428.01	139,887,242.60
Work safety expenses	48,129,201.60	47,818,608.81
Rental fees	16,920,109.33	7,068,799.32
Travel expenses	28,017,958.22	31,247,944.43
Property management fees	40,072,701.92	34,847,688.06
Amortization of intangible assets	26,953,834.78	16,468,759.04
Others	209,056,788.51	178,050,689.50
Total	1,372,877,949.96	1,339,624,220.93

Other notes: The general and administrative expenses of the period include fees of RMB2.11 million paid to the domestic annual report auditing accounting firm and RMB0.40 million paid to the internal control auditing accounting firm. The general and administrative expenses of the last period included fees of RMB2.00 million paid to the domestic annual report auditing accounting firm and RMB0.40 million paid to the internal control auditing accounting firm.

5.56 Research and development expenditure

Item	First half of year 2025	First half of year 2024
Employee compensation	673,032,683.18	631,628,441.03
Materials expenses	185,084,861.31	183,527,123.05
Testing and quality assurance expenses	152,908,290.51	135,451,904.43
External commission fees	189,796,228.19	77,264,752.11
Depreciation expenses	71,627,372.01	66,610,554.35
Cooperation and exchange expenses	27,563,130.25	41,847,747.13
Technical service fees	142,842,262.39	72,272,593.76

Others	126,710,362.37	139,225,323.63
Total	1,569,565,190.21	1,347,828,439.49

5.57 Finance expenses

Item	First half of year 2025	First half of year 2024
Interest expenses	35,320,648.54	28,941,296.45
Less: Interest revenue	49,956,678.60	42,747,583.43
Profit or loss on exchange	-31,787,201.86	22,473,061.35
Others	46,045,143.20	36,478,123.59
Total	-378,088.72	45,144,897.96

5.58 Other income

1. Other income details

Item	First half of year 2025	First half of year 2024
Government grants	113,132,738.04	87,143,957.94
Advanced manufacturing enterprise value-added tax allowance	130,996,786.68	313,942,505.93
Handling charges for withdrawal of individual income tax	1,781,788.76	1,638,827.88
Others	3,691,730.64	290,891.53
Total	249,603,044.12	403,016,183.28

2. Government grants included in other income

Item	First half of year 2025	First half of year 2024	Related to assets/income
VAT refund for three-line enterprises	10,200,881.44	11,804,857.74	Related to assets
Appropriation for scientific research	9,673,466.80	7,237,298.45	Related to assets
Financial subsidy		340,000.00	Related to assets
Tax rebate			Related to assets
Free allocation		123,079.02	Related to assets
Other appropriations	4,933,532.84	4,262,288.20	Related to assets
VAT refund for three-line enterprises			Related to income
Appropriation for scientific research	56,134,944.98	35,986,271.12	Related to income
Financial subsidy			Related to income
Tax rebate	9,069,072.79	6,296,621.86	Related to income
Free allocation		1,000,000.00	Related to income
Other appropriations	23,120,839.19	20,093,541.55	Related to income

Total	113,132,738.04	87,143,957.94	

5.59 Investment income

Item	First half of year 2025	First half of year 2024
Long-term equity investment income calculated by the equity method	62,487,920.61	68,034,069.44
Investment income from disposal of long-term equity investments		-181,307,748.96
Investment income from financial assets held for trading during the holding period	6,679,955.37	30,215.21
Investment income from disposal of financial assets held for trading		1,428,892.92
Investment income during the holding period of other equity instrument investments	13,531,969.85	9,023,937.12
Investment income from creditor's right investment during the holding period	21,082,215.89	19,339,768.75
Investment income arising from debt restructuring	35,587,852.63	45,325,403.00
Others	1,704,752.50	-1,501,021.02
Total	141,074,666.85	-39,626,483.54

5.60 Foreign exchange gains

Item	First half of year 2025	First half of year 2024
Foreign exchange	993,753.02	2,726,885.20
Total	993,753.02	2,726,885.20

5.61 Income from changes in fair value

Sources of income from changes in fair value	First half of year 2025	First half of year 2024
Financial assets held for trading	-75,264,776.76	28,344,053.76
Including: gains from changes in fair value of derivative financial instruments		
Other non-current financial assets		
Financial liabilities held for trading		
Investment properties measured at fair value		
Total	-75,264,776.76	28,344,053.76

5.62 Losses from credit impairment

Item	First half of year 2025	First half of year 2024
Losses from bad debts of accounts receivable	-176,235,342.13	146,338,635.02
Losses from bad debts of notes receivable	12,136,713.89	3,500,658.14
Losses from bad debts of accounts receivable financing	1,467,170.56	
Losses from bad debts of other receivables	-9,913,819.66	1,591,361.62
Losses from impairment of creditor’s right investment		-36,750,000.00
Losses from bad debts of long-term receivables	15,110,283.62	44,859,498.63
Losses from impairment of credit assets	-52,272,693.22	-145,110,688.39
Total	-209,707,686.94	14,429,465.02

Other notes:

1. Losses from bad debts of long-term receivables include the portion presented within non-current assets due within one year; losses from impairment of credit assets include the portion presented within other current assets.

2. Losses are represented by a “-” sign.

5.63 Losses from asset impairment

Item	First half of year 2025	First half of year 2024
Loss from inventory depreciation and losses from impairment of contract performance cost	-36,359,103.67	22,651,331.82
Losses from impairment of contract assets	-419,480,332.71	-281,727,834.08
Loss from impairment of fixed assets	-957,458.66	
Others		-42,087.08
Total	-456,796,895.04	-259,118,589.34

Other notes:

1. Losses from impairment of contract assets include the portion of contract assets with a remaining maturity of over one year that are presented within other non-current assets based on liquidity classification.

2. Losses are represented by a “-” sign.

5.64 Income from asset disposal

Item	First half of year 2025	First half of year 2024	Amount included in non-recurring profit or loss in the current period
Income from disposal of non-current assets	3,496,944.88	116,255.14	3,496,944.88
Total	3,496,944.88	116,255.14	3,496,944.88

5.65 Non-operating revenue

Item	First half of year 2025	First half of year 2024	Amount included in non-recurring profit or loss in the current period
Gains from scrapping of non-current assets	124,050.74		124,050.74
Donations received			
Government grants unrelated to the enterprise’s ordinary activities	298,092.41	1,556,000.00	298,092.41
Compensation income from breach of contracts	25,201,759.28	9,674,143.62	25,201,759.28
Unpaid amounts (income from debt settlements)			
Gains from asset inventory surplus			
Penalty income			
Others	11,052,447.23	10,507,665.13	11,052,447.23
Total	36,676,349.66	21,737,808.75	36,676,349.66

Government grants included in the non-operating revenue

Subsidy	First half of year 2025	First half of year 2024	Related to asset/income
Other subsidies	298,092.41	1,556,000.00	Related to income

Subsidy	First half of year 2025	First half of year 2024	Related to asset/income
Total	298,092.41	1,556,000.00	

5.66 Non-operating expenses

Item	First half of year 2025	First half of year 2024	Amount included in non-recurring profit or loss in the current period
Losses from disposal of non-current assets	3,815,672.73	3,104,975.94	3,815,672.73
External donations	21,983,824.01	15,288,186.59	21,983,824.01
Penalties and late payment surcharges	22,507,405.51	5,178,643.40	22,507,405.51
Others	784,624.95	1,812,530.78	784,624.95
Total	49,091,527.20	25,384,336.71	49,091,527.20

5.67 Income tax expenses

5.67.1 Table of income tax expenses

Item	First half of year 2025	First half of year 2024
Current income tax expenses	558,567,226.55	452,874,009.90
Deferred income tax expenses	-125,440,150.95	-154,737,358.26
Total	433,127,075.60	298,136,651.64

5.67.2 Adjustment process of accounting profit and income tax expenses

Item	First half of year 2025
Total profits	2,493,970,886.62
Income tax expenses calculated at statutory [or applicable] tax rate	374,095,632.99
Effect of the application of different tax rates by subsidiaries	159,430,155.61
Effect of adjustments to the income tax for the prior periods	43,824,411.25
Effect of non-taxable income	-32,381,170.54
Effect of non-deductible costs, expenses and losses	19,211,380.68
Effect of using the deductible losses related to deferred income tax assets unrecognized in previous periods	78,663,659.71
Effect of deductible temporary differences or losses from deferred income tax assets unrecognized in the current period	-81,094,496.21

Item	First half of year 2025
Tax preference	-128,622,497.89
Including: Additional deduction of research and development expenditure	-92,382,974.71
Income tax expenses	433,127,075.60

5.68 Earnings per share
5.68.1 Basic earnings per share

Basic earnings per share is calculated by dividing the consolidated net profit attributable to the common stockholder of the parent company by the weighted average of the Company's outstanding common stock.

Item	First half of year 2025	First half of year 2024
Consolidated net profit attributable to the common stockholder of the parent company	1,909,795,846.06	1,691,463,127.79
Weighted average of the Company's outstanding common stock	3,208,453,080.00	3,118,016,627.00
Basic earnings per share	0.60	0.54
Including: Basic earnings per share from going concern	0.60	0.54
Basic earnings per share from discontinued operation		

5.68.2 Diluted earnings per share

Item	First half of year 2025	First half of year 2024
Consolidated net profit attributable to the common stockholder of the parent company (diluted)	1,909,795,846.06	1,691,463,127.79
Weighted average of the Company's outstanding common stock (diluted)	3,208,453,080.00	3,118,016,627.00
Diluted earnings per share	0.60	0.54
Including: Diluted earnings per share from going concern	0.60	0.54
Diluted earnings per share from discontinued operation		

5.69 Items in the statement of cash flows
5.69.1 Cash related to operating activities

(1) Cash received from other operating activities

Item	First half of year 2025	First half of year 2024
Security deposit	2,605,007,572.18	1,310,977,416.37
Interest income	182,094,417.39	144,861,232.46
Government grants	91,186,893.89	79,760,042.13
Premium subsidy		7,043.09
Compensation	37,630,362.14	19,516,418.86
Advance payment for collection Appropriation	11,737,968.92 1,233,039.14	3,851,371.88
Recovery of the arrears	99,747.48	1,561,380.27
Penalty income	1,877,352.72	
Cash received from operating lease of fixed assets and investment properties	4,869,046.83	3,022,717.86

Purchase under resale agreements		98,223,820.39
Funds related to the project	30,501,285.31	185,403,167.65
Tax refund	79,913,425.18	186,091,985.12
Others	481,842,299.26	251,017,087.88
Total	3,527,993,410.44	2,284,293,683.96

(2) Cash paid for other operating activities

Item	First half of year 2025	First half of year 2024
Purchase interbank certificates of deposit	39,804,428.99	
Operating expenses	1,227,452,245.69	922,143,443.88
Security deposit payment	2,543,202,538.49	1,545,274,444.02
Pay the allowance	63,121,449.27	70,842,182.54
Advance payments on behalf of others		
Others	300,894,682.20	320,559,764.25
Total	4,174,475,344.64	2,858,819,834.69

5.69.2 Cash related to investing activities

(1) Cash received for other investing activities

Item	First half of year 2025	First half of year 2024
Construction funds for the training base	1,000,000.00	
Total	1,000,000.00	

(2) Cash paid for other investing activities

Item	First half of year 2025	First half of year 2024
Investment		76,947.00
Total		76,947.00

5.69.3 Cash related to financing activities

(1) Cash received for other financing activities

Item	First half of year 2025	First half of year 2024
Bill discounting	325,150.30	
Total	325,150.30	

(2) Cash paid for other financing activities

Item	First half of year 2025	First half of year 2024
Pay the rental fee	47,736,165.88	18,301,567.25
Total	47,736,165.88	18,301,567.25

5.70. Supplementary information to the statement of cash flows

5.70.1. Supplementary information on the statement of cash flows

Item	Amount for the period	Amount for the previous period
Adjustment of net profit to cash flows from operating activities		
Net profit	2,060,843,811.02	1,808,543,831.83
Add: credit impairment losses	209,707,686.94	-14,429,465.02
Provision for impairment of assets	456,796,895.04	259,118,589.34
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	408,296,448.82	374,568,557.18
Depreciation of right-of-use assets	69,168,919.49	65,235,172.14
Amortisation of intangible assets	70,757,319.95	64,832,346.17
Amortisation of long-term amortised expenses	2,494,530.25	356,350.48
Loss on disposal of fixed assets, intangible assets and other long-lived assets (Gain is represented by a "-" sign)	-3,496,944.88	-116,255.14
Loss on retirement of fixed assets (gains are recognised with a "-" sign)	3,406,818.72	3,104,975.94
Loss on fair value changes (gains are recognised with a "-" sign)	75,264,776.76	-28,344,053.76
Finance costs (gains are represented by a "-" sign)	3,533,446.68	48,949,233.58
Losses on investments (gains are represented by a "-" sign)	-141,074,666.85	39,626,483.54
Decrease in deferred income tax assets (increase is represented by a "-" sign)	-119,500,703.81	-181,381,365.80
Increase in deferred income tax liabilities (decrease is indicated by a "-")	-5,939,447.14	26,644,007.54
Decrease in inventories (increase is indicated by a "-")	-5,601,481,720.45	1,415,932,051.29
Decrease in operating receivables (increase is represented by a "-")	-7,275,735,712.29	-4,758,386,416.06
Increase in operating accounts payable (decrease is indicated by a "-")	9,230,492,112.81	4,940,441,198.00
Others		
Net cash flows from operating activities	-556,466,428.94	4,064,695,241.25
Significant investing and financing activities that do not involve cash receipts and payments		
Debt-to-capital conversion		
Convertible bonds due within one year		
Acquisition of right-of-use assets by assuming lease liabilities		
Net change in cash and cash equivalents		
Cash balance at end of year	26,341,758,658.62	18,230,195,636.48
Less: cash balance at beginning of year	22,502,857,720.96	14,167,585,378.12
Add: cash equivalents balance at end of year		
Less: cash equivalents balance at beginning of year		
Net increase in cash and cash equivalents	3,838,900,937.66	4,062,610,258.36

5.70.2. Composition of cash and cash equivalents

Item	Closing balance	Balance as at December 31, 2024
I. Cash	26,341,758,658.62	22,502,857,720.96
Including: cash on hand	546,508.27	746,278.67
Bank deposits readily available for payment	4,032,977,641.01	2,976,430,305.28
Other monetary funds readily available for payment	96,432,058.60	114,897,348.73
Central bank deposits available for payment	59,455,049.19	1,346.44
Interbank deposits	22,152,347,401.55	19,410,782,441.84
II. Cash equivalents		
Including: investments in bonds maturing within three months		
III. Cash and cash equivalents balance as at the end of the period	26,341,758,658.62	22,502,857,720.96
Including: cash and cash equivalents held but not available for use by the parent company or other subsidiaries in the Group		

5.71. Monetary items in foreign currency

5.71.1.Monetary items in foreign currency

Item	Foreign currency balance at the end of the period	Converted exchange rates	Balance of RMB translation at the end of the period
Monetary funds			1,679,252,308.20
Including: USD	156,927,935.40	7.1586	1,123,384,318.38
HKD	3,563.18	0.9120	3,249.62
JPY	162,807.24	4.9594	807,426.23
EUR	43,110,930.03	8.4024	362,235,278.47
GBP	1.24	9.8300	12.19
CHF	0.01	8.9721	0.09
CAD	8.64	5.2358	45.23
INR	971,913,496.90	0.0839	81,543,542.39
VND	53,501,266.67	0.0003	16,050.38
Bosnia and Herzegovina mark	4,024,775.73	4.4244	17,807,217.74
ETB	258,710,953.48	0.0531	13,737,551.63
LAK	1,989,578,366.67	0.0003	596,873.51
LKR	14,400,346.03	0.0239	344,168.27
BDT	22,260,860.34	0.0585	1,302,260.33
IDR	152,216,673,475.00	0.0004	60,886,669.39
AED	400,004.93	1.9509	780,369.62
RUX	141,007.01	0.0913	12,873.94

Item	Foreign currency balance at the end of the period	Converted exchange rates	Balance of RMB translation at the end of the period
MYR	161,834.51	1.6950	274,309.50
RSD	1,388,582.01	0.0717	99,561.33
UZS	3,721,780,500.00	0.0006	2,233,068.30
Others	943,300,126.92		13,187,461.66
Accounts receivable			1,046,681,268.37
Including: USD	127,302,905.80	7.1586	911,310,581.47
EUR	7,229,268.37	8.4024	60,743,204.53
INR	154,072,956.97	0.0839	12,926,721.09
BDT	146,293,080.89	0.0586	8,572,774.54
IDR	127,809,280,700.00	0.0004	51,123,712.28
Others	21,965,432.59		2,004,274.46
Other receivables			18,167,497.06
Including: USD	2,313,333.04	7.1586	16,560,225.93
INR	4,249,395.47	0.0839	356,524.28
IDR	210,021,850.00	0.0004	84,008.74
UZS	1,709,741,583.33	0.0006	1,025,844.95
Others	2,917,118.60		140,893.16
Accounts payable			441,138,925.44
Including: USD	4,906,927.88	7.1586	35,126,733.92
HKD	83,528.10	0.9120	76,177.63
JPY	809,485.09	4.9594	4,014,560.35
EUR	35,190,341.82	8.4024	295,683,328.08
CHF	64,793.25	8.9721	581,331.51
TRY	13,737.95	0.1797	2,468.71
IDR	7,775,022,075.00	0.0004	3,110,008.83
UZS	170,907,193,950.00	0.0006	102,544,316.37
Others	0.01		0.04
Other payables			30,864,268.16
Including: USD	3,442,036.08	7.1586	24,640,159.45
HKD	21,137.04	0.9120	19,276.98
EUR	155,409.98	8.4024	1,305,816.82
INR	28,738,778.07	0.0839	2,411,183.48
BDT	3,716,891.30	0.0586	217,809.83
IDR	4,105,686,850.00	0.0004	1,642,274.74
EGP	4,537.02	0.1445	655.6
Others	1,109,994,082.50		627,091.26
Long-term loan			307,315,834.56
Including: USD	42,929,600.00	7.1586	307,315,834.56

6. Changes in scope of consolidation

6.1. Disposal of subsidiaries

6.1.1 Transactions or events resulting in loss of control of subsidiaries in the current period

None.

6.2. Changes in scope of consolidation for other reasons

Serial number	Name of the Company	Form/loss of control	Net assets at the end of the period	Net profit for the period
1	Guiding Dongneng New Energy Technology Co., Ltd. (贵定东能新能源科技有限公司)	Investment in establishing subsidiaries		
2	Guiding Dongsheng New Energy Technology Co., Ltd. (贵定东晟新能源科技有限公司)	Investment in establishing subsidiaries		
3	Aletai Dongxin New Energy Co., Ltd. (阿勒泰东新新能源有限公司)	Investment in establishing subsidiaries		
4	Hami Dongxin New Energy Co., Ltd. (哈密东新新能源有限公司)	Investment in establishing subsidiaries		
5	Changji Dongxing New Energy Co., Ltd. (昌吉东兴新能源有限公司)	Investment in establishing subsidiaries		
6	Dongfang Electric Wind Power (Nimu) Co., Ltd. (东方电气风电(尼木)有限公司)	Investment in establishing subsidiaries		
7	Mangkang Dongzang New Energy Co., Ltd. (芒康东藏新能源有限公司)	Investment in establishing subsidiaries		
8	Qamdo Karuo District Dongzang New Energy Co., Ltd. (昌都市卡若区东藏新能源有限公司)	Investment in establishing subsidiaries		
9	Mengcheng Dongfang Wind Power New Energy Equipment Co., Ltd. (蒙城东方风电新能源装备有限公司)	Investment in establishing subsidiaries		
10	Dongfang Wind Power (Qingdao) New Energy Co., Ltd. (东方风电（青岛）新能源有限公司)	Investment in establishing subsidiaries	40,079,021.47	79,021.47
11	Dongfang Electric Wind Power Equipment (Lincheng) Co., Ltd. (东方电气风电设备（临城）有限公司)	Investment in establishing subsidiaries		

Serial number	Name of the Company	Form/loss of control	Net assets at the end of the period	Net profit for the period
12	Dongfang Electric Wind Power Equipment (Luanping) Co., Ltd. (东方电气风电设备（滦平）有限公司)	Investment in establishing subsidiaries		
13	Sichuan Tianxing Green Electric Power Engineering Co., Ltd. (四川天行绿能电力工程有限公司)	Investment in establishing subsidiaries		
14	Dongnengsheng Wind Power (Heihe) Co., Ltd. (东能晟风电（黑河）有限公司)	Wrote off		

7. Interests in other entities

7.1. Interests in subsidiaries

7.1.1. Composition of enterprise groups

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
1	Dongfang Electric Wind Power Co. LTD	43,812.16	Other joint stock limited company (unlisted)	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing	41.19	38.25	Establishment of investment
2	Dongfang Electrical (Tianjin) Wind Power Technology Co., Ltd.	52,440.78	Company Limited	Tianjin, China	Tianjin, China	Generator and generator set manufacturing		100.00	Establishment of investment
3	Dongfang Electric (Tianjin) Wind Power Blade Engineering Co. LTD	15,986.96	Company Limited	Tianjin, China	Tianjin, China	Generator and generator set manufacturing		85.00	Establishment of investment
4	Dongfang Electric Wind Power (Liangshan) Co., Ltd.	2,300.00	Company Limited	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
5	Dongfang Electric Wind Power (Fujian) Co., Ltd.	4,500.00	Company Limited	Fujian Province	Fujian Province	Generator and generator set manufacturing		100.00	Establishment of investment
6	Dongfang Electric Wind Power (Xing'an League) Co., Ltd.	12,400.00	Company Limited	Xingan League	Xingan League	Generator and generator set manufacturing		100.00	Establishment of investment
7	Dongfang Electric Wind Power (Shandong) Co., Ltd.	23,000.00	Other limited liability company	Shandong Province	Shandong Province	Generator and generator set manufacturing		55.00	Establishment of investment
8	Dongfang Electric Xinneng Technology (Chengdu) Co., Ltd.	5,000.00	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Generator and generator set manufacturing		100.00	Establishment of investment
9	Dongxia (Jiangsu) Smart Energy Co. LTD	1,690.00	Other limited liability company	Nantong, Jiangsu Province	Nantong, Jiangsu Province	Generator and generator set manufacturing		46.00	Establishment of investment
10	Dongji Energy Technology (Tongyu) Co., Ltd.	500.00	Company Limited	Baicheng, Jilin Province	Baicheng, Jilin Province	Generator and generator set manufacturing		100.00	Establishment of investment
11	Dongji Shuanggang Wind Power (Tongyu) Co., Ltd.	0.00	Company Limited	Baicheng, Jilin Province	Baicheng, Jilin Province	Generator and generator set manufacturing		100.00	Establishment of investment
12	Dongfang Electric (Jiuquan) Wind Power Equipment Co., Ltd.	5,500.00	Company Limited	Jiuquan, Gansu Province	Jiuquan, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
13	Dongfang Electric (Guangyuan) New Energy Co., Ltd.	500.00	Company Limited	Guangyuan, Sichuan	Guangyuan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
14	Dongfang Electric (Guangdong) Wind Power Equipment Co., Ltd.	3,100.00	Company Limited	Yangjiang, Guangdong	Yangjiang, Guangdong	Generator and generator set manufacturing		100.00	Establishment of investment
15	Dongfang Electric (Yanyuan) New Energy Equipment Co., Ltd.	1,000.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		65.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
16	Dongfang Wind Power (Liangshan) New Energy Co., Ltd.	100.00	Company Limited	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		100.00	Establishment of investment
17	Xinjiang Dongfang Wind Power New Energy Co., Ltd.	6,000.00	Company Limited	Changji, Xinjiang	Changji, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
18	Dongfang Electric Wind Power (Nanjing) Co., Ltd.	0.00	Company Limited	Nanjing, Jiangsu Province	Nanjing, Jiangsu Province	Generator and generator set manufacturing		50.00	Establishment of investment
19	Wuchuan Dongneng New Energy Technology Co. LTD	0.00	Other limited liability company	Zunyi, Guizhou Province	Zunyi, Guizhou Province	Generator and generator set manufacturing		70.00	Establishment of investment
20	Yumen Dongyu New Energy Co., Ltd.	12,000.00	Company Limited	Jiuquan, Gansu Province	Jiuquan, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
21	Inner Mongolia Dongfang Wind Power New Energy Co., LTD	500.00	Company Limited	Inner Mongolia	Inner Mongolia	Generator and generator set manufacturing		100.00	Establishment of investment
22	Fujian Dongfu New Energy Co., Ltd.	1,000.00	Company Limited	Fuzhou, Fujian Province	Fuzhou, Fujian Province	Generator and generator set manufacturing		100.00	Establishment of investment
23	Dongfang Electric Wind Power (Hami) Co., LTD	0.00	Company Limited	Hami, Xinjiang	Hami, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
24	Dongfang Electric Wind Power (Guiyang) Co. LTD	500.00	Company Limited	Guiyang, Guizhou Province	Guiyang, Guizhou Province	Generator and generator set manufacturing		100.00	Establishment of investment
25	Dongfang Electric Wind Power (Baotou) Co., LTD	10.00	Company Limited	Baotou, Inner Mongolia	Baotou, Inner Mongolia	Generator and generator set manufacturing		100.00	Establishment of investment
26	Dongfang Wind Power (Burjin) New Energy Co. LTD	3,750.00	Company Limited	Altay, Xinjiang	Altay, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
27	Dongfang Wind Power (Tangshan) New Energy Co., LTD	3,000.00	Company Limited	Tangshan, Hebei Province	Tangshan, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
28	Dongfang Wind Power (Qingxian) New Energy Co. LTD	0.00	Company Limited	Cangzhou, Hebei Province	Cangzhou, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
29	Dongfang Wind Power (Ruoqiang) New Energy Co. LTD	1,000.00	Company Limited	Bayingoling Mongolian Autonomous Prefecture, Xinjiang	Bayingoling Mongolian Autonomous Prefecture, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
30	Hainan Yangpu Offshore Wind Power Industry Development Co. LTD.	10,000.00	Other limited	Danzhou, Hainan	Danzhou, Hainan	Generator and generator set		55.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
31	Dongfang Wind Power (Zhangzhou) New Energy Co., LTD	0.00	Company Limited	Zhangzhou, Fujian	Zhangzhou, Fujian	Generator and generator set manufacturing		80.00	Establishment of investment
32	Dongtang (Tangshan Caofeidian District) New Energy Co., LTD	0.00	Other limited liability company	Tangshan, Hebei Province	Tangshan, Hebei Province	Generator and generator set manufacturing		51.00	Establishment of investment
33	Mengcheng Donghua New Energy Technology Co. LTD	0.00	Other limited liability company	Bozhou, Anhui Province	Bozhou, Anhui Province	Generator and generator set manufacturing		40.00	Establishment of investment
34	Dongqing (Geermu) New Energy Co. LTD	0.00	Company Limited	Golmud City, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Golmud City, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Generator and generator set manufacturing		100.00	Establishment of investment
35	Mulei Dongji New Energy Co. LTD	90,000.00	Company Limited	Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Changji Hui Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
36	Huaihua Dongfang Wind Power New Energy Co. LTD	0.00	Company Limited	Huaihua City, Hunan Province	Huaihua City, Hunan Province	Generator and generator set manufacturing		100.00	Establishment of investment
37	Liaocheng Dongguan New Energy Co. LTD	500.00	Company Limited	Liaocheng City, Shandong Province	Liaocheng City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
38	Altay Dongjin New Energy Co. LTD	92,000.00	Company Limited	Altay Region, Xinjiang Uygur Autonomous Region	Altay Region, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
39	Qingxian Dongtai Energy Manufacturing Co. LTD	0.00	Other limited liability company	Cangzhou City, Hebei Province	Cangzhou City, Hebei Province	Generator and generator set manufacturing		55.00	Establishment of investment
40	Dongfang Wind Power (Guangxi) New Energy Co. LTD	0.00	Company Limited	Yulin City, Guangxi Zhuang Autonomous Region	Yulin City, Guangxi Zhuang Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
41	Dongfang Electric (Jieyang) New Energy Co. LTD	0.00	Company Limited	Jieyang City, Guangdong Province	Jieyang City, Guangdong Province	Generator and generator set manufacturing		100.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
42	Yiyang Donghu New Energy Co. LTD	0.00	Other limited liability company	Yiyang City, Hunan Province	Yiyang City, Hunan Province	Generator and generator set manufacturing		60.00	Establishment of investment
43	Dongfang Wind Power (Tongyu) New Energy Co. LTD	1,400.00	Other limited liability company	Baicheng City, Jilin Province	Baicheng City, Jilin Province	Generator and generator set manufacturing		51.00	Establishment of investment
44	Dongyu New Energy Power Generation (Tongyu) Co. LTD	0.00	Other limited liability company	Baicheng City, Jilin Province	Baicheng City, Jilin Province	Generator and generator set manufacturing		51.00	Establishment of investment
45	Dongfang Wind Power New Energy (Chongqing) Co. LTD	0.00	Company Limited	Qianjiang District, Chongqing	Qianjiang District, Chongqing	Generator and generator set manufacturing		100.00	Establishment of investment
46	Ruoqiang East new new energy Co., LTD	0.00	Company Limited	Bayingoling Mongolian Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Bayingoling Mongolian Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
47	Dongfang Electric (Changdu) New energy Co., LTD	2,600.00	Company Limited	Qamdo City, Tibet Autonomous Region	Qamdo City, Tibet Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
48	Dongfang Electric (Golmud) New Energy Co. LTD	5,450.00	Other limited liability company	Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province	Generator and generator set manufacturing		68.00	Establishment of investment
49	Dongfang Electric Clean Energy (Shandong) Co. LTD	11,000.00	Other limited liability company	Weihai City, Shandong Province	Weihai City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
50	Jiuquan Dongsai New Energy Co. LTD	0.00	Other limited liability company	Weihai City, Shandong Province	Weihai City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
51	Dairy Shandong Innovation Energy Co., LTD	0.00	Other limited liability company	Jiuquan City, Gansu Province	Jiuquan City, Gansu Province	Generator and generator set manufacturing		100.00	Establishment of investment
52	Guiding Dongneng New Energy Technology Co. LTD	0.00	Other limited liability company	Qiannan Bouyei and Miao Autonomous Prefecture, GuiZhou Province	Qiannan Bouyei and Miao Autonomous Prefecture, GuiZhou Province	Generator and generator set manufacturing		70.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
53	Guiding Dongsheng New Energy Technology Co. LTD	0.00	Other limited liability company	Qiannan Bouyei and Miao Autonomous Prefecture, GuiZhou Province	Qiannan Bouyei and Miao Autonomous Prefecture, GuiZhou Province	Generator and generator set manufacturing		70.00	Establishment of investment
54	Altay Dongxin New Energy Co. Ltd.	0.00	Other limited liability company	Altay Prefecture, Xinjiang	Altay Prefecture, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
55	Hami Dongxin New Energy Co. Ltd.	0.00	Other limited liability company	Hami City, Xinjiang	Hami City, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
56	Changji Dongxing New Energy Co. Ltd.	0.00	Other limited liability company	Changji Hui Autonomous Prefecture, Xinjiang	Changji Hui Autonomous Prefecture, Xinjiang	Generator and generator set manufacturing		100.00	Establishment of investment
57	Dongfang Electric Wind Power (Nimu) Co., Ltd.	0.00	Other limited liability company	Lhasa City, Tibet Autonomous Region	Lhasa City, Tibet Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
58	Mangkang Dongzang New Energy Co. Ltd.	0.00	Other limited liability company	Qamdo City, Tibet Autonomous Region	Qamdo City, Tibet Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
59	Qamdo Karuo District Dongzang New Energy Co., Ltd.	0.00	Other limited liability company	Qamdo City, Tibet Autonomous Region	Qamdo City, Tibet Autonomous Region	Generator and generator set manufacturing		100.00	Establishment of investment
60	Mengcheng Dongfang Wind Power New Energy Equipment Co., Ltd.	0.00	Other limited liability company	Bozhou City, Anhui Province	Bozhou City, Anhui Province	Generator and generator set manufacturing		100.00	Establishment of investment
61	Dongfang Wind Power (Qingdao) New Energy Co., Ltd.	4,000.00	Other limited liability company	Qingdao City, Shandong Province	Qingdao City, Shandong Province	Generator and generator set manufacturing		100.00	Establishment of investment
62	Dongfang Electric Wind Power Equipment (Lincheng) Co., Ltd.	0.00	Other limited liability company	Xingtai City, Hebei Province	Xingtai City, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
63	Dongfang Electric Wind Power Equipment (Luanping) Co., Ltd.	0.00	Other limited liability company	Chengde City, Hebei Province	Chengde City, Hebei Province	Generator and generator set manufacturing		100.00	Establishment of investment
64	Dongfang Electric Machinery Company Limited	341,569.33	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Production	100.00		Establishment of investment
65	Dongfang Electric (Deyang) Motor Technology Co., Ltd.	29,000.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing		90.00	Establishment of investment
66	Dongfang Electric (Guangdong) Energy Technology Co., Ltd.	20,000.00	Company Limited	Yangjiang, Guangdong	Yangjiang, Guangdong	Services		100.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
67	Dongfang Electric (Jiuquan) Energy Technology Co. Ltd.	500.00	Company Limited	Jiuquan, Gansu	Jiuquan, Gansu	Research and experimental development		100.00	Establishment of investment
68	Dongfang Electric (Linzhi) New Energy Co., Ltd.	0.00	Company Limited	Lang County, Linzhi City, Tibet Autonomous Region	Lang County, Linzhi City, Tibet Autonomous Region	Production and supply of electricity and heat		100.00	Establishment of investment
69	Dongfang Electric Corporation Dongfang Boiler Co., Ltd.	189,278.18	Other joint stock limited company (unlisted)	Zigong, Sichuan	Zigong, Sichuan	Production	99.91		Establishment of investment
70	Dongfang Kaiterui (Chengdu) Environmental Technology Co., Ltd.	23,555.49	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	Special pharmaceutical material production industry		61.42	Establishment of investment
71	Dongfang Electric Hydrogen Energy (Anhui) Co., Ltd.	3,000.00	Company Limited	Fuyang, Anhui	Fuyang, Anhui	Production and supply of heat		90.00	Establishment of investment
72	Dongfang Electric Hydrogen Energy (Ya'an) Co., Ltd.	100.00	Other limited liability company	Ya 'an, Sichuan	Ya 'an, Sichuan	Services业		61.00	Establishment of investment
73	Dongfang Electric Hydrogen Energy (Chengdu) Co., Ltd.	23,115.09	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Production and supply of heat		69.63	Establishment of investment
74	Dongfang Electric Guoxin Hydrogen Energy (Deyang) Co. Ltd.	1,700.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Production and supply of heat		51.00	Establishment of investment
75	Dongfang Electric Hydrogen Energy (Guiyang) Co. Ltd.	51.00	Other limited liability company	Guiyang, Guizhou	Guiyang, Guizhou	Production and supply of heat		51.00	Establishment of investment
76	Dongfang Tourmaline Hydrogen Energy (Liangshan) Co. Ltd.	0.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Generator and generator set manufacturing		50.00	Establishment of investment
77	Dongfang Electric (Chengdu) Hydrogen Energy Technology Co., Ltd.	25,563.40	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	Professional and technical services	26.58	26.82	Merger of enterprises under the same control
78	Dongfang Electric (Xichang) Hydrogen Energy Co., Ltd.	1,000.00	Other limited liability company	Liangshan, Sichuan	Liangshan, Sichuan	Science and technology promotion and application services		66.00	Merger of enterprises not under the same control
79	Jiangsu Dongchuang Hydrogen Energy Technology Co., Ltd.	500.00	Company Limited	Suzhou, Jiangsu	Suzhou, Jiangsu	Electrical machinery and equipment manufacturing		60.00	Establishment of investment
80	Dongfang Electric (Beijing) Hydrogen Technology Co., Ltd.	1,000.00	Company Limited	Beijing	Beijing	Electrical machinery and equipment manufacturing		100.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
81	Dongfang Electric (Hebei) Hydrogen Energy Technology Co., Ltd.	1,000.00	Company Limited	Tangshan, Hebei	Tangshan, Hebei	Electrical machinery and equipment manufacturing		100.00	Establishment of investment
82	Dongfang Electric (Fujian) Hydrogen Energy Technology Co., Ltd.	200.00	Company Limited	Fuzhou, Fujian	Fuzhou, Fujian	Production and supply of heat		100.00	Establishment of investment
83	Dongfang Electric Hydrogen Energy (Haixi) Co. Ltd.	100.00	Company Limited	Golmud, Qinghai	Golmud, Qinghai	Production and supply of electricity and heat		100.00	Establishment of investment
84	Dongfang Electric Hydrogen Energy (Panzhihua) Co. Ltd.	5,000.00	Other limited liability company	Renhe District, Panzhihua City, Sichuan Province	Renhe District, Panzhihua City, Sichuan Province	Gas production and supply industry		70.00	Establishment of investment
85	Dongfang Electric & Petrochemical Hydrogen Energy (Jiangxi) Co. Ltd.	9,000.00	Company Limited	Ji 'an City, Jiangxi Province	Ji 'an City, Jiangxi Province	Gas production and supply industry		51.00	Establishment of investment
86	Dongguo New Energy (Panzhihua) Co. Ltd.	0.00	Company Limited	Panzhihua City, Sichuan Province	Panzhihua City, Sichuan Province	Production and supply of electricity and heat		100.00	Establishment of investment
87	Dongguo New Energy (Yanbian) Co. Ltd.	0.00	Company Limited	Panzhihua City, Sichuan Province	Panzhihua City, Sichuan Province	Science and technology promotion and application services		100.00	Establishment of investment
88	Dongfang Electric Group International Cooperation Co. Ltd.	76,352.00	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	International trade	100.00		Establishment of investment
89	Nam Mang 1 Power Co., Ltd.	17,588.02	Company Limited	Laos	Laos	Electric power		75.00	Establishment of investment
90	Dongfang Electric (Chengdu) Engineering Design Consulting Co. Ltd.	25,000.00	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Advisory services	14.50	72.59	Establishment of investment
91	PT.DONGFANG ELECTRIC INDONESIA	4,054.17	Company Limited	Jakarta, Indonesia	Jakarta, Indonesia	Services		51.00	Establishment of investment
92	Dongfang Electric (AZ) Limited	133.21	Company Limited	Of Azerbaijan	Of Azerbaijan	Production		100.00	Establishment of investment
93	Eco-SUNFLOWER GREEN ENERGY	208.94	Company Limited	Uzbekistan	Uzbekistan	Production		100.00	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
94	Dongfang Electric Costa Rica Co. LTD	356.25	Company Limited	Costa Rica	Costa Rica	Production		100.00	Establishment of investment
95	Sichuan Tianxing Green Energy Power Engineering Co., Ltd.	0.00	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	International trade		100.00	Establishment of investment
96	Dongfang Electric (Chengdu) Innovation Technology Development Co. Ltd.	60,000.00	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Services	100.00		Establishment of investment
97	Dongfang Electric Autocontrol Engineering Co., Ltd.	100,000.00	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Electrical machinery and equipment manufacturing	46.62	53.23	Establishment of investment
98	Dongfang Hitachi (Chengdu) Electronic Control Equipment Co., Ltd.	7,098.00	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Production		51.00	Establishment of investment
99	Dongfang Electric Qineng (Shenzhen) Technology Co., Ltd.	5,000.00	Company Limited	Shenzhen	Shenzhen	General equipment manufacturing		80.00	Establishment of investment
100	Dongfang Electric Zhongneng Industrial Control Network Security Technology (Chengdu) Co., Ltd.	3,000.00	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	Software and information technology services		66.00	Establishment of investment
101	Dongfang Electric (Sichuan) Supplies Co., Ltd. (hereinafter referred to as Dongfang Supplies)	32,393.96	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Circulation of goods	100.00		Establishment of investment
102	DEC Project Cargo Logistics Co., Ltd.	3,181.87	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Transportation		100.00	Establishment of investment
103	Dongfang Zhiyun Logistics Technology (Tianjin) Co., Ltd.	200.00	Company Limited	Tianjin	Tianjin	Transportation		100.00	Establishment of investment
104	Dongfang Turbine CO., Ltd.	568,339.78	Other limited liability company	Deyang, Sichuan	Deyang, Sichuan	Production	100.00		Establishment of investment
105	Shanghai Dongburn Green Movement Technology Service Co. Ltd.	2,150.00	Other limited liability company	Minhang, Shanghai	Minhang, Shanghai	Professional and technical services		65.00	Establishment of investment
106	Dongfang (Guangzhou) Heavy Machinery Co., Ltd.	121,971.87	Other limited liability company	Guangzhou, Guangdong	Guangzhou, Guangdong	Production	53.80	13.33	Establishment of investment

Serial number	Name of subsidiary	Paid-in capital (ten thousand yuan)	Type of enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Method of acquisition
							direct	indirect	
107	Dongfang Electric (Wuhan) Nuclear Equipment Co., Ltd.	51,066.00	Company Limited	Wuhan, Hubei	Wuhan, Hubei	Production	100.00		Establishment of investment
108	Dongfang Electric (India) Private Limited	12,938.35	Company Limited	Kolkata, India	Kolkata, India	Services	100.00		Establishment of investment
109	Dongfang Electric Corporation Finance Co. Ltd.	209,500.11	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	Finance	95.00		Establishment of investment
110	Dongfang Electric Corporation Research Institute of Science and Technology Co., Ltd.	36,706.65	Other limited liability company	Chengdu, Sichuan	Chengdu, Sichuan	Technical services	91.95		Establishment of investment
111	Dongfang Electric (Fujian) Innovation Research Institute Co. Ltd.	10,000.00	Company Limited	Fuzhou, Fujian	Fuzhou, Fujian	Technical services		100.00	Establishment of investment
112	ongfang Electric Yangtze River Delta (Hangzhou) Innovation Research Institute Co. Ltd.	8,000.00	Company Limited	Hangzhou, Zhejiang	Hangzhou, Zhejiang	Research and experimental development		100.00	Establishment of investment
113	Dongfang Electric (Chengdu) Innovation Research Co., Ltd.	6,021.53	Company Limited	Chengdu, Sichuan Province	Chengdu, Sichuan Province	Professional and technical services		100.00	Establishment of investment
114	Dongfang Electric Advanced Materials Technology (Sichuan) Co., Ltd.	8,600.00	Company Limited	Chengdu, Sichuan	Chengdu, Sichuan	Professional and technical services		100.00	Merger of enterprises under the same control
115	Dongfang Electric Fine Electronic Materials (Deyang) Co., Ltd.	8,000.00	Company Limited	Deyang, Sichuan	Deyang, Sichuan	Manufacturing of computers, communications and other electronic equipment		100.00	Establishment of investment

7.1.2. The parent company holds less than half of the voting rights in the investee but is able to exercise control over the investee

Serial number	Name of company	Subscribed shareholding percentage (%)	Voting rights entitled (%)	Registered Capital (0,000)	Tier	Reason for inclusion in consolidation
1	Mengcheng Donghua New Energy Technology Co., Ltd (蒙城东华新能源科技有限责任公司)	40	40	1000	3	The Company's subsidiary directly holds a 40% equity interest in Mengcheng Donghua New Energy Technology Co., Ltd. Although the Company holds less than half of the voting rights, it exercises de facto control over the investee in accordance with the Articles of Association and relevant acting-in-concert agreements. Therefore, the investee is included in the consolidation scope.
2	Dongxia (Jiangsu) Smart Energy Co., Ltd. (东峡（江苏）智慧能源有限公司)	46	68.05	2500	3	The Company's subsidiary directly holds a 46% subscribed equity interest in Dongxia (Jiangsu) Smart Energy Co., Ltd., with an actual paid-in ratio of 68.05%. In accordance with the Articles of Association, the Company is entitled to rights such as asset returns, major decision-making, and management appointment based on the actual paid-in capital contribution, and bears corresponding obligations. As the Company exercises de facto control over the investee, the investee is included in the consolidation scope.
3	Dongfang Electric Wind Power (Nanjing) Co., Ltd. (东方电气风电（南京）有限公司)	50	50	1000	3	The Company's subsidiary directly holds a 50% equity interest in Dongfang Electric Wind Power (Nanjing) Co., Ltd. Although the Group holds less than half of the voting rights, it exercises de facto control over the investee in accordance with the Articles of Association and relevant acting-in-concert agreements. Therefore, the investee is included in the consolidation scope.
4	Dongfang Electric Petrochemical Hydrogen Energy (Liangshan) Co., Ltd. (东方电气石化氢能（凉山）有限公司)	50	60	3800	3	根据公司章程，东锅凉山氢能董事会由5名董事组成，东方锅炉推荐3名,东方锅炉具有控制权。Pursuant to the Articles of Association, the Board of Dongguo Liangshan Hydrogen Energy consists of 5 members, among which Dongfang Boiler recommends 3. Accordingly, Dongfang Boiler exercises control over the entity.

7.1.3. Important non-wholly owned subsidiaries

Name of subsidiary	Percentage of shares held by minority shareholders (%)	Profit and loss attributable to minority shareholders for the current period	Dividends declared to minority shareholders in the current period	Balance of minority shareholders' equity at the end of the period
Dongfang Boiler	0.09	18,622,268.76	26,112,558.09	8,067,400.59
Dongfang Autocontrol	0.15	123,411.70	48,517.17	39,273,316.71
Dongfang Electric Group Finance Co., Ltd. ("Dongfang Finance")	5.00	8,958,535.24	6,660,673.57	202,071,670.60
Dongfang Wind Power	20.57	44,660,982.07	0.00	416,105,268.04
Dongfang Guangzhong	32.87	14,249,613.09	12,692,379.67	670,085,934.50

7.1.4. Main financial information of important non-wholly owned subsidiaries

Name of subsidiary	Closing balance						Balance as at December 31, 2024					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Dongfang Boiler	26,483,487,356.21	4,566,272,813.96	31,049,760,170.17	19,882,486,294.14	1,180,672,270.81	21,063,158,564.95	26,545,708,158.18	4,401,655,496.93	30,947,363,655.11	19,648,142,443.13	1,254,738,251.56	20,902,880,694.69
Dongfang Autocontrol	1,851,726,699.13	6,627,008.44	1,858,353,707.57	1,484,349,285.01	20,388,562.85	1,504,737,847.86	3,779,248,781.08	1,076,214,470.58	4,855,463,251.66	3,119,532,918.51	199,459,565.77	3,318,992,484.28
Dongfang Finance	751,273,145.24	279,853,133.49	1,031,126,278.73	514,056,467.30	36,613,024.15	550,669,491.45	29,545,995,778.56	24,623,543,644.06	54,169,539,422.62	50,327,865,025.30	14,098,385.66	50,341,963,410.96
Dongfang Wind Power	25,817,350,311.91	6,327,154,063.64	32,144,504,375.55	24,376,220,553.73	5,455,393,970.79	29,831,614,524.52	20,371,396,524.69	6,070,120,541.58	26,441,517,066.27	20,484,428,770.75	3,941,514,407.80	24,425,943,178.55
Dongfang Heavy Machinery	2,119,494,988.25	107,167,184.56	2,226,662,172.81	1,765,030,892.07	7,267,641.43	1,772,298,533.50	3,877,015,710.56	737,156,375.31	4,614,172,085.87	2,627,573,176.54	270,117,359.20	2,897,690,535.74

Name of subsidiary	Amount for the period				Amount for the previous period			
	Total operating income	Net profit	Total comprehensive income	Cash flow from operating activities	Total operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Dongfang Boiler	9,434,132,144.00	457,300,914.60	457,300,914.60	-662,803,833.20	8,516,805,903.63	526,317,808.79	526,317,808.79	1,398,586,020.42
Dongfang Autocontrol	1,131,112,779.61	41,090,672.04	41,090,672.04	-198,004,614.64	1,816,488,377.11	73,168,418.59	73,168,418.59	-342,425,529.90
Dongfang Finance	245,145,369.06	19,896,502.47	19,896,502.47	67,624,233.20	551,679,821.61	156,974,685.16	156,974,685.16	6,074,557,552.30
Dongfang Wind Power	8,509,216,593.19	229,885,003.17	229,885,003.17	-2,850,807,588.14	6,787,774,425.59	4,742,167.47	4,742,167.47	-1,156,382,826.21
Dongfang Heavy Machinery	1,609,387,263.02	25,488,094.75	25,488,094.75	12,821,092.49	1,007,832,326.12	31,402,485.60	31,402,485.60	-132,176,321.63

7.2. Interests in joint venture arrangements or joint ventures

7.2.1. Important joint ventures or associated enterprises

Name of joint venture or associated enterprise	Principal place of business	Place of incorporation	Nature of business	Percentage of shareholding (%)		Accounting treatment of investment in joint ventures or associated enterprises
				Direct	Indirect	
MHPS Dongfang Boiler	Jiaxing, Zhejiang	Jiaxing, Zhejiang	Production		50	Equity method
Dongfang Framatome	Deyang, Sichuan	Deyang, Sichuan	Production	50		Equity method
Dongfang Mitsubishi	Nansha, Guangzhou	Nansha, Guangzhou	Production		49	Equity method
Dongshu New Material	Chengdu, Sichuan	Chengdu, Sichuan	Manufacturing industry		47.54	Equity method
Mulei East New Energy	Xinjiang Uygur Autonomous Region	Xinjiang Uygur Autonomous Region	Production		49	Equity method
Henan Dongfang Boiler Chengfa	Jiaozuo, Henan	Jiaozuo, Henan	Metal products industry		49	Equity method

7.2.2. Main financial information of important joint ventures

	Closing balance/Amount for the period		Balance as at December 31, 2024/Amount for the previous period	
	MHPS Dongfang Boiler	Dongfang Framatome	MHPS Dongfang Boiler	Dongfang Framatome
Current assets	2,244,425,909.84	989,367,992.88	1,475,517,222.36	1,024,479,321.92
Including: cash and cash equivalents	424,817,557.82	310,990,831.45	178,065,818.48	383,321,360.30
Non-current assets	184,366,048.03	176,952,162.39	190,477,467.32	145,368,593.08
Total assets	2,428,791,957.87	1,166,320,155.27	1,665,994,689.68	1,169,847,915.00
Current liabilities	1,885,646,345.79	674,302,111.85	1,144,350,060.22	749,482,498.88
Non-current liabilities	52,821,650.76	169,900,047.06	55,320,668.16	135,700,070.06
Total liabilities	1,938,467,996.55	844,202,158.91	1,199,670,728.38	885,182,568.94
Minority shareholders' equity				
Attributable to shareholders' equity of the company	490,323,961.32	322,117,996.36	466,323,961.30	284,665,346.06

Share of net assets in proportion to shareholding	245,161,980.66	161,058,998.19	233,161,980.65	142,332,673.03
Matters of adjustment		-3,555,321.61		667,330.01
—Goodwill				
—Unrealized profit from internal trading				
—Others		-3,555,321.61		667,330.01
Book value of equity investment in joint venture	245,161,980.66	164,614,319.80	233,161,980.65	141,665,343.02
Fair value of equity investment of joint venture with public quotation				
Operating income	896,539,297.36	154,597,269.80	778,792,929.93	128,185,631.02
Financial expenses	-163,718.24	-6,123,855.89	2,629,518.38	277,014.65
Income tax expense	91,345.69	6,248,253.99	-378,912.70	3,629,483.45
Net profit	24,000,000.00	35,406,667.60	20,762,894.45	20,567,072.88
Net profit from discontinued operations				
Other comprehensive income				
Total comprehensive income	24,000,000.00	35,406,667.60	20,762,894.45	20,567,072.88
Dividends received from joint venture in the current period				

7.2.3. Main financial information of important associated enterprises

	Closing balance/Amount for the period				
	Dongfang Mitsubishi	Dongshu New Material	Henan Dongfang Boiler Chengfa	Mulei East New Energy	Deyang Guangda Dongqi
Current assets	1,883,130,698.71	1,336,221,101.26	139,610,424.25	603,547,123.78	1,444,423,129.94
Non-current assets	555,958,202.83	413,993,984.73	12,547,646.45	3,431,671,624.34	551,483,624.60
Total assets	2,439,088,901.54	1,750,215,085.99	152,158,070.70	4,035,218,748.12	1,995,906,754.54
Current liabilities	767,570,315.50	1,233,779,322.42	109,447,114.81	878,788,835.91	1,185,038,690.72
Non-current liabilities	8,142,814.29	97,136,335.35	4,931,212.73	2,263,577,673.33	65,204.89
Total liabilities	775,713,129.79	1,330,915,657.77	114,378,327.54	3,142,366,509.24	1,185,103,895.61
Minority shareholders' equity		161,033,466.77			
Attributable to shareholders' equity of the company	1,663,375,771.75	258,265,961.45	37,779,743.16	892,852,238.88	810,802,858.93
Share of net assets in proportion to shareholding	815,054,128.16	124,220,280.25	18,512,074.15	437,497,597.05	397,293,400.88
Matters of adjustment	12,624,101.35			90,253,250.34	-11,486,081.33
—Goodwill					
—Unrealized profit from internal trading	12,624,101.35			-364,717,054.28	-11,486,081.33

	Closing balance/Amount for the period				
	Dongfang Mitsubishi	Dongshu New Material	Henan Dongfang Boiler Chengfa	Mulei East New Energy	Deyang Guangda Dongqi
—Others				454,970,304.62	
Book value of equity investment in associated enterprises	827,678,229.51	124,220,280.25	18,512,074.15	527,750,847.39	385,807,319.55
The fair value of the equity investment of the associated enterprise with public quotation					
Operating income	329,438,855.87	1,016,992,919.02	63,253,015.52	13,470,394.58	744,292,151.86
Net profit	52,352,000.00	3,455,978.07	1,100,000.00	12,707,021.67	58,164,440.30
Net profit from discontinued operations					
Other comprehensive income					
Total comprehensive income	52,352,000.00	3,455,978.07	1,100,000.00	12,707,021.67	58,164,440.30
Dividends received from associated enterprises in the current period					

	Balance as at December 31, 2024/Amount for the previous period				
	Dongfang Mitsubishi	Dongshu New Material	Henan Dongfang Boiler Chengfa	Mulei East New Energy	Deyang Guangda Dongqi
Current assets	1,937,595,714.80	1,087,856,885.85	152,511,016.21	613,911,484.09	1,284,790,283.13
Non-current assets	500,601,154.86	435,030,688.93	14,120,750.14	2,237,948,137.87	569,156,914.88
Total assets	2,438,196,869.66	1,522,887,574.78	166,631,766.35	2,851,859,621.96	1,853,947,198.01
Current liabilities	794,934,819.18	981,503,937.66	132,993,061.57	660,857,467.24	1,100,509,069.47
Non-current liabilities	8,648,977.61	126,675,358.33	4,061,815.62	1,310,856,937.51	151,571.09
Total liabilities	803,583,796.79	1,108,179,295.99	137,054,877.19	1,971,714,404.75	1,100,660,640.56
Minority shareholders' equity		157,719,091.04			
Attributable to shareholders' equity of the company	1,634,613,072.87	256,989,187.75	29,576,889.16	880,145,217.21	753,286,557.45
Share of net assets in proportion to shareholding	800,960,405.71	122,172,659.86	17,891,060.25	431,271,156.43	369,110,413.15
Matters of adjustment		1,805,166.39	-659.96	461,196,745.24	-7,710,664.95
—Goodwill					
—Unrealized profit from internal trading		1,805,166.39	-659.96	461,196,745.24	-7,710,664.95
—Others					
Book value of equity investment in associated enterprises	800,960,405.71	123,977,826.25	17,890,400.29	892,467,901.67	361,399,748.20
The fair value of the equity investment of the associated enterprise with public quotation					
Operating income	400,263,910.65	957,312,413.05			616,571,024.80
Net profit	137,160,980.71	1,739,702.35			21,414,958.70
Net profit from discontinued operations					
Other comprehensive income					
Total comprehensive income	137,160,980.71	1,739,702.35			21,414,958.70
Dividends received from associated enterprises in the		4,283,382.12			9,800,000.00

	Balance as at December 31, 2024/Amount for the previous period				
	Dongfang Mitsubishi	Dongshu New Material	Henan Dongfang Boiler Chengfa	Mulei East New Energy	Deyang Guangda Dongqi
current period					

7.3. Others

None.

8. Government subsidies

8.1. Basic information of government subsidies

Types of government subsidies	Amount incurred in the current period	The amount recorded in the current profit and loss	Remarks
Government subsidies included in deferred earnings	68,116,147.48	66,665,135.30	
Government subsidies included in other income	113,132,738.04	113,132,738.04	
Government subsidies included in non-operating income	298,092.41	298,092.41	
Government subsidies for writing down the book value of related assets			
Government subsidies to write down costs and expenses			
Total	181,546,977.93	180,095,965.75	

9. Risks associated with financial instruments

9.1. Various risks arising from financial instruments

The Company's main financial instruments include monetary funds, equity investment, debt investment, loans, receivables, payables and transactional financial assets, transactional financial liabilities, purchase and resale of financial assets, loans and advances, etc. It faces risks of various financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk. The risks associated with these financial instruments and the risk management policies adopted by the Company to mitigate these risks are described below.

9.1.1. Credit risk

Credit risk refers to the risk that the Company will incur financial losses due to the failure of a counterparty to perform contractual obligations. Management has formulated appropriate credit policies and continuously monitors the exposure to credit risk.

The Company has adopted a policy of transacting only with creditworthy counterparties. In addition, the Company evaluates the customer's credit qualification and establishes the credit period based on the customer's financial position, the possibility of obtaining guarantees from third parties, credit history and other factors such as current market conditions. The Company continuously monitors the balance and recovery of notes receivable and accounts receivable. For customers with poor credit records, the Company will urge payment in writing, shorten the credit period or cancel the credit period, etc., to ensure that the Company will not face significant credit losses. In addition, the Company reviews the recovery of financial assets on each balance sheet date to ensure that sufficient provision for expected credit losses has been made for the relevant financial assets.

Other financial assets of the Company include monetary funds, receivables, other receivables and trading financial assets, etc. The credit risk of these financial assets is derived from the default of the counterparty, and the maximum credit risk exposure is the carrying amount of each financial asset in the balance sheet. The monetary funds held by the Company are mainly deposited in state-owned banks and other large and medium-sized commercial banks and other financial institutions. The management believes that these commercial banks have high reputation and asset status, there is no significant credit risk, and there will not be any significant loss caused by the default of the counterparty. It is the Company's policy to control the amount of deposits placed with each well-known financial institution based on its market reputation, scale of operation and financial background to limit the amount of credit risk to any individual financial institution. As part of the Company's credit risk asset management, the Company uses aging to assess impairment losses on accounts receivable and other receivables. The company's accounts receivable and other receivables involve a large number of customers, and the aging information can reflect the solvency and bad debt risk of these customers for accounts receivable and other receivables. The company calculates the historical actual bad debt rate during different account ages based on historical data, and takes into account the forecast of current and future economic conditions, such as national GDP growth rate, total infrastructure investment and national monetary policy and other forward-looking information to adjust the expected loss rate. For long-term receivables, the Company comprehensively considers the settlement period, the payment period agreed in the contract, the financial status of the debtor and the economic situation of the industry in which the debtor operates, and makes a reasonable assessment of the expected credit losses after taking into account the forward-looking information mentioned above.

As of June 30, 2025, the book balance of relevant assets and expected credit impairment losses are as follows:

Subjects of study	Balance of book value	Provision for impairment losses
Notes receivable	1,042,452,983.40	44,295,387.00
Receivables financing	2,426,759,434.04	
Accounts receivable	17,829,235,955.24	3,796,132,598.52
Other receivables	806,230,285.59	295,291,013.58
Purchase and resale of financial assets	2,731,060,273.97	
Investment in debt	17,706,582,813.33	141,750,000.00
Long-term receivables (including amounts due within one year)	523,256,427.00	211,312,697.56
Issue loans and advances	4,888,895,151.55	425,805,287.64
Total	47,954,473,324.12	4,914,586,984.30

9.1.2. Liquidity risk

Current risk is the risk that the Company will not be able to meet its financial obligations at the maturity date. The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet maturing obligations without incurring unacceptable losses or causing damage to corporate reputation. The Company regularly analyzes the structure and maturity of its liabilities to ensure adequate funds. The management of the Company monitors the use of bank loans and ensures compliance with loan agreements, and actively communicates with financial institutions to maintain adequate credit lines and reduce liquidity risks.

Due to the company's good bank credit and high credit rating, as of June 30, 2025, the loan line provided by the bank is sufficient to meet its own financing needs.

The financial assets and financial liabilities held by the Company are analyzed as follows according to the maturity of the undiscounted remaining contractual obligations

Item	Closing balance					
	Immediate repayment	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total undiscounted contract amount
Financial assets						
Including: Monetary capital		31,258,747,496.38				31,258,747,496.38
Trading financial assets		1,572,706,401.76				1,572,706,401.76
Notes receivable		998,157,596.40				998,157,596.40
Accounts receivable		14,033,103,356.72				14,033,103,356.72
Accounts receivable financing		2,426,759,434.04				2,426,759,434.04
Other receivables		544,958,219.37				544,958,219.37
Purchase and resale of financial assets		2,731,060,273.97				2,731,060,273.97
Total amount of financial assets		53,565,492,778.64				53,565,492,778.64
Financial liabilities						
Including: short-term borrowing		75,109,263.89				75,109,263.89
Notes payable		16,341,656,436.91				16,341,656,436.91
Accounts payable		30,488,928,676.84				30,488,928,676.84
Other payables		2,969,389,239.35				2,969,389,239.35
Non-current liabilities due within one year		257,381,612.74				257,381,612.74
Long-term borrowings			1,281,708,500.00	307,315,834.56	1,845,851,239.41	3,434,875,573.97
Lease liabilities			30,601,367.93	198,627,584.79	366,548,394.91	595,777,347.63
Total amount of financial liabilities		50,132,465,229.73	1,312,309,867.93	505,943,419.35	2,212,399,634.32	54,163,118,151.33

9.1.3. Market risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices, including exchange rate risk, interest rate risk and other price risks.

(1) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in market rate.

The Company's interest rate risk arises from interest-bearing debt such as bank loans. Financial liabilities with floating interest rate expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Company to fair value interest rate risk. The Company determines the relative proportion of fixed and floating rate contracts based on prevailing market conditions. As of June 30, 2025, the Company's interest-bearing debt is mainly RMB denominated fixed interest rate contracts with a total amount of RMB4,175,579,487.05.

The Company's risk of changes in the cash flow of financial instruments caused by changes in interest rates is mainly related to floating rate bank borrowings. It is the Company's policy to maintain a floating interest rate on these borrowings to eliminate the fair value risk of interest rate movements.

(2) Exchange rate risk

Exchange rate risk refers to the risk that the fair value of a financial instrument or its future cash flows will fluctuate due to changes in foreign exchange rates.

The Company's exposure to foreign exchange risks is mainly related to US dollar, euro, Japanese yen and Indian Rupee, etc. Except for the purchase and sales of the Company and its major subsidiaries in US dollar, euro, Japanese yen and Indian Rupee, other major business activities of the Company are denominated and settled in RMB. As of June 30, 2025, the assets and liabilities of the Company are all in RMB, except for the US dollars and other foreign currencies of the assets and liabilities described in Note 5.71. The foreign exchange risks arising from the assets and liabilities of such foreign currency balances may have an impact on the Company's operating results. See Note 5.71 for the foreign currency monetary assets and liabilities held by the Japanese company as of June 30, 2025.

(3) Other price risks

The Company sells power generation equipment at market prices and is therefore subject to such price fluctuations.

9.1.4. Sensitivity analysis

The Company uses sensitivity analysis techniques to analyze the possible impact of reasonable and possible changes in risk variables on current profits and losses or owners' equity. Since any risk variable rarely changes in isolation, and the correlation between variables will have a significant effect on the ultimate impact amount of a change in a risk variable, the following is carried out under the assumption that the change in each variable is independent.

(1) Sensitivity analysis of foreign exchange risk

Assumption of foreign exchange risk sensitivity analysis: all net investment hedging and cash flow hedging of overseas operations are highly effective. On the basis of the above assumptions, with other variables unchanged, the after-tax impact of possible reasonable changes in exchange rate on current profits and losses and equity is as follows:

Item	Changes in exchange rate	Amount for the period		Amount for the corresponding period last year	
		Impact on net profit	Impact on owners' equity	Impact on net profit	Impact on owners' equity
All foreign currencies	The RMB appreciated by 5% against foreign currencies	-98,239,102.27	-98,239,102.27	-119,293,686.63	-119,293,686.63
All foreign currencies	The Renminbi depreciated by 5% against foreign currencies	98,239,102.27	98,239,102.27	119,293,686.63	119,293,686.63

(2) Sensitivity analysis of interest rate risk

The sensitivity analysis of interest rate risk is based on the following assumptions: Changes in market interest rates affecting interest income or expense on variable rate financial instruments; For fixed interest rate financial instruments measured at fair value, changes in market interest rates only affect their interest income or expense; Calculate changes in the fair value of derivative financial instruments and other financial assets and liabilities using the discounted cash flow method at the market interest rate on the balance sheet date.

On the basis of the above assumptions, with other variables unchanged, the after-tax impact of possible reasonable changes in interest rates on current profits and losses and equity is as follows:

Item	Changes in interest rates	Amount for the period		Amount for the corresponding period last year	
		Impact on net profit	Impact on owners' equity	Impact on net profit	Impact on owners' equity
Floating rate borrowing	Increase by 1%	-3,194,582.47	-3,194,582.47	-3,274,907.14	-3,274,907.14
Floating rate borrowing	Decrease by 1%	3,194,582.47	3,194,582.47	3,274,907.14	3,274,907.14

10. Disclosure of fair value

The input values used in fair value measurement are divided into three levels:

The first level of input value is the unadjusted quotation in the active market for the same asset or liability available at the measurement date.

The second level input value is the directly or indirectly observable input value of the relevant asset or liability in addition to the first level input value.

The third level input value is the unobservable input value of the related asset or liability.

The level of the fair value measurement result is determined by the lowest level of the input value that is of great significance to the fair value measurement as a whole.

10.1. The fair value at the end of the period of the assets and liabilities measured at fair value

Item	Fair value at the end of the period			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
1. Financial assets measured at fair value and whose changes are recorded in current profits and losses	1,572,706,401.76			1,572,706,401.76
(1) Debt instrument investment	321,978,300.00			321,978,300.00
(2) Equity instrument investment	867,061,706.35			867,061,706.35
(3) Others	383,666,395.41			383,666,395.41
2. Investment in other equity instruments			540,126,275.38	540,126,275.38
3. Receivables financing			2,426,759,434.04	2,426,759,434.04
Total assets	1,572,706,401.76		2,966,885,709.42	4,539,592,111.18

10.2. The basis for determining the market price of the first level of fair value measurement

items

For financial instruments traded in active markets, the Company determines their fair value based on their active market quotations.

10.3. Continuous and non-continuous fair value measurement items at the second level, valuation techniques used and qualitative and quantitative information of important parameters

None.

10.4. Continuous and non-continuous fair value measurement items at the third level, valuation techniques used and qualitative and quantitative information of important parameters

The Company's continuous and non-continuous tier 3 fair value measurement items are measured at cost, unless the cost measurement is unreliable.

Due to the absence of active market quotations for the Company’s unlisted equity investments and the lack of recent comparable transactions, the management considers that the cost reflects the current fair value.

The contractual terms for the receivables financing of the Company measured at amortised cost are generally ≤6 months, and no significant increase in credit risk has occurred since initial recognition. There is no material difference between fair value and amortised cost.

11.Related parties and related transactions

11.1. Parent company of the Company

Name of parent company (ultimate holding company)	Place of incorporation	Nature of business	Registered capital (0'000 yuan)	Shareholding of the parent Company in the Company (%)	Proportion of voting rights of the parent Company in the Company (%)
Dongfang Electric Corporation	333 Shuhan Road, Jinniu District, Chengdu City, Sichuan Province, China	Generator and generator set manufacturing	554,434.38	52.29	52.29

Note: The above shareholding ratio is the shareholding ratio directly held by the parent company, and the shareholding ratio of 0.028% held by Dongfang Electric International Investment Co., Ltd. (“Dongfang International Investment”), a subsidiary of the parent company, has not been calculated on a consolidated basis.

Description of the company's parent company:

Established on November 6, 1984, Dongfang Electric Corporation is an enterprise under the supervision of State-owned Assets Supervision and Administration Commission of the State Council. As of June 30, 2025, the registered capital of Dongfang Electric Corporation is RMB5.544 billion, and Dongfang Electric Corporation holds 52.29% of the shares of the Company.

11.2. Subsidiaries of the Company

For details of the company's subsidiaries, please refer to "7. Rights and Interests in Other Entities" in this note.

11.3. Joint ventures and associates of the Company

For the important joint ventures or associated enterprises of the company, please refer to "7. Rights and Interests in Other Entities" in this note.

The situation of other joint ventures or associated enterprises that have related party transactions with the Company in the current period, or have related party transactions with the Company in the previous period and form balances, is as follows:

Name of joint venture or associated enterprise	Relationship with the Company
Deyang Guangda Dongqi	Associated enterprise
Sichuan Dongfang Development Clean Energy Co., Ltd.* (四川东方发展清洁能源有限公司)	Associated enterprise
Dongfang Mitsubishi	Associated enterprise
Leshan Dongle Dajian Lifting Co., LTD.	Associated enterprise
Hongnijing Wind Power	Associated enterprise
Hunan Ping An Environmental Protection	Associated enterprise
Longkou Wind Power	Associated enterprise
Sanshengtai Wind Power	Associated enterprise
Sichuan Digital Intelligence Supply Chain Technology Co., Ltd.	Associated enterprise
Dongshu New Material	Associated enterprise
Sichuan Dongneng Energy Co., Ltd.	Associated enterprise
Sanxia New Energy Generation (Mangya) Co., Ltd.	Associated enterprise
Mulei East New Energy	Associated enterprise

Liangshan Xinhe Wind Power Development Co., Ltd.	Associated enterprise
Henan Dongfang Boiler Chengfa	Associated enterprise
Fujian Fuzhou Mintou Offshore Wind Power Collector Station Co., Ltd.	Associated enterprise
Wulan New Energy	Associated enterprise
China United Heavy Gas	Associated enterprise
Dongfang Zhongheng (Chengdu) New Energy Technology Co., LTD.	Associated enterprise
Liangshan Fengguang New Energy Operator and Maintenance Co., LTD.	Associated enterprise
Dongfang Framatome	Joint venture
MHPS Dongfang Boiler	Joint venture

11.4. Other related parties

Names of other related parties	Relationship between other related parties and the Company
Dongfang Electric Investment Management Co., LTD. (hereinafter referred to as Dongfang Investment)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongshu New Material	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Leshan Eban High-purity Material Co., LTD. (hereinafter referred to as Emeishan Eban High Purity Material)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Corporation (Chengdu) Sharing Service Co., LTD. (hereinafter referred to as Dongfang Sharing)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric (Jiuquan) Photovoltaic Power Generation Technology Co., LTD. (hereinafter referred to as Dongfang Jiuquan Photovoltaic)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric (Jiuquan) Integrated Smart Energy Technology Co., Ltd. (hereinafter referred to as Jiuquan Integrated Smart Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Quzhou Huijie New Energy Technology Co., LTD. (hereinafter referred to as Quzhou Huijie New Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Quzhou Huihe New Energy Technology Co., LTD. (hereinafter referred to as Quzhou Huihe New Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Zhangbei County) Co., LTD. (hereinafter referred to as Dongyao Zhangbei New Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric International Investment Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Ecuador S.A.	Other enterprises controlled by the same parent company and ultimate controlling party
Luquan Dongdian Solar Power Company Limited (hereinafter referred to as Luquan Solar)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Feiyuan (Shandong) Electronic Materials Co., LTD. (hereinafter referred to as Dongfang Feiyuan)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Corporation Co., LTD. (hereinafter referred to as Dongfang Honghua)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Holdings Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Oil & Gas Engineering Services Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua America, Inc.	Other enterprises controlled by the same parent company

Names of other related parties	Relationship between other related parties and the Company
	and ultimate controlling party
Honghua Gold Coast Equipment Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Finance Leasing (Shanghai) Co., LTD. (hereinafter referred to as Honghua Leasing)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Huyi Finance Leasing (Shanghai) Co., LTD. (hereinafter referred to as Shanghai Huyi)	Other enterprises controlled by the same parent company and ultimate controlling party
Xinshun (Hong Kong) Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Hanzheng Testing Technology Co., LTD. (hereinafter referred to as Hanzheng Testing)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Drilling Technology Company Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Energy Equipment Co., LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua (China) Investment Co., LTD (hereinafter referred to as Honghua China)	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua Petroleum Equipment Co., LTD (hereinafter referred to as Sichuan Honghua)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Marine Oil&Gas Equipment (Jiangsu) Co., LTD. (hereinafter referred to as Honghua Marine)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Corporation Smart Solar Energy Co., LTD. (hereinafter referred to as Dongfang Solar Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Qinhuangdao Hongju Photovoltaic Power Co., LTD. (hereinafter referred to as Qinhuangdao Hongju Photovoltaic)	Other enterprises controlled by the same parent company and ultimate controlling party
Qinhuangdao Juxing Photovoltaic Power Co., LTD. (hereinafter referred to as Qinhuangdao Juxing Photovoltaic)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Fuyang) Co., LTD. (hereinafter referred to as Dongyao Fuyang New Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Qujing) Company Limited (hereinafter referred to as Dongyao Qujing New Energy)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Qingyuan) Company Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Weihai) Company Limited	Other enterprises controlled by the same parent company and ultimate controlling party
Huiyao (Qinhuangdao Shanhaiguan District) Technology Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao (Qinglong Manchu Autonomous County) Technology Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Huiyao (Qinglong Manchu Autonomous County) Technology Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric Corporation Digital Technology Co., LTD. (hereinafter referred to as Dongfang Digital Technology)	Other enterprises controlled by the same parent company and ultimate controlling party
Dongyao New Energy (Jingmen) Co., LTD	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua Oil and Gas Engineering Technology Service Co., LTD. (hereinafter referred to as Honghua Oil Service)	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua International Science and Trade Co., LTD. (hereinafter referred to as Honghua International)	Other enterprises controlled by the same parent company and ultimate controlling party
Sichuan Honghua Electric Co., LTD. (hereinafter referred to as Honghua Electric)	Other enterprises controlled by the same parent company and ultimate controlling party
Gansu Hongteng Oil and Gas Equipment Manufacturing Co., LTD. (hereinafter referred to as Gansu Hongteng)	Other enterprises controlled by the same parent company and ultimate controlling party
Honghua International Ukraine Co., LTD.	Other enterprises controlled by the same parent company and ultimate controlling party
Dongfang Electric (Hulunbuir) New Energy Co., LTD	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Chengdu Dongfang Electric Technology Industry Co., LTD	Subsidiaries previously under the control of the same

Names of other related parties	Relationship between other related parties and the Company
	parent company and ultimate controlling party
Dongfang Electric Corporation Emei Semiconductor Materials Co., LTD. (hereinafter referred to as Emei Semiconductor Company)	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Dongfang Electric Corporation (Yixing) Maiji Solar Technology Co., LTD. (hereinafter referred to as Dongfang Maiji)	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Shizuishan Tiande Photovoltaic Power Generation Co., LTD.	Subsidiaries previously under the control of the same parent company and ultimate controlling party
Shanghai Feat Ocean Engineering Co., LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Hong Kong Tyco Limited	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Hangzhou New Energy	Subsidiaries in bankruptcy liquidation
Zhonghe Seawater Desalination Engineering Co., LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Tuimada Oil & Gas Services LTD.	Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation
Dongfang Electric (Tongliao) Wind Power Engineering Technology Co., LTD. (hereinafter referred to as Tongliao Wind Power)	Subsidiaries previously under the control
Dongfang Electric (Neijiang) Hydrogen Energy Co., LTD.	Subsidiaries previously under the control
Dongfang Electric (Jiuquan) New Energy Co., LTD	Subsidiaries previously under the control
West China Energy Industry Co., LTD. (hereinafter referred to as West China Energy)	Investors with significant influence
Guangdong Yuedian Corporation Co., LTD.	Investors with significant influence

11.5. Related party transactions

11.5.1. Related-party transactions on purchase of goods, and receipt of services

Table of goods purchased/services received

Related parties	Content of related party transactions	Amount for the period	Amount for the previous period
Parent company and ultimate controlling party		**8,072,509.51**	**7,077,471.43**
Dongfang Electric Corporation	Accept labor and kinetic energy	8,072,509.51	7,077,471.43
Joint ventures and associated enterprises		**1,564,299,001.41**	**1,184,647,133.24**
MHPS Dongfang Boiler	Purchase of goods	654,439,468.69	1,062,842,434.08
Dongfang Mitsubishi	Purchase of goods	168,364,206.82	121,804,699.16
Henan Dongfang Boiler Chengfa	Purchase of goods	75,234,763.33	
Deyang Guangda Dongqi	Purchase of goods	666,260,562.57	
Other enterprises controlled by the same parent company and ultimate controlling party		**387,226,540.85**	**308,917,737.98**

Dongshu new material	Purchase of goods	207,559,760.41	191,420,041.41
Dongfang Sharing	Accept labor and kinetic energy	16,701,109.85	72,966.05
Hanzheng Testing	Accept labor and kinetic energy	7,263,035.45	1,068,206.71
Honghua Electric	Purchase of goods	23,404,921.13	17,095,584.21
Sichuan Honghua	Purchase of goods	90,673,168.93	45,294,578.72
Sichuan Honghua	Accept labor and kinetic energy		40,095,370.62
Gansu Hongteng	Accept labor and kinetic energy		13,870,990.26
Dongfang Digital Technology	Accept labor and kinetic energy	41,624,545.08	
Total		**1,959,598,051.77**	**1,500,642,342.65**

List of goods sold/services provided

Related parties	Content of related party transactions	Amount for the period	Amount for the previous period
Joint ventures and associated enterprises		**312,160,906.32**	**88,313,750.74**
Dongfang Framatome	Sale of goods	53,535,695.36	9,373,920.00
MHPS Dongfang Boiler	Provide labor services and kinetic energy	72,199,823.08	57,839,690.01
Mulei East New Energy	Sale of goods	153,601,415.09	
Dongfang Mitsubishi	Sale of goods	15,454,942.99	21,100,140.73
Deyang Guangda Dongqi	Provide labor services and kinetic energy	15,942,968.74	
Hongnijing Wind Power	Sale of goods	110,092.92	
Longkou Wind Power	Sale of goods	1,016,814.16	
China United Heavy Gas	Sale of goods	299,153.98	
Other enterprises controlled by the same parent company and ultimate controlling party		**427,042,101.67**	**541,599,789.84**
Dongfang Solar Energy	Sale of goods	17,329.11	1,329,387.21
Dongyao Zhangbei New Energy	Sale of goods	23,596,802.03	
Dongyao Zhangbei New Energy	Provide labor services and kinetic energy	33,561,408.77	16,647,623.56
Dongfang Jiuquan Photovoltaic	Sale of goods	8,087.75	
Jiuquan Integrated Smart Energy	Sale of goods		12,646,574.41
Qinhuangdao Juxing Photovoltaic	Sale of goods	43,593,612.73	233,115,244.20
Qinhuangdao Juxing Photovoltaic	Provide labor services and kinetic energy	14,538,457.57	
Quzhou Huihe New Energy	Sale of goods	60,619.47	
Dongshu New Material	Provide labor services and kinetic energy	130,328.68	417,500.43
Honghua Electric	Sale of goods	25,725,164.32	15,167,283.49
Sichuan Honghua	Sale of goods	55,217,810.07	53,865,199.74
Honghua Oil Service	Provide labor services and kinetic energy	35,628.32	

Related parties	Content of related party transactions	Amount for the period	Amount for the previous period
Honghua Marine	Sale of goods	229,795,635.35	208,410,976.80
Hanzheng Testing	Provide labor services and kinetic energy	59,854.86	
Gansu Hongteng	Provide labor services and kinetic energy	701,362.64	
Total		**739,203,007.99**	**629,913,540.58**

11.5.2. Income and expenses of related interest

(1) Related interest income

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Joint ventures and associated enterprises			**2,095,387.84**
MHPS Dongfang Boiler	Interest income		2,095,387.84
Other enterprises controlled by the same parent company and ultimate controlling party		**23,730,753.95**	**12,417,517.24**
Honghua China	Interest income	8,118,836.09	8,533,411.93
Sichuan Honghua	Interest income	4,037,905.91	7,265,691.83
Dongshu New Material	Interest income	5,333,807.98	5,683,459.46
Dongfang Feiyuan	Interest income	766,837.00	1,112,709.65
Honghua Marine	Interest income	1,851,926.19	
Luquan Solar	Interest income	2,187,767.89	
Quzhou Huihe New Energy	Interest income	1,364,758.30	
Honghua Electric	Interest income	68,914.59	
Quzhou Huijie New Energy	Interest income		1,526,036.40
Total		**23,730,753.95**	**26,216,697.11**

(2) Related interest expense

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Parent company and ultimate controlling party		**12,142,750.70**	**7,090,877.35**
Dongfang Electric Corporation	Interest expense	**12,142,750.70**	**7,090,877.35**
Other enterprises controlled by the same parent company and ultimate controlling party		**1,668,658.52**	**2,049,639.60**
Dongfang Feiyuan	Interest expense	10,624.98	8,032.06
Dongfang Solar Energy	Interest expense	715,133.99	566,995.20
Dongfang Investment	Interest expense	13,691.96	86,049.48
Dongfang Sharing	Interest expense	201,093.06	185,557.01

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Luquan Solar	Interest expense	49,130.41	13,067.55
Jiuquan Photovoltaic Technology	Interest expense	1,955.37	1,949.13
Dongshu New Material	Interest expense	29,648.86	54,422.97
Emeishan Eban High Purity Material	Interest expense	20,653.75	65,938.03
Quzhou Huihe New Energy	Interest expense	11,715.96	12,420.96
Jiuquan Integrated Smart Energy	Interest expense	137,741.16	50,174.37
Honghua Electric	Interest expense	0.20	0.20
Honghua China	Interest expense	460.98	0.10
Sichuan Honghua	Interest expense	39,949.49	8,751.93
Honghua Marine	Interest expense	5,134.56	253.01
Honghua International	Interest expense	0.10	0.10
Gansu Hongteng	Interest expense	2,823.85	
Shanghai Huyi	Interest expense	4,790.67	
Honghua Leasing	Interest expense	203,332.82	
Dongyao Qujing New Energy	Interest expense	4,075.56	1,439.65
Dongyao Zhangbei New Energy	Interest expense	109,631.11	30,342.04
Dongyao Fuyang New Energy	Interest expense	35,976.28	19,322.62
Qinhuangdao Hongju Photovoltaic	Interest expense	229.07	20,029.86
Qinhuangdao Juxing Photovoltaic	Interest expense	70,864.33	3,869.01
Joint ventures and associated enterprises		**1,866.60**	**786.01**
MHPS Dongfang Boiler	Interest expense	**1,866.60**	**786.01**
Total		**13,813,275.82**	**8,220,278.64**

11.5.3. Related leasing

Company as the lessor:

Name of lessee	Types of leased assets	Rental income recognized in the current period	Lease income recognised in the previous period
Hanzheng Testing	Leasing of fixed assets	59,854.86	
Deyang Guangda Dongqi	Leasing of fixed assets	372,927.09	
Sichuan Honghua	Car rental	462,548.68	462,548.68
Honghua International	Car rental	89,872.56	
Honghua Marine	Car rental	111,504.42	

Company as the lessee:

Name of lessor	Types of leased assets	Amount for the period					Amount for the previous period				
		Rental expenses for simplified short-term leases and of low-value asset leases	Variable lease payments not included in the measurement of the lease liability	Rent paid	Interest expense on lease liabilities	Increased use-right assets	Rental expenses for simplified short-term leases and of low-value asset leases	Variable lease payments not included in the measurement of the lease liability	Rent paid	Interest expense on lease liabilities	Increased use-right assets
Dongfang Electric Corporation	Buildings, machinery and equipment	4,037,343.72		45,951,760.10					59,602,973.15	6,590,853.38	64,183,860.92

11.5.4. Related guarantee

Company as the guarantor:

The guaranteed party	Amount guaranteed	Commencement date of guarantee	Maturity date of guarantee	Whether the guarantee has been fulfilled
Dongfang Mitsubishi	24,500,000.00	2016/9/22	Termination date of long-term service agreement	No
Hongnijing Wind Power	16,000,000.00	2016/1/19	2026/1/19	No
Sanshengtai Wind Power	16,000,000.00	2016/6/29	2026/6/29	No
Wulan New Energy	36,000,000.00	2016/10/27	2026/10/27	No
Total	92,500,000.00			

11.5.5. Loans from and to related parties

Related party	Amount borrowed	Date of commencement	Date of maturity
Pull in			
Dongfang Electric Corporation	335,240,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	270,000,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	210,000,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	30,000,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	20,000,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	10,000,000.00	2024/6/13	2027/6/13
Dongfang Electric Corporation	60,000,000.00	2024/6/14	2027/6/14
Dongfang Electric Corporation	60,000,000.00	2024/6/14	2027/6/14
Dongfang Electric Corporation	30,000,000.00	2024/6/14	2027/6/14
Dongfang Electric Corporation	5,000,000.00	2024/11/29	2025/11/29
Total	**1,030,240,000.00**		
Take out			
Sichuan Honghua	70,000,000.00	2025/1/14	2025/12/31
Sichuan Honghua	50,000,000.00	2025/2/27	2028/2/21
Sichuan Honghua	94,900,000.00	2025/3/6	2026/3/6
Sichuan Honghua	80,000,000.00	2025/5/28	2028/5/21
Sichuan Honghua	90,000,000.00	2025/6/27	2026/6/27
Dongshu New Material	50,000,000.00	2025/1/22	2026/1/22
Dongshu New Material	15,000,000.00	2025/2/28	2026/2/28
Dongshu New Material	50,000,000.00	2025/3/24	2026/3/24
Dongshu New Material	40,000,000.00	2025/4/15	2026/4/15
Dongshu New Material	50,000,000.00	2025/4/28	2025/10/28

Dongshu New Material	50,000,000.00	2025/6/26	2026/6/26
Mulei East New Energy	176,077,510.99	2025/1/24	2039/4/21
Mulei East New Energy	15,413,622.25	2025/6/18	2039/5/31
Honghua Marine	20,000,000.00	2025/5/14	2026/5/14
Dongfang Feiyuan	30,000,000.00	2025/1/17	2026/1/17
Dongfang Feiyuan	20,000,000.00	2025/1/22	2026/1/17
Dongfang Feiyuan	25,000,000.00	2025/2/12	2026/2/12
Dongfang Feiyuan	25,000,000.00	2025/6/11	2026/6/11
Dongfang Feiyuan	45,000,000.00	2025/6/26	2026/6/26
Emeishan Eban High Purity Material	6,000,000.00	2025/6/10	2026/6/10
Sichuan Honghua	70,000,000.00	2025/1/14	2025/12/31
Sichuan Honghua	50,000,000.00	2025/2/27	2028/2/21
Sichuan Honghua	94,900,000.00	2025/3/6	2026/3/6
Sichuan Honghua	80,000,000.00	2025/5/28	2028/5/21
Sichuan Honghua	90,000,000.00	2025/6/27	2026/6/27
Dongshu New Material	50,000,000.00	2025/1/22	2026/1/22
Dongshu New Material	15,000,000.00	2025/2/28	2026/2/28
Dongshu New Material	50,000,000.00	2025/3/24	2026/3/24
Dongshu New Material	40,000,000.00	2025/4/15	2026/4/15
Dongshu New Material	50,000,000.00	2025/4/28	2025/10/28
Dongshu New Material	50,000,000.00	2025/6/26	2026/6/26
Mulei East New Energy	176,077,510.99	2025/1/24	2039/4/21
Mulei East New Energy	15,413,622.25	2025/6/18	2039/5/31
Honghua Marine	20,000,000.00	2025/5/14	2026/5/14
Dongfang Feiyuan	30,000,000.00	2025/1/17	2026/1/17
Dongfang Feiyuan	20,000,000.00	2025/1/22	2026/1/17
Dongfang Feiyuan	25,000,000.00	2025/2/12	2026/2/12
Dongfang Feiyuan	25,000,000.00	2025/6/11	2026/6/11
Dongfang Feiyuan	45,000,000.00	2025/6/26	2026/6/26
Emeishan Eban High Purity Material	6,000,000.00	2025/6/10	2026/6/10
Total	**1,002,391,133.24**		

11.6. Related party receivables and payables and other unsettled items

11.6.1. Absorb monetary funds from related parties

Related party	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of the current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
Parent company			**3,317,858,311.39**		**1,319,619,302.66**

Related party	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of the current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
and ultimate controlling party					
Dongfang Electric Corporation	RMB	3,233,782,370.67	3,233,782,370.67	1,234,716,285.46	1,234,716,285.46
Dongfang Electric Corporation	USD	11,744,746.28	84,075,940.72	11,811,114.74	84,903,017.20
Joint ventures and associated enterprises			**5,001,340.07**		**41,788,236.01**
MHPS Dongfang Boiler	RMB	1,215,205.78	1,215,205.78	225,550.12	225,550.12
Mulei East New Energy	RMB	3,786,134.27	3,786,134.27	180,483.40	180,483.40
Henan Dongfang Boiler Chengfa	RMB			41,382,202.49	41,382,202.49
Deyang Guangda Dongqi	RMB	0.02	0.02		
Other enterprises controlled by the same parent company and ultimate controlling party			**1,291,383,001.68**		**796,469,367.43**
Dongfang Investment	RMB	16,371,823.02	16,371,823.02	4,791,078.88	4,791,078.88
Jiuquan Photovoltaic Technology	RMB	1,557,173.95	1,557,173.95	2,979,270.97	2,979,270.97
Dongshu New Material	RMB	12,957,528.16	12,957,528.16	15,705,253.96	15,705,253.96
Dongfang Feiyuan	RMB	38,490,526.66	38,490,526.66	21,953,517.09	21,953,517.09
Emeishan Eban High Purity Material	RMB	30,470,083.27	30,470,083.27	28,035,425.68	28,035,425.68
Dongfang Sharing	RMB	54,748,549.57	54,748,549.57	59,988,385.33	59,988,385.33
Dongfang Solar Energy	RMB	191,792,809.42	191,792,809.42	220,364,068.18	220,364,068.18
Quzhou Huihe New Energy	RMB	10,101,952.61	10,101,952.61	10,143,861.03	10,143,861.03
Jiuquan Integrated Smart Energy	RMB	51,764,744.16	51,764,744.16	63,793,168.13	63,793,168.13
Dongyao Zhangbei New Energy	RMB	29,563,190.72	29,563,190.72	51,486,752.25	51,486,752.25
Honghua Oil Service	RMB	29,270,001.00	29,270,001.00		
Honghua Electric	RMB	30,000,201.04	30,000,201.04	200.84	200.84
Sichuan Honghua	RMB	327,817,982.46	327,817,982.46	10,073,198.55	10,073,198.55
Honghua International	RMB	37,700,101.49	37,700,101.49	101.39	101.39
Honghua China	RMB	456,259.76	456,259.76	455,798.78	455,798.78
Honghua Marine	RMB	60,092,645.47	60,092,645.47	751,340.06	751,340.06
Dongyao Fuyang New Energy	RMB	15,780,071.94	15,780,071.94	20,599,828.29	20,599,828.29
Dongyao Qujing New Energy	RMB	2,025,150.13	2,025,150.13	3,988,324.83	3,988,324.83
Qinhuangdao Juxing Photovoltaic	RMB	30,457,011.96	30,457,011.96	42,755,382.85	42,755,382.85

Related party	Type of currency	Amount at the end of the current year (original currency)	Amount at the end of the current year (equivalent to RMB)	Amount at the end of last year (original currency)	Amount at the end of last year (equivalent to RMB)
Qinhuangdao Hongju Photovoltaic	RMB	6,546.58	6,546.58	163,438.68	163,438.68
Gansu Hongteng	RMB	2,918,433.07	2,918,433.07	563,159.33	563,159.33
Luquan Solar	RMB	37,886,445.47	37,886,445.47	34,726,478.80	34,726,478.80
Honghua Leasing	RMB	12,800,258.61	12,800,258.61	196,157,897.47	196,157,897.47
Shanghai Huyi	RMB	122,485.75	122,485.75	4,083,436.06	4,083,436.06
Dongfang Digital Technology	RMB	266,231,023.67	266,231,023.67	2,910,000.00	2,910,000.00
Emei Semiconductor Company	RMB	1.74	1.74		
Subsidiaries controlled by the same parent company and ultimate controlling party and in bankruptcy liquidation			**11.73**		**11.73**
Tongliao Wind Power	RMB	10.60	10.60	10.60	10.60
Dongfang Maiji	RMB	1.13	1.13	1.13	1.13
Subsidiaries in bankruptcy liquidation			**73.19**		**69.78**
Hangzhou New Energy	RMB	15.24	15.24	15.24	15.24
Hangzhou New Energy	EUR	7.70	57.95	7.70	54.54

11.6.2. Receivable items

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
Accounts receivable		**1,283,473,191.94**	**231,797,973.04**	**860,431,175.93**	**210,265,722.34**
	Parent company and ultimate controlling party	**5,040,000.00**	**2,016,000.00**	**5,040,000.00**	**1,008,000.00**
	Dongfang Electric Corporation	5,040,000.00	2,016,000.00	5,040,000.00	1,008,000.00
	Joint ventures and associated enterprises	**734,558,706.17**	**116,646,175.23**	**553,663,108.50**	**108,439,302.70**
	MHPS Dongfang Boiler	12,711,235.58	1,048,815.94	94,936,963.00	7,935,744.53
	Dongfang Framatome	107,074,158.45	7,086,619.24	4,635,827.66	369,542.76
	Hongnijin Wind Power	16,855,434.00	15,505,434.00	16,855,434.00	15,430,434.00

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Sanshengtai Wind Power	26,263,252.00	24,301,252.00	26,263,252.00	24,301,252.00
	Longkou Wind Power	3,749,100.00	244,905.00	3,864,000.00	250,650.00
	China United Heavy Gas	10,394,000.00	1,039,400.00		
	Deyang Guangda Dongqi	7,752,866.08	387,643.30	9,599,468.78	496,617.66
	Dongfang Mitsubishi	16,499,909.89	831,474.73	1,330,128.52	72,985.67
	Hunan Ping AN Environmental Protection	2,522,910.17	252,291.02	6,353,646.13	635,364.61
	Wulan New Energy	41,485,840.00	41,485,840.00	47,123,450.62	41,804,247.08
	Mulei East New Energy	489,250,000.00	24,462,500.00	342,668,247.79	17,133,412.39
	Henan Dongfang Boiler Chengfa			32,690.00	9,052.00
	Other enterprises controlled by the same parent company and ultimate controlling party	**454,476,788.89**	**23,738,100.93**	**212,330,370.55**	**11,420,722.76**
	Dongshu New Material			519,517.26	25,975.86
	Dongfang Jiuquan Photovoltaic			8,397.75	419.89
	Quzhou Huihe New Energy	9,392,990.00	639,299.00	9,400,870.53	470,043.53
	Jiuquan Integrated Smart Energy	11,225,919.00	872,373.43	11,225,919.00	1,122,591.90
	Dongyao Fuyang New Energy	4,166,418.37	208,320.92	6,221,230.02	311,061.50
	Dongyao Qujing New Energy	985,500.00	98,550.00	3,747,982.00	374,775.27
	Dongyao Zhangbei New Energy	900,031.35	45,001.57	3,588,050.22	179,402.51
	Dongfang Solar Energy			18,185.80	909.29
	Qinhuangdao Juxing Photovoltaic	87,925,145.83	4,396,257.29	115,964,686.19	5,798,234.31
	Honghua Electric			23,165,857.07	1,213,824.96
	Gansu Hongteng	22,846.40	1,142.32		
	Sichuan Honghua	45,074,109.79	2,253,705.52	35,662,395.71	1,783,119.79
	Honghua International	209,440.00	10,472.00	209,440.00	10,472.00

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Honghua Marine	259,543,067.28	12,977,153.37	2,597,839.00	129,891.95
	Honghua Electric	26,940,138.58	1,831,266.40		
	Emeishan Eban High Purity Material	2,765,697.00	138,284.85		
	Dongfang Digital Technology	5,285,225.29	264,261.26		
	Honghua Oil Service	40,260.00	2,013.00		
	Subsidiaries in bankruptcy liquidation	**89,397,696.88**	**89,397,696.88**	**89,397,696.88**	**89,397,696.88**
	Hangzhou New Energy	89,397,696.88	89,397,696.88	89,397,696.88	89,397,696.88
Notes receivable		**28,665,737.29**	**720,876.96**	**122,575,861.30**	**121,737.42**
	Joint ventures and associated enterprises	**27,861,539.14**	**720,876.96**	**15,079,748.78**	**121,737.42**
	MHPS Dongfang Boiler	27,861,539.14	720,876.96	12,645,000.00	
	Henan Dongfang Boiler Chengfa			2,434,748.78	121,737.42
	Other enterprises controlled by the same parent company and ultimate controlling party	**804,198.15**		**107,496,112.52**	
	Honghua Electric	804,198.15			
	Sichuan Honghua			18,105,793.95	
	Honghua Marine			89,390,318.57	
Payment in advance		**487,413,761.07**		**304,648,387.24**	
	Joint ventures and associated enterprises	**413,731,160.79**		**284,824,149.11**	
	MHPS Dongfang Boiler	413,731,160.79		284,824,149.11	
	Other enterprises controlled by the same parent company and ultimate controlling party	**73,682,600.28**		**19,824,238.13**	
	Dongshu New Material	1,147,510.00			
	Sichuan Honghua	5,381,040.75		16,926,238.13	

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Dongfang Sharing	30,000.00		102,000.00	
	Dongfang Digital Technology	67,124,049.53		2,796,000.00	
Other receivables		**4,224,526.16**	**2,935,111.14**	**7,385,704.01**	**3,435,386.76**
	Parent company and ultimate controlling party	**333,807.94**	**36,274.41**	**4,027,871.04**	**388,980.54**
	Dongfang Electric Corporation	333,807.94	36,274.41	4,027,871.04	388,980.54
	Joint ventures and associated enterprises	**846,181.70**	**43,095.32**	**500,000.00**	**200,000.00**
	Deyang Guangda Dongqi	127,443.99	6,372.20		
	Dongfang Mitsubishi	326,244.00	16,312.20		
	China United Heavy Gas	95,393.58	4,769.68		
	Hunan Ping AN Environmental Protection			500,000.00	200,000.00
	Dongfang Framatome	297,100.13	15,641.24		
	Subsidiaries in bankruptcy liquidation	**2,845,136.58**	**2,845,136.58**	**2,845,136.58**	**2,845,136.58**
	Hangzhou New Energy	2,845,136.58	2,845,136.58	2,845,136.58	2,845,136.58
	Other enterprises controlled by the same parent company and ultimate controlling party	**199,399.94**	**10,604.83**	**12,696.39**	**1,269.64**
	Dongfang Solar Energy	12,696.39	1,269.64		
	Dongfang Sharing	186,703.55	9,335.19	12,696.39	1,269.64
Contract assets		**147,183,523.38**	**6,985,225.43**	**54,700,395.28**	**1,406,166.73**
	Joint ventures and associated enterprises	**86,391,701.41**	**6,061,330.66**	**24,464,829.89**	**1,243,809.87**
	MHPS Dongfang Boiler	35,307,227.15	2,914,387.72	7,904,231.30	824,783.13
	China United Heavy Gas	8,798,000.00	879,800.00		
	Henan Dongfang Boiler Chengfa	450,766.56	87,903.31	92,483.56	23,384.71

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Hunan Ping AN Environmental Protection	3,956,420.25	395,642.03	3,956,420.25	395,642.03
	Dongfang Mitsubishi	2,207,335.63		12,511,694.78	
	Longkou Wind Power	114,900.00	5,745.00		
	Mulei East New Energy	35,508,000.00	1,775,400.00		
	Hongnijin Wind Power	49,051.82	2,452.60		
	Other enterprises controlled by the same parent company and ultimate controlling party	**60,791,821.97**	**923,894.77**	**30,235,565.39**	**162,356.86**
	Sichuan Honghua	2,081,501.28		2,081,501.28	
	Quzhou Huihe New Energy	6,708,462.80		6,708,462.80	
	Dongyao Fuyang New Energy	8,981,003.50		14,628,756.08	
	Jiuquan Integrated Smart Energy	303,774.06		4,755,052.17	
	Honghua Electric	9,628,272.81	555,059.86	2,061,793.06	162,356.86
	Dongshu New Material	180,000.00	9,000.00		
	Dongfang Digital Technology	1,525,100.00	76,255.00		
	Dongyao Qujing New Energy	2,762,482.00	276,225.26		
	Dongyao Zhangbei New Energy	28,474,132.52			
	Emeishan Eban High Purity Material	147,093.00	7,354.65		
Entrusted loans		**395,326,514.45**	**395,326,514.45**	**395,326,514.45**	**395,326,514.45**
	Subsidiaries in bankruptcy liquidation	**395,326,514.45**	**395,326,514.45**	**395,326,514.45**	**395,326,514.45**
	Hangzhou New Energy	395,326,514.45	395,326,514.45	395,326,514.45	395,326,514.45
Issue loans and advances		**203,201,485.00**	**31,200,000.00**	**920,608,891.00**	**126,000,000.00**
	Other enterprises controlled by the same parent	**203,201,485.00**	**31,200,000.00**	**920,608,891.00**	**126,000,000.00**

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	company and ultimate controlling party				
	Honghua China			840,000,000.00	126,000,000.00
	Quzhou Huihe New Energy	73,201,485.00		80,608,891.00	
	Sichuan Honghua	130,000,000.00	31,200,000.00		
Other current assets		**960,900,000.00**	**205,176,000.00**	**960,000,000.00**	**91,500,000.00**
	Joint ventures and associated enterprises	**100,000,000.00**		**100,000,000.00**	
	MHPS Dongfang Boiler	100,000,000.00		100,000,000.00	
	Other enterprises controlled by the same parent company and ultimate controlling party	**860,900,000.00**	**205,176,000.00**	**860,000,000.00**	**91,500,000.00**
	Dongfang Jiuquan Photovoltaic			5,000,000.00	
	Dongshu New Material	240,000,000.00	57,600,000.00	245,000,000.00	
	Sichuan Honghua	444,900,000.00	106,776,000.00	535,000,000.00	80,250,000.00
	Dongfang Feiyuan	120,000,000.00	28,800,000.00	75,000,000.00	11,250,000.00
	Honghua Marine	50,000,000.00	12,000,000.00		
	Emeishan Eban High Purity Material	6,000,000.00			
Discounted assets		**5,818,660.70**		**7,646,303.45**	
	Joint ventures and associated enterprises			**3,697,424.50**	
	Deyang Guangda Dongqi			3,697,424.50	
	Other enterprises controlled by the same parent company and ultimate controlling party	**5,818,660.70**		**3,948,878.95**	
	Sichuan Honghua	3,473,986.40	833,756.74		
	Honghua Electric	2,344,674.30			

Name of items	Related party	Closing balance		Balance as at December 31, 2024	
		Balance of book value	Provision for bad debts	Balance of book value	Provision for bad debts
	Dongshu New Material			3,948,878.95	
Dividends receivable					
	Joint ventures and associated enterprises	**30,586,036.03**	**7,288,939.04**	**30,586,036.03**	**7,288,939.04**
	Longkou Wind Power	13,210,670.09		13,210,670.09	
	Hongnijin Wind Power	10,086,426.90		10,086,426.90	
	Sanshengtai Wind Power	3,460,131.28	3,460,131.28	3,460,131.28	3,460,131.28
	Wulan New Energy	3,828,807.76	3,828,807.76	3,828,807.76	3,828,807.76
Non-current assets due within one year		**688,860,000.00**	**165,326,400.00**		
	Other enterprises controlled by the same parent company and ultimate controlling party	**688,860,000.00**	**165,326,400.00**		
	Sichuan Honghua	688,860,000.00	165,326,400.00		

11.6.3. Items payable

Name of items	Related party	Balance at end of the period	Balance at the end of last year
Accounts payable		**1,274,426,485.86**	**868,865,146.25**
	Parent company and ultimate controlling party	**5,498,984.70**	**926,500.00**
	Dongfang Electric Corporation	5,498,984.70	926,500.00
	Joint ventures and associated enterprises	**908,223,436.94**	**683,038,088.71**
	MHPS Dongfang Boiler	311,637,000.92	159,192,328.80
	Dongfang Mitsubishi	104,401,840.40	141,297,217.86
	Deyang Guangda Dongqi	441,391,037.19	360,868,865.84
	Hunan Ping AN Environmental Protection	12,106,993.66	5,212,446.90
	Henan Dongfang Boiler Chengfa	38,686,564.77	16,467,229.31
	Other enterprises controlled by the same parent company and ultimate controlling party	**359,186,500.82**	**183,347,243.16**
	Dongshu New Material	222,270,510.91	52,679,605.16
	Dongfang Solar Energy	2,571,700.95	10,482,313.80

Name of items	Related party	Balance at end of the period	Balance at the end of last year
	Dongfang Digital Technology	7,201,354.24	150,000.00
	Honghua Electric	20,127,219.52	29,388,269.47
	Hanzheng Testing	927,541.70	410,163.40
	Sichuan Honghua	98,480,313.97	82,082,228.42
	Dongfang Sharing	123,100.00	113,000.00
	Honghua Marine	3,818,710.91	3,818,710.91
	Gansu Hongteng	3,274,795.22	4,222,952.00
	Honghua Oil Service	391,253.40	
	Subsidiaries previously under the control of the same parent company and ultimate controlling party		**35,750.98**
	Dongfang Maiji		35,750.98
	Investors with significant influence	**1,517,563.40**	**1,517,563.40**
	West China Energy	1,517,563.40	1,517,563.40
Contract liabilities		**340,939,358.22**	**400,707,701.14**
	Joint ventures and associated enterprises	**221,249,996.46**	**254,396,319.05**
	Dongfang Mitsubishi	130,176,750.44	114,053,653.59
	Dongfang Framatome	0.00	68,635,000.00
	MHPS Dongfang Boiler	7,037,106.48	468,064.73
	Deyang Guangda Dongqi		509,635.39
	China United Heavy Gas	84,036,139.54	70,609,965.34
	Henan Dongfang Boiler Chengfa	0.00	120,000.00
	Other enterprises controlled by the same parent company and ultimate controlling party	**119,689,361.76**	**146,311,382.09**
	Dongfang Digital Technology	3,185,840.71	
	Honghua Electric	1,174,907.84	
	Dongyao Zhangbei New Energy		5,169,823.42
	Qinhuangdao Juxing Photovoltaic	88,245,124.70	113,567,760.16
	Dongshu New Material		
	Emeishan Eban High Purity Material	0.00	490,310.00
	Sichuan Honghua	95,084.93	95,084.93
	Honghua Leasing	26,988,403.58	26,988,403.58
Other payables		**366,843,029.21**	**382,767,086.38**
	Parent company and ultimate controlling party	**364,797,913.08**	**382,527,094.71**
	Dongfang Electric Corporation	364,797,913.08	382,527,094.71
	Other enterprises controlled by the same parent company and ultimate controlling party	**1,858,827.00**	
	Dongfang Digital Technology	1,858,827.00	
	Subsidiaries in the state of bankruptcy and liquidation	**127,240.00**	**127,240.00**

Name of items	Related party	Balance at end of the period	Balance at the end of last year
	Hangzhou New Energy	127,240.00	127,240.00
	Investors with significant influence	**59,049.13**	**112,751.67**
	West China Energy	59,049.13	112,751.67
Lease liabilities		**49,700,281.63**	**50,359,093.09**
	Parent company and ultimate controlling party	**49,700,281.63**	**50,359,093.09**
	Dongfang Electric Corporation	49,700,281.63	50,359,093.09
Non-current liabilities due within one year		**187,564,250.86**	**225,031,311.06**
	Parent company and ultimate controlling party	**187,564,250.86**	**225,031,311.06**
	Dongfang Electric Corporation	187,564,250.86	225,031,311.06
Long-term borrowings		**1,281,708,500.00**	**1,357,248,500.00**
	Parent company and ultimate controlling party	**1,281,708,500.00**	**1,357,248,500.00**
	Dongfang Electric Corporation	1,281,708,500.00	1,357,248,500.00

12.Share-based payment

12.1. General information of share-based payment

Total amount of equity instruments granted by the Company in the current period	Nil
Total amount of all equity instruments of the Company that have lapsed in the current period	17,334
The range of exercise prices of stock options issued by the Company at the end of the period and the remaining term of the contract	Nil
The range of exercise prices of other equity instruments issued by the Company at the end of the period and the remaining contract term	Nil

12.2. Equity-settled share-based payments

12.2.1. Validity period, restriction period and rescission arrangement:

(1) The valid period of this incentive plan is from the day when the registration of the restricted stocks granted for the first time is completed to the date when the sales restrictions, purchase or cancellation on all the restricted stocks granted to incentive objects are lifted, with a maximum of 72 months.

(2) The periods of restricted sales granted in this incentive plan are respectively 24 months, 36 months or 48 months from the date when the registration of the restricted stocks corresponding to the granted part is completed. The restricted stocks granted by incentive objects under this incentive plan shall not be transferred, used to guarantee or repay for debts before the sales restrictions are lifted.

After the period of restricted sales expires, the Company handles the lifting of restricted sales for the incentive objects eligible for lifting the restricted sales. Restricted stocks held by the incentive objects not eligible for lifting the restricted sales will be repurchased and cancelled by the Company.

(3) The time of lifting restricted sales of the restricted stocks granted for the first time and reserved for grant under the incentive plan and the time of lifting restricted sales in various periods are shown in the table below:

Unlocking period	Time schedule for unlocking	Unlocking Ratio
The first unlocking period under the first and reserved grant	Commencing from the first trading day after expiry of the 24-month period from the date of completion of registration of certain corresponding restricted shares and ending on the last trading day of the 36-month period from the date of completion of registration of certain corresponding restricted shares	1/3
The second unlocking period under the first and reserved grant	Commencing from the first trading day after expiry of the 36-month period from the date of completion of registration of certain corresponding restricted shares and ending on the last trading day of the 48-month period from the date of completion of registration of certain corresponding restricted shares	1/3
The third unlocking period under the first and reserved grant	Commencing from the first trading day after expiry of the 48-month period from the date of completion of registration of certain corresponding restricted shares and ending on the last trading day of the 60-month period from the date of completion of registration of certain corresponding restricted shares	1/3

The Company will repurchase and cancel the restricted stocks in principles stipulated in the incentive plans, provided that the restricted sales for restricted stocks cannot be lifted within the above-mentioned agreed period. The restricted stocks obtained by incentive objects, are restricted for sales together with the shares obtained from conversion of capital reserves into share capital, stock dividends or stock split, may not be sold in the secondary market or transferred otherwise. The unlocking period of such shares is the same as that of restricted stocks. If the company repurchases restricted stocks that have not been lifted, the stocks will be repurchased and cancelled together.

(4) The incentive objects entitled to unlock restricted stocks, when trying to unlock and sell the restricted stocks granted to them, shall not only meet the relevant requirements consistent with the granting conditions, but also meet the following conditions:

1) Company-level performance appraisal requirements

The restricted stocks granted for the first time by this incentive plan will be subject to annual performance assessment and the restriction on sale will be lifted in the 3 fiscal years from 2020 to 2022. The assessment will be conducted once in each fiscal year to achieve the Company's performance assessment target as the incentive object to be lifted.

Unlocking period	Performance appraisal objectives
The first unlocking period	(1) The compound growth rate of net profit in 2020, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2020 is not less than 4% as well as the peer industry's performance average; (3) The EVA in 2020 is positive.
The second unlocking period	(1) The compound growth rate of net profit in 2021, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2021is not less than 4.5% as well as the peer industry's performance average; (3) The EVA in 2021 is positive.
The third unlocking period	(1) The compound growth rate of net profit in 2022, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2022 is not less than 5% as well as the peer industry's performance average; (3) The EVA in 2022 is positive.

The reserved part has been sold in 2020, and the annual performance assessment targets of the reserved part are shown in the following table:

Unlocking period	Performance appraisal objectives
The first unlocking period	(1) The compound growth rate of net profit in 2021, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2021 is not less than 4.5% as well as the peer industry's performance average; (3) The EVA in 2021 is positive.
The second unlocking period	(1) The compound growth rate of net profit in 2022, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2022 is not less than 5% as well as the peer industry's performance average; (3) The EVA in 2022 is positive.
The third unlocking period	(1) The compound growth rate of net profit in 2023, calculated based on the net profit in 2018, is not less than 10% as well as the peer industry's performance average; (2) The ROE in 2023 is not less than 5.5% as well as the peer industry's performance average; (3) The EVA in 2023 is positive.

Notes:

① The above-mentioned "net profit" indicators refer to the net profit attributable to shareholders of listed companies; "Return on net assets" refers to weighted average return on net assets.

② During the validity period of the equity incentive plan, if the company has additional issuance, share allotment and other matters that lead to changes in net assets, the amount of changes in net assets caused by the matters and the corresponding income amount generated will be excluded during the assessment (if the corresponding income amount cannot be accurately calculated, it can be calculated and determined by multiplying the actual financing amount after deducting the financing cost by the interest rate of the national debt in the same period).

The incentive cost generated by this incentive plan will be charged in the administrative expenses. If the company's performance appraisal target for a certain period of lifting the restricted sale of restricted stocks has not been achieved, all restricted stocks of the incentive object in the current period cannot be lifted, and the company will repurchase and cancel it according to this incentive plan at the lower of the grant price and the stock market price at the time of repurchase (the average trading price of the company's underlying stocks one trading day before the announcement of the resolution of the board of directors considering repurchase).

2) Personal performance appraisal requires that during the validity period of this incentive plan, the personal performance appraisal of all incentive objects shall be based on the

current performance of the company.

12.2.2. The sale restriction will be unlocked this year

(1) The Company held the 7th meeting of the 10th session of the board of directors and the 4th meeting of the 10th session of the board of supervisors On December 8, 2021, at which the "Resolution on the First Grant of the First Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the first release of the first grant under the 2019 A-Share Restricted Stock Incentive Plan had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 759 eligible incentive recipients. The number of restricted shares released from sale is 9,082,232, and the listing and circulation date of this release is January 10, 2022.

(2) The Company held the 11th meeting of the 10th session of the board of supervisors on October 27, 2022, at which the "Resolution on the Reserved Grant of the First Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. The Company held the 17th meeting of the 10th session of the board of directors on October 28, 2022, at which the "Resolution on the Reserved Grant of the First Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the first release of the reserved grant under the Company’s 2019 A-Share Restricted Stock Incentive Plan (the “Incentive Plan”) had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 25 eligible incentive recipients. The number of restricted shares released from sale is 298,998, and the listing and circulation date of this release is November 28, 2022.

(3) The Company held the 12th meeting of the 10th session of the board of supervisors on December 27, 2022, at which the "Resolution on the First Grant of the Second Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. The Company held the 11th meeting of the 10th session of the board of directors on December 28, 2022, at which the "Resolution on the First Grant of the Second Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the second release of the first grant under the Company’s 2019 A-Share Restricted Stock Incentive Plan (the “Incentive Plan”) had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 744 eligible incentive recipients. The number of restricted shares released from sale is 8,852,565, and the listing

and circulation date of this release is January 9, 2023.

(4) The Company held the 18th meeting of the 10th session of the board of supervisors on October 27, 2023, and the 31th meeting of the 10th session of the board of directors on October 28, 2022, at which the "Resolution on the Reserved Grant of the Second Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the second release of the reserved grant under the Company's 2019 A-Share Restricted Stock Incentive Plan (the "Incentive Plan") had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 24 eligible incentive recipients. The number of restricted shares released from sale is 292,333, and the listing and circulation date of this release is November 27, 2023.

(5) The Company held the 20th meeting of the 10th session of the board of supervisors on January 4, 2024 and the 33th meeting of the 10th session of the board of directors on January 5, 2024, at which the "Resolution on the First Grant of the Third Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the third release of the first grant under the Company's 2019 A-Share Restricted Stock Incentive Plan (the "Incentive Plan") had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 673 eligible incentive recipients. The number of restricted shares released from sale is 7,877,563, and the listing and circulation date of this release is January 16, 2024.

(6) The Company held the third meeting of the 11th session of the board of supervisors on October 28, 2024, and the fourth meeting of the 11th session of the board of directors on October 30, 2024, at which the "Resolution on the Reserved Grant of the Third Phase of the 2019 A-Share Restricted Stock Incentive Plan to Lift the Restricted Sale Conditions" was considered and approved. After deliberation, it was confirmed that the conditions for the third release of the reserved grant under the Company's 2019 A-Share Restricted Stock Incentive Plan (the "Incentive Plan") had been satisfied, and the Company has agreed to handle the relevant lifting of restricted shares for 23 eligible incentive recipients. The number of restricted shares released from sale is 275,001, and the listing and circulation date of this release is November 25, 2024.

12.3. Cash-settled share-based payment

None.

12.4. Adjustment to and termination of share-based payment

None.

12.5. Others

None.

13. Commitments and contingencies

13.1. Important commitments

13.1.1. Significant commitments existing on the balance sheet date

(1) The Company's capex commitment as of June 30, 2025

Capital expenditure commitments signed but not recognized in the financial statements:

Item	Amount as at June 30, 2025	Amount as at January 1, 2025
Basic infrastructure	544,605,028.59	351,715,076.10
Equipment	909,329,387.67	773,582,030.76
Total	1,453,934,416.26	1,125,297,106.86

As of June 30, 2025, the Company has a total of RMB1,453,934,416.26 of agreed major foreign investment expenditures that have been signed but not paid, the details are as follows:

Unit of commitment	Name of investment project	Contract investment amount	The amount of investment paid	Unpaid investment	Estimated investment period
The Company and its subsidiaries	Basic infrastructure	1,207,998,434.19	663,393,405.60	544,605,028.59	2025 and subsequent years
The Company and its subsidiaries	Equipment	1,506,544,517.35	597,215,129.68	909,329,387.67	2025 and subsequent years
	Total	2,714,542,951.54	1,260,608,535.28	1,453,934,416.26	

(2) Lease contracts signed and being or to be performed and their financial impact

As of June 30, 2025, the Company's minimum future rent payable for the following periods under the irrevocable operating lease as the lessee is summarized as follows:

Item	Closing balance	Opening balance
Within 1 years	123,732,306.23	60,651,269.73
The second year	77,536,911.60	38,590,461.60
The third year	75,698,179.68	34,960,355.62
The fourth year	68,174,570.77	33,861,250.00

The fifth year	33,391,250.00	33,391,250.00
Over five years	27,391,250.00	185,036,575.52

13.1.2. The Company shall also explain that it has no commitments that need to be disclosed

None.

13.1.3. Others

None.

13.2. Contingent Events

13.2.1. Important contingent events on the balance sheet date

(1) Contingencies arising from the provision of external debt guarantees and their financial implications

As of June 30, 2025, the Company has provided the following guarantees for related parties:

Name of the guaranteed entity	Matters of guarantee	Amount	Term
Dongfang Mitsubishi	Performance guarantee	24,500,000.00	Termination date of long-term service agreement
Hongnijing Wind Power	Guarantee of credit	16,000,000.00	2026/1/19
Sanshengtai Wind Power	Guarantee of credit	16,000,000.00	2026/6/29
Wulan New Energy	Guarantee of credit	36,000,000.00	2026/10/27
Total		92,500,000.00	

Description: Long-term Management Agreement for M7O1F Gas Turbine Components, Component Maintenance and Technical Consulting Services proposed to be entered into between Dongfang Mitsubishi and CNOOC Zhuhai Gas Power Co., LTD., Zhongshan Jiaming Power Co., LTD., CNOOC Fujian Gas Power Co., LTD., and Guangdong Huizhou Gas Power Co., LTD. (collectively, the "Owners") (hereinafter referred to as the Gas Turbine Long-term Service Agreement), the Gas Turbine Long-term Service Agreement involves 12 units, and the owner requires the parent company of Dongfang Mitsubishi (Mitsubishi Hitachi Electric Power System Co., Ltd. and the company) to sign the Parent Company Guarantee Agreement to guarantee the performance of the agreement by Oriental Mitsubishi. The total amount of guarantee for this long-term service agreement is 50 million RMB, and the company will provide 24.5 million RMB of guarantee according to the proportion of equity held by Dongfang Mitsubishi. Guarantee Period: After the expiration or termination of the Gas Turbine Long-term Service Agreement, the guarantee liability shall have full effect to the extent that the Seller's obligations or liabilities under the contract continue until the Seller's obligations and liabilities under or in connection with the contract (including but not limited to guarantee obligations) have been performed without defect.

(2) Issue letters of guarantee and letters of credit

Outstanding letters of guarantee:

Letters of guarantee issued by the Company as of June 30, 2025:

Name of company	Type of business	Type of currency	Balance as at June 30, 2025 (equivalent to RMB)
Company	Letter of credit	RMB	3,629,057,325.53
Company	Letter of credit	USD	15,361,711.33
Dongfang Boiler	Letter of credit	RMB	5,708,241,309.27
Dongfang Boiler	Letter of credit	USD	9,834,771.02
Dongfang Electric Machinery	Letter of credit	RMB	5,806,879,426.11
Dongfang Electric Machinery	Letter of credit	USD	540,005,858.25
Dongfang Electric Machinery	Letter of credit	VEF	16,463,865.75
Dongfang Electric International Corporation	Letter of credit	RMB	1,484,375,807.86
Dongfang Electric International Corporation	Letter of credit	USD	2,696,121,302.72
Dongfang Electric International Corporation	Letter of credit	EUR	363,067,513.07
Dongfang Electric International Corporation	Letter of credit	VND	1,789,910.80
Dongfang Electric International Corporation	Letter of credit	ETB	5,314,000.00
Dongfang Electric International Corporation	Letter of credit	Other	23,773,832.01
Dongfang Design	Letter of credit	RMB	543,082,480.18
Dongfang Design	Letter of credit	USD	4,324,547.06
Dongfang Turbine	Letter of credit	RMB	5,867,548,160.95
Dongfang Turbine	Letter of credit	EUR	1,277,847.86
Dongfang Wind Power	Letter of credit	RMB	7,547,124,480.21
Dongfang Autocontrol	Letter of credit	RMB	39,145,938.49
Dongfang Supplies	Letter of credit	RMB	45,236,908.67
Dongfang Heavy Machinery	Letter of credit	RMB	814,698,581.08
Dongfang Heavy Machinery	Letter of credit	EUR	8,459,973.24
Dongfang Electric Nuclear Equipment	Letter of credit	RMB	182,407,870.69

Name of company	Type of business	Type of currency	Balance as at June 30, 2025 (equivalent to RMB)
Dongfang Electric Corporation Research Institute	Letter of credit	RMB	10,715,746.28

Outstanding letters of credit:

Irrevocable letters of credit issued by the Company as of June 30, 2025:

Name of company	Type of business	Type of currency	Balance as at June 30, 2025 (equivalent to RMB)
Dongfang Boiler	Letter of credit	USD	402,025,461.38
Dongfang Boiler	Letter of credit	EUR	17,987,757.09
Dongfang Electric Machinery	Letter of credit	USD	9,872,112.06
Dongfang Electric Machinery	Letter of credit	JPY	19,401,785.78
Dongfang Electric Machinery	Letter of credit	EUR	52,234,799.86
Dongfang Electric Machinery	Letter of credit	CHF	7,436,385.12
Dongfang Electric International Corporation	Letter of credit	USD	3,624,551.16
Dongfang Electric International Corporation	Letter of credit	EUR	1,414,164,909.08
Dongfang Turbine	Letter of credit	USD	14,724,144.26
Dongfang Turbine	Letter of credit	JPY	2,098,197,890.56
Dongfang Turbine	Letter of credit	GBP	1,774,383.00
Dongfang Turbine	Letter of credit	EUR	715,948,150.96

13.2.2. Others

None.

14. Post balance sheet events

14.1. Important non-adjustment events

None.

14.2. Profit distribution

None.

14.3. Notes to other post-balance sheet events

None.

15. Other important matters

15.1. Correction of accounting errors in the previous period

None.

15.2. Replacement of assets

None.

15.3. Annuity plan

The Company, according to the State-owned Assets Supervision and Administration Commission of the State Council, "Reply Letter on the Trial Enterprise Annuity System of China Dongfang Electric Corporation Company" (State-owned Assets Distribution [2007] No. 1201) and "Letter on the record of Enterprise annuity plan of 11 units such as China Aerospace Science and Industry Group Company Limited" (State Assets Department Exam [2019] No. 65), The General Office of the Ministry of Human Resources Social Security issued a letter on the filing of the Enterprise annuity plan of 17 units such as China Taiping Insurance Corporation Co., LTD. (Letter [2018] No. 334 of the Human Resources and Social Security Department), in accordance with the method of joint payment by enterprises and employees, annuity costs are included in the current annual costs. The annuity will be deposited into the trustee account of the Enterprise annuity Fund every year, and will be entrusted by Dongfang Electric Corporation Company to China Life Pension Insurance Co., LTD for operation and management.

15.4. Terminating the operation

Not involved.

15.5. Division information

15.5.1. Determination basis and accounting policies of reporting divisions

The Company determines its operating divisions based on its internal organizational structure, management requirements and internal reporting system. An operating segment of the Company refers to a component that simultaneously satisfies the following conditions:

(1) The component is able to generate income and incur expenses in daily activities;

(2) The management can regularly evaluate the operating results of the component to decide to allocate resources to it and evaluate its performance;

(3) Able to obtain the financial position, operating results, cash flow and other relevant accounting information of the component. The Company determines a reporting segment on the basis of an operating segment, and an operating segment that meets one of the following conditions is identified as a reporting segment:

(1) The segment revenue of the operating segment accounts for 10% or more of the total revenue of all segments;

(2) The absolute segment profit (loss) of the segment accounts for 10% or more of

the greater of the total profit of all profitable segments or the total loss of all loss-making segments.

If the ratio of the total amount of foreign transaction income of the operating segment of the reportable segment to the consolidated total revenue determined in accordance with the above accounting policies does not reach 75%, the number of reportable segments shall be increased, and other operating segments not treated as reportable segments shall be included in the scope of the reportable segment according to the following provisions until the proportion reaches 75%:

(1) Identify the operating segment that the management considers useful for the users of accounting information to disclose the information of the operating segment as the reporting segment;

(2) Combine the operating segment with one or more other operating segments that have similar economic characteristics and meet the conditions for the combination of operating segments as a reporting segment.

The transfer price between segments shall be determined with reference to the market price, and the assets and related expenses jointly used with each segment shall be distributed among different segments in proportion to the revenue.

15.5.2. Financial information of reportable segments

Item	Renewable energy equipment	Clean and efficient energy equipment	Engineering and supply chain business	Modern manufacturing services industry	Emerging growth industry	Summary	Offset	Total
Operating income	11,586,066,450.35	21,509,586,514.79	4,127,676,462.02	3,994,895,452.40	6,263,638,892.26	47,481,863,771.82	9,330,912,237.65	38,150,951,534.17
Including: income from foreign transactions	10,424,515,008.11	16,767,014,023.55	3,138,302,302.66	3,426,318,160.59	4,394,802,039.26	38,150,951,534.17		38,150,951,534.17
Revenue from inter-segment transactions	1,161,551,442.24	4,742,572,491.24	989,374,159.36	568,577,291.81	1,868,836,853.00	9,330,912,237.65	9,330,912,237.65	
Operating costs	10,550,811,929.29	18,860,043,605.47	3,882,987,898.49	2,644,010,815.03	5,294,550,155.21	41,232,404,403.49	9,411,906,736.69	31,820,497,666.80
Offset of costs	1,180,942,562.41	4,990,744,391.50	957,490,831.77	716,064,523.20	1,566,664,427.81	9,411,906,736.69		9,411,906,736.69
Expenses for the period						2,981,203,120.29	-278,753,386.67	3,259,956,506.96
Operating profit (loss)	1,054,645,641.23	2,897,714,809.58	212,805,235.94	1,498,371,868.76	666,916,311.86	6,330,453,867.37	3,824,067,803.21	2,506,386,064.16
Total assets						251,694,470,385.77	95,328,953,433.42	156,365,516,952.35
Including: the amount of a single asset with significant impairment loss								
Total liabilities						181,258,849,642.90	70,296,997,083.40	110,961,852,559.50
Additional Information								
Capital expenditure								
Impairment losses recognised in the current period						-809,222,176.28	-142,717,594.30	-666,504,581.98

Item	Renewable energy equipment	Clean and efficient energy equipment	Engineering and trade	Modern manufacturing services industry	Emerging growth industry	Summary	Offset	Total
Including: allocation of goodwill impairment								
Depreciation and amortisation expense						550,717,218.51		550,717,218.51
Non-cash expenses other than impairment losses, depreciation and amortization								

15.6 Other important matters that have an impact on investors' decisions

None

15.7 Others

None

16. Notes to major items in the Company's financial statements

16.1. Accounts receivable

16.1.1. Aging of accounts receivable

Age of account	Closing balance	Balance as at December 31, 2024
Within 1 year (inclusive)	584,929,326.08	515,587,506.50
1-2 years (including 2 years)	223,408,471.34	165,780,489.47
2 to 3 years (including 3 years)	298,268,692.24	219,493,933.10
More than 3 years		
3 to 4 years (including 4 years)	70,534,832.53	38,144,608.89
4-5 years (including 5 years)	66,073,193.73	79,866,335.96
More than 5 years	125,081,931.34	66,014,747.63
Sub-total	1,368,296,447.26	1,084,887,621.55
Less: Provision for bad debts	297,573,232.59	284,340,269.75
Total	1,070,723,214.67	800,547,351.80

Note: Accounts receivable are recorded mainly on the date of business occurrence.

16.1.2. Accounts receivable shall be classified and disclosed according to the bad debt provision method

Category	Balance as at June 30, 2025					Balance as at December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts shall be made separately						80,924,526.00	7.46	80,924,526.00	100.00	
Provision for bad debts shall be made according to the combination of credit risk characteristics	1,368,296,447.26	100.00	297,573,232.59	21.75	1,070,723,214.67	1,003,963,095.55	92.54	203,415,743.75	20.26	800,547,351.80
Including:										
Combination of aging analysis method	1,368,296,447.26	100.00	297,573,232.59	21.75	1,070,723,214.67	1,003,963,095.55	92.54	203,415,743.75	20.26	800,547,351.80
Total	1,368,296,447.26	100.00	297,573,232.59		1,070,723,214.67	1,084,887,621.55	100.00	284,340,269.75		800,547,351.80

Provision for bad debts according to the combination of credit risk characteristics:

Aging analysis combination:

Age of account	Closing balance		
	Accounts receivable	Provision for bad debts	Withdrawal ratio (%)
Within 1 year (inclusive)	584,929,326.08	29,246,185.79	5.00
1-2 years (including 2 years)	223,408,471.34	22,340,847.13	10.00
2 to 3 years (including 3 years)	298,268,692.24	59,653,738.45	20.00
3 to 4 years (including 4 years)	70,534,832.53	28,213,933.01	40.00
4-5 years (including 5 years)	66,073,193.73	33,036,596.87	50.00
Over 5 years	125,081,931.34	125,081,931.34	100.00
Total	1,368,296,447.26	297,573,232.59	

16.1.3. Provisions for bad debts drawn, reversed or recovered in the current period

Category	Balance as at December 31, 2024	Change amount for the current period				Balance as at June 30, 2025
		Provision	Take back or turn back	Resale or write-off	Other changes	
Provision for doubtful accounts receivable	284,340,269.75	13,232,962.84				297,573,232.59
Total	284,340,269.75	13,232,962.84				297,573,232.59

16.1.4. The top five ending balances of accounts receivable and contract assets collected by the debtor

Name of debtor	Balance of book value	Percentage of total accounts receivable (%)	Provision for bad debts
Entity 1	183,256,172.76	13.39	9,162,528.11
Entity 2	116,172,129.58	8.49	8,925,379.55
Entity 3	113,879,957.50	8.32	11,387,995.75
Entity 4	80,228,103.42	5.86	16,045,620.68
Entity 5	79,338,979.20	5.80	3,966,948.96
Total	572,875,342.46		49,488,473.05

16.2. Other receivables

Item	Balance as at June 30, 2025	Balance as at December 31, 2024
Interest receivable		
Dividends receivable	23,297,096.99	23,297,096.99
Other receivables	789,149,272.30	17,621,082.56
Total	812,446,369.29	40,918,179.55

16.2.1. Dividends receivable

(1) Details of dividends receivable

Project (or invested entity)	Closing balance	Opening balance
(1) Longkou Wind Power	13,210,670.09	13,210,670.09
(2) Hongnijing Wind Power	10,086,426.90	10,086,426.90
(3) Sanshengtai Wind Power	3,460,131.28	3,460,131.28
(4) Wulan New Energy	3,828,807.76	3,828,807.76
Subtotal	30,586,036.03	30,586,036.03
Less: Provision for bad debts	7,288,939.04	7,288,939.04
Total	23,297,096.99	23,297,096.99

(2) Significant dividends receivable with an account age of more than one year

Project (or invested entity)	Closing balance	Age of account	Reasons for non-recovery	Whether impairment occurs and the basis for judgment
(1) Longkou Wind Power	3,582,372.24	Over 2 years	The investee is financially tight	No
(2) Hongnijing Wind Power	10,086,426.90	Over 2 years	The investee is financially tight	No
(3) Sanshengtai Wind Power	3,460,131.28	Over 3 years	The investee is financially tight	Yes. The investee is financially tight
(4) Wulan New Energy	3,828,807.76	Over 3 years	The investee is financially tight	Yes. The investee is financially tight
Total	20,957,738.18			

16.2.2. Other receivables

(1) Disclosure by account age

Age of account	Closing balance	Opening balance
Within 1 year (inclusive)	775,090,966.17	3,882,075.26
1-2 years (including 2 years)	4,300,256.84	3,099,873.66
2 to 3 years (including 3 years)	4,430,952.72	5,152,511.24
Over 3 years		
3 to 4 years (including 4 years)	5,037,014.46	4,794,406.28
4-5 years (including 5 years)	7,932,114.98	8,289,144.05
Over 5 years	5,843,514.19	5,245,853.21
Sub-total	802,634,819.36	30,463,863.70
Less: Provision for bad debts	13,485,547.06	12,842,781.14
Total	789,149,272.30	17,621,082.56

(2) Disclosure shall be classified according to the method of bad debt provision

Category	Closing balance					Balance as at December 31, 2024				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts shall be made separately	768,191,900.00	95.71			768,191,900.00					
Provision for bad debts shall be made according to the combination of credit risk characteristics	34,442,919.36	4.29	13,485,547.06	39.15	20,957,372.30	30,463,863.70	100.00	12,842,781.14	42.16	17,621,082.56
Including:										
Combination of aging analysis method	34,442,919.36	100.00	13,485,547.06	39.15	20,957,372.30	30,463,863.70	100.00	12,842,781.14	42.16	17,621,082.56
Total	802,634,819.36	100.00	13,485,547.06		789,149,272.30	30,463,863.70	100.00	12,842,781.14		17,621,082.56

Significant other receivables with specific bad debt provision:

(3) Provision for bad debts

Provision for bad debts	Phase 1 Expected credit losses over the next 12 months	Phase 2 Expected credit losses over the lifetime (no credit impairment occurred)	Phase 3 Expected credit losses over the lifetime (credit impairment has occurred)	Total
Opening balance	12,842,781.14			12,842,781.14
Opening balance in the current period				
--Move to the second stage				
--Move to the third stage				
--Go back to the second stage				
--Go back to the first stage				
Provision for the current period	642,765.92			642,765.92
Turn back in this issue				
Resell this issue				
Write off in current period				
Other changes				
Closing balance	13,485,547.06			13,485,547.06

The carrying balance of other receivables changed as follows:

Provision for bad debts	Phase 1 Expected credit losses over the next 12 months	Phase 2 Expected credit losses over the lifetime (no credit impairment occurred)	Phase 3 Expected credit losses over the lifetime (credit impairment has occurred)	Total
Opening balance	30,463,863.70			30,463,863.70
Opening balance in the current period				
--Move to the second stage				
--Move to the third stage				
--Go back to the second stage				
--Go back to the first stage				
Additions for the current period	3,979,055.66		768,191,900.00	772,170,955.66
Derecognitions for the current period				
Other changes				

Closing balance	34,442,919.36		768,191,900.00	802,634,819.36

(4) Other receivables in the top five of the ending balance collected by the debtor

Name of company	Nature of funds	Book balance	Age of account	Proportion to total closing balance of other receivables (%)	Ending balance of provision for bad debts
Entity 1	Payment in investment	318,205,100.00	Within 1 year	39.65	
Entity 2	Payment in investment	289,277,200.00	Within 1 year	36.04	
Entity 3	Payment in investment	160,709,600.00	Within 1 year	20.02	
Entity 4	Payment in advance	16,085,487.67	1-5 years	2.00	5,954,226.93
Entity 5	Payment in advance	6,071,197.28	1-5 years	0.76	2,802,868.89
Total		790,348,584.95		98.47	8,757,095.82

16.3. Long-term equity investments

Item	Closing balance			Balance as at December 31, 2024		
	Book balance	Provision for impairment losses	Book value	Book balance	Provision for impairment losses	Book value
Investment in subsidiaries	25,350,910,438.33		25,350,910,438.33	22,744,397,838.33		22,744,397,838.33
Investment in associates and joint ventures	482,155,386.56	40,845,971.47	441,309,415.09	477,772,561.89	40,845,971.47	436,926,590.42
Total	25,833,065,824.89	40,845,971.47	25,792,219,853.42	23,222,170,400.22	40,845,971.47	23,181,324,428.75

16.3.1. Invest in subsidiaries

Invested entity	Balance as at December 31, 2024	The balance of impairment provisions at the end of the previous year	Changes in current period				Closing balance	Closing balance of impairment provision
			Additional investment	Reduce investment	Provision for impairment in the current period	Others		
Dongfang Boiler	5,192,395,417.83		486,460,500.00				5,678,855,917.83	
Dongfang Turbine	6,010,766,999.71		1,133,407,900.00				7,144,174,899.71	
Dongfang Electric Machinery	3,164,000,000.00		735,415,300.00				3,899,415,300.00	
Dongfang Electric India	129,504,712.22						129,504,712.22	
Dongfang Electric Nuclear Equipment	430,660,000.00		80,000,000.00				510,660,000.00	
Dongfang Guangzhong	589,459,392.37		171,228,900.00				760,688,292.37	
Dongfang Wind Power	1,007,437,000.00						1,007,437,000.00	
Dongfang Electric International Corporation	1,409,966,967.29						1,409,966,967.29	
Dongfang Finance	2,867,031,546.59						2,867,031,546.59	
Dongfang Supplies	409,061,568.69						409,061,568.69	
Dongfang Autocontrol	495,700,921.44						495,700,921.44	
Dongfang Electric Corporation Research Institute	393,413,312.19						393,413,312.19	
Dongfang Electric (Chengdu) Innovation Technology Development Co.,	600,000,000.00						600,000,000.00	

LTD								
Dongfang Innovation Technology	45,000,000.0						45,000,000.00	
Total	22,744,397,838.33		2,606,512,600.00				25,350,910,438.33	

16.3.2. Investments in associates and joint ventures

Invested entity	Balance as at December 31, 2024	The balance of impairment provisions at the end of the previous year	Changes in current period								Balance at end of the period	Ending balance of impairment provision
			Additional investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changesin equity	Declare cash dividends or profits	Provision for impairment	Other		
1．Joint venture												
Dongfang Framatome	141,665,343.02				22,948,976.78						164,614,319.80	
Subtotal	141,665,343.02				22,948,976.78						164,614,319.80	
2．Associates												
Longkou Wind Power	87,398,378.62				6,927,431.15						94,325,809.77	
China United	131,541,571.98				8,240.83						131,549,812.81	

Invested entity	Opening balance	Opening balance of impairment provision	Changes in current period: Additional investment	Reduce investment	Investment gains and losses recognized under the equity method	Other comprehensive income adjustment	Other changes in equity	Declare cash dividends or profits	Provision for impairment	Other	Balance at end of the period	Ending balance of impairment provision
Heavy Gas												
Hongnijing Wind Power	21,082,869.56				-279,203.03						20,803,666.53	
Sanshengt ai Wind Power	13,725,971.47	13,725,971.47									13,725,971.47	13,725,971.47
Wulan New Energy	27,120,000.00	27,120,000.00									27,120,000.00	27,120,000.00
Dongfang Hydrogen Energy	55,238,427.24				-25,222,621.06						30,015,806.18	
Subtotal	336,107,218.87	40,845,971.47			-18,566,152.11						317,541,066.76	40,845,971.47
Total	477,772,561.89	40,845,971.47			4,382,824.67						482,155,386.56	40,845,971.47

16.4. Operating income and operating costs

16.4.1. Operating income and operating cost

Item	Amount for the period		Amount for the previous period	
	Income	Cost	Income	Cost
Principal Business Operations	2,989,452,053.24	2,889,189,352.75	4,175,120,752.54	3,994,697,918.05
Other businesses	596,687.68	556,680.13	1,574,107.72	556,680.13
Total	2,990,048,740.92	2,889,746,032.88	4,176,694,860.26	3,995,254,598.18

16.5. Investment income

Item	Amount for the period	Amount for the previous period
Long-term equity investment income calculated by cost method	1,738,237,361.48	1,470,739,213.05
Long-term equity investment income calculated by equity method	4,382,824.67	-1,859,383.31
Investment income from disposal of long-term equity investments		-181,307,748.96
Investment income of a trading financial asset during the holding period		
Investment income from disposal of trading financial assets		
Interest income from debt investments during the holding period		
Investment income from disposal of debt investments		
Interest income from other debt investments during the holding period		
Investment income from disposal of other debt investments		
Dividend income from other equity instrument investments during the holding period		
Investment income from other non-current financial assets during the holding period		
Investment income from disposal of other non-current financial assets		
Gain from remeasurement of retained equity at fair value after loss of control		
Investment income from disposal of a disposal group that constitutes a business		
Investment income arising from debt restructuring		
Others	3,763,753.23	71,574.45
Total	1,746,383,939.38	1,287,643,655.23

16.6 Cash flow statement

16.6.1 Adjustment of net profit to cash flows from operating activities

Item	Amount for the period	Amount for the previous period
Adjustment of net profit to cash flows from		

operating activities		
Net profit	1,528,663,228.89	1,186,810,947.04
Add: credit impairment losses	19,125,537.47	93,172,109.98
Provision for impairment of assets	14,744,309.41	-15,454,721.21
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of productive biological assets	4,832,715.33	4,458,112.06
Depreciation of right-of-use assets	32,139,924.87	34,875,470.28
Amortisation of intangible assets	17,117,505.91	10,791,259.71
Amortisation of long-term amortised expenses		
Loss on disposal of fixed assets, intangible assets and other long-lived assets (Gain is represented by a "-" sign)		-
Loss on retirement of fixed assets (gains are recognised with a "-" sign)		-
Loss on fair value changes (gains are recognised with a "-" sign)	77,061,930.82	-5,008,182.00
Finance costs (gains are represented by a "-" sign)	-587,781.61	2,456,034.49
Losses on investments (gains are represented by a "-" sign)	-1,746,383,939.38	-1,287,643,655.23
Decrease in deferred income tax assets (increase is represented by a "-" sign)		0.00
Increase in deferred income tax liabilities (decrease is indicated by a "-")		-
Decrease in inventories (increase is indicated by a "-")	-35,041,462.97	33,639,158.22
Decrease in operating receivables (increase is represented by a "-")	59,230,765.64	786,207,533.79
Increase in operating accounts payable (decrease is indicated by a "-")	-286,559,006.95	-1,466,202,111.29
Others	3,058,975.17	-977,189.16
Net cash flows from operating activities	-312,597,297.40	-622,875,233.32
Significant investing and financing activities that do not involve cash receipts and payments		
Debt-to-capital conversion		
Convertible bonds due within one year		
Acquisition of right-of-use assets by assuming lease liabilities		
Net change in cash and cash equivalents		
Cash balance at end of year	8,186,745,412.44	6,828,311,958.21
Less: cash balance at beginning of year	5,978,621,835.59	6,172,320,271.62
Add: cash equivalents balance at end of year		
Less: cash equivalents balance at beginning of year		
Net increase in cash and cash equivalents	2,208,123,576.85	655,991,686.59

16.6.2 Composition of cash and cash equivalents

Item	As at end of the year	As at beginning of the year
Cash	8,186,745,412.44	5,978,621,835.59
Including: cash on hand	43,498.95	44,695.43
Bank deposits readily available for payment	8,170,118,410.54	5,961,997,696.02
Central bank deposits available for payment	16,583,502.95	16,579,444.14
Interbank deposits		
Cash equivalents		
Including: investments in bonds maturing within three months		
Cash and cash equivalents balance as at the end of the year	8,186,745,412.44	5,978,621,835.59

17.Supplementary information

17.1. Statement of non-recurring profit and loss for the current period

Item	Amount	Explanation
Gains and losses on disposal of illiquid assets, including the write-off portion of the provision for asset impairment	-194,677.11	
Government grants included in the profit or loss of the current period, except those closely related to the normal business operation of the Company, in accordance with the provisions of national policies, enjoyed in accordance with the determined standards and having a continuous impact on the profit or loss of the Company	108,726,806.46	
In addition to the effective hedging business related to the normal operation of the company, the fair value change gains and losses arising from the holding of financial assets and financial liabilities by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	-77,176,007.37	
Capital occupation fees charged to non-financial enterprises included in current profits and losses		
Profit or loss on investment or management of assets entrusted to others		

Item	Amount	Explanation
Gains and losses from external entrusted loans		
Loss of assets caused by force majeure factors, such as natural disasters		
Reversal of provision for impairment of receivables separately tested for impairment	68,978,233.06	
The investment cost of an enterprise acquiring a subsidiary, an associated enterprise or a joint venture is less than the income generated by the fair value of the identifiable net assets of the invested entity at the time of acquiring the investment		
The current net profit or loss of a subsidiary arising from a business combination under the same control from the beginning of the period to the combination date		
Gains and losses on exchange of non-monetary assets		
Debt restructuring gains and losses	35,587,852.63	
A one-time expense incurred by an enterprise due to the relevant business activities no longer continuing, such as the expenditure of settling employees		
One-time impact on current profit and loss due to adjustment of laws and regulations such as taxation and accounting		
Share payment expenses recognized in a lump sum due to cancellation or modification of equity incentive plans		
For cash-settled share-based payments, gains and losses arising from changes in the fair value of Employee benefit payable after the vesting date		
Gains and losses arising from changes in fair value of investment real estate measured using the fair value model for subsequent measurement		
Gains arising from transactions at significantly unfair prices		
Profit or loss arising from contingencies unrelated to the normal operation of the Company's business		
Income from custodian fees obtained from entrusted operations		
Other non-operating income and expenses other than the above items	-3,558,628.56	
Other profit or loss items that meet the definition of non-recurring profit or loss		
Subtotal	132,363,579.11	
Income tax impact	26,728,904.51	
Impact of minority shareholders' equity (after tax)	2,208,287.45	
Total	103,426,387.15	

17.2. Return on net assets and earnings per share

Profit for the reporting period	Weighted average return on net assets (%)	Earnings per share (RMB)	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to common shareholders of the Company	4.74	0.60	0.60
Net profit attributable to common shareholders of the company after deducting non-recurring gains and losses	4.48	0.56	0.56

17.3 Others

None.

Dongfang Electric Corporation Limited

(Official Seal)

August 28, 2025